

1                                   **SALES TAX ON MOTOR VEHICLES**

2   2020 GENERAL SESSION

3   STATE OF UTAH

4                                   **Chief Sponsor: Norman K. Thurston**

5   Senate Sponsor: Lincoln Fillmore

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7   **LONG TITLE**

8   **Committee Note:**

9           The Revenue and Taxation Interim Committee recommended this bill.

10           Legislative Vote: 11 voting for 0 voting against 8 absent

11   **General Description:**

12           This bill modifies provisions of the Sales and Use Tax Act related to determining the  
13 location of certain transactions.

14   **Highlighted Provisions:**

15           This bill:

16           ▶ provides that when a dealer sells an aircraft, manufactured home, mobile home,  
17 modular home, motor vehicle, or watercraft over the Internet, the location of the  
18 transaction is where the purchaser takes receipt of the property; and

19           ▶ makes technical and conforming changes.

20   **Money Appropriated in this Bill:**

21           None

22   **Other Special Clauses:**

23           None

24   **Utah Code Sections Affected:**

25   AMENDS:

26           **59-12-213**, as enacted by Laws of Utah 2008, Chapter 384



28 *Be it enacted by the Legislature of the state of Utah:*

29 Section 1. Section 59-12-213 is amended to read:

30 **59-12-213. Location of a transaction involving a sale of aircraft, a manufactured**  
31 **home, a mobile home, a modular home, a motor vehicle, or watercraft.**

32 (1) (a) Except as provided in Subsection (1)(b) or (4), the location of a sale of the  
33 following tangible personal property is determined as provided in this section:

- 34 (i) aircraft;
- 35 (ii) a manufactured home;
- 36 (iii) a mobile home;
- 37 (iv) a modular home;
- 38 (v) a motor vehicle; or
- 39 (vi) watercraft.

40 (b) The location of the sale of tangible personal property described in Subsection (1)(a)  
41 is determined in accordance with Sections 59-12-211 and 59-12-212 if the tangible personal  
42 property described in Subsection (1)(a) is transportation equipment as defined in Section  
43 59-12-211.

44 (2) (a) [Hf] Except as provided in Subsection (2)(b), if an item of tangible personal  
45 property described in Subsection (1)(a) is sold by a dealer of that tangible personal property,  
46 the location of the sale of that tangible personal property is the business location of the dealer.

47 (b) If an item of tangible personal property described in Subsection (1)(a) is sold ~~Ŝ~~ **→ [over**  
48 **the Internet]** ~~←Ŝ~~ by a dealer of that tangible personal property ~~Ŝ~~ **→ that does not have a business**  
48a **location in the state** ~~←Ŝ~~ , the location of the sale of that  
49 tangible personal property is the location where the purchaser takes receipt of the tangible  
50 personal property.

51 (3) If an item of tangible personal property described in Subsection (1)(a) is sold by a  
52 person other than a dealer of that tangible personal property, the location of the sale of that  
53 tangible personal property is:

- 54 (a) if the tangible personal property is required to be registered with the state before the  
55 tangible personal property is used on a public highway, on a public waterway, on public land,  
56 or in the air, the location of the street address at which the tangible personal property is  
57 registered; or
- 58 (b) if the tangible personal property is not required to be registered as provided in

59 Subsection (3)(a), the location of the street address at which the purchaser of the tangible  
60 personal property resides.

61 (4) This section does not apply to the lease or rental of tangible personal property  
62 described in Subsection (1)(a).