

VIRTUAL CURRENCY PAYMENT AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jordan D. Teuscher

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill makes provisions related to the use of virtual currency to pay taxes.

Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ requires the State Tax Commission to contract with a third party to accept payment of taxes in virtual currency.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

59-1-307, Utah Code Annotated 1953

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

Section 1. Section **59-1-307** is enacted to read:

59-1-307. Virtual currency collection.

(1) As used in this section:

(a) "Digital asset" means a representation of economic, proprietary, or access rights



28 that is stored in a computer readable format.

29 (b) "Virtual currency" means a digital asset that is used as:

30 (i) a medium of exchange;

31 (ii) a unit of account; or

32 (iii) a store of value.

33 (c) "Virtual currency" does not include:

34 (i) currency the United States government recognizes as legal tender;

35 (ii) a transaction in which a merchant grants, as part of an affinity or rewards program,

36 value that cannot be taken from or exchanged with the merchant for legal tender or bank credit;

37 or

38 (iii) a digital representation of value that a publisher issues for use solely within an

39 online game, game platform, or family of games that the publisher sells or offers on the same

40 game platform.

41 (2) The commission shall contract with a person to:

42 (a) provide a service to collect tax payment in the form of a virtual currency; and

43 (b) convert that currency into legal tender to pay the commission.

44 (3) The commission may collect a convenience virtual currency payment fee

45 established in accordance with the procedures and requirements of Section [63J-1-504](#) to cover

46 the costs of virtual currency payments of taxes and fees that the commission administers.

47 (4) Notwithstanding any other provisions of this title, the commission shall use a fee

48 imposed under this section as a dedicated credit to cover the costs of virtual currency payment.