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# Tax Bulletin

## **Tax Bulletin 7-09**

**Effective Date: July 1, 2009**

**Re: Sales Tax Rate Changes and 2009 Legislative Tax Changes**

### **Sales and Use Tax Quarterly Rate Changes**

- Monticello (San Juan County) will impose a .3 percent highways/public transit tax. Monticello will also impose a .1 percent city/town tax to fund recreational and zoological facilities and botanical, cultural, and zoological organizations. This results in a combined sales tax rate in Monticello of 6.35 percent.
- Eagle Mountain (Utah County) will impose a .25 percent public transit tax. This results in a combined sales tax rate in Eagle Mountain of 6.75 percent.

### **2009 Legislative Tax Changes**

During its 2009 General Session, the Utah Legislature passed several bills that impact Utah's tax laws. Highlights include:

#### **House Bills**

##### **HB 65 Reporting of Certain Transactions Exempt from Sales and Use Taxes**

Repeals the requirement for an owner or purchaser to report transactions exempt from sales tax under the manufacturing and semiconductor sales tax exemptions. The reporting requirement will be removed from the *Sales and Use Tax Return*.

##### **HB 261 and SB 141 Aviation Amendments**

Reduces the aviation fuel tax rate that a federally certificated air carrier pays on aviation fuel purchased at Salt Lake International Airport. The rate is reduced from 4 percent to 2.5 percent. Repeals the 1.5 cent per gallon aviation fuel tax refund or credit.

#### **Senate Bills**

##### **SB 15 Worker's Compensation Premium Assessment and Related Funding**

Reduces the rate of the premium assessment that the Labor Commission may impose on workers' compensation premiums beginning with the 2010 calendar year.

##### **SB 35 Sales and Use Tax Definitions Relating to Property**

Provides that appliances (for example, dishwashers, freezers, refrigerators, microwaves, stoves, washers, dryers or similar items) are always tangible personal property for sales tax purposes, regardless of whether or how the appliance is attached to real property.

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### **SB 36 Sales and Use Tax Amendments**

Provides that prepaid telephone service (for example, a prepaid calling card) is taxable for in-state calls. Prepaid telephone services are considered in-state telephone services if the card can be used for in-state calls. If the card can only be used for interstate or international calls, it can be sold tax free.

### **SB 189 Amendments to Sales and Use Tax**

Exempts from sales tax any airline in-flight sales of tangible personal property or a product transferred electronically.

Find more information about Utah tax law changes online at [tax.utah.gov/research/legislation.html](http://tax.utah.gov/research/legislation.html).

### **QUESTIONS...**



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