

HOUSE BILLS

HB 2 Minimum School Program Budget – Rep. Merlynn Newbold (Effective 7/1/09) Establishes the minimum basic school levy for 2009-10 at \$273,950,764.

HB 20 Repeal of Certain Income Tax Credits and Contributions – Rep. Julie Fisher (Retrospective to 1/1/09) Repeals the income tax targeted jobs tax credit for individuals, estates, and trusts; repeals the individual income tax contributions for: the Utah College of Applied Technology; and the Wolf Depredation and Management Restricted Account; provides that contributions and interest remaining on June 30, 2009 in the Wolf Depredation and Management Restricted Account shall be deposited into the Agricultural and Wildlife Damage Prevention Account.

HB 23 Certified Tax Rate Amendments – Rep. Fred Hunsaker (Effective 1/1/10) Includes the revenue a taxing entity collects from redemptions as “ad valorem property tax revenues” for purposes of calculating the taxing entity’s certified tax rate; requires a taxing entity’s ad valorem property tax revenues budgeted for the prior year to be decreased by the average annual amount of revenue collected from redemptions during the prior five-year period for purposes of calculating the taxing entity’s certified tax rate; exempts a taxing entity from the notice and hearing requirements of truth in taxation for the amount of budgeted revenue equal to the taxing entity’s five-year average of redemptions from collections.

HB 28 Personal Property Tax Amendments – Rep. Craig Frank (Retrospective to 1/1/09) Allows a county assessor to impose a penalty if a taxpayer fails to file a property tax statement on or before May 15 of the year the property tax statement is requested by the county assessor; requires a county assessor of a county of the first class to mail a subsequent notice to the taxpayer before imposing a penalty for failure to file a property tax statement; requires a county assessor to mail a subsequent notice to a taxpayer before imposing a penalty for failure to file a property tax statement if the county assessor requested the property tax statement on or after March 16 of the year the property tax statement is requested by the county assessor; requires a county assessor to make an estimate of the value of property based on known facts and circumstances if a taxpayer fails to file a signed statement of the taxpayer's property.

HB 30 Commercial Motor Vehicle Amendments – Rep. Todd Kiser (Effective 7/1/09) Provides that a motor vehicle with a gross vehicle weight rating of 10,001 pounds or more is required to pass an annual safety inspection; provides that a commercial motor vehicle with a gross vehicle weight rating over 26,000 pounds is exempt from a safety inspection if the vehicle has an apportioned registration and a valid annual federal inspection.

HB 35 Higher Education Contribution – Rep. John Dougall (Effective 5/12/09) Allows a person to designate on the person’s individual income tax return a contribution to the Utah Educational Savings Plan for the entire amount of the person’s refund.

HB 50 Firefighter Special Group License Plate Amendments – Rep. Ronda Menlove (Effective 7/1/09) Converts a firefighter special group license plate from a recognition special group license plate to a contributor special group license plate; requires applicants for a firefighter contributor special group license plate to make a \$15 annual donation to the Firefighter Support Restricted Account; requires a person that has been issued a firefighter recognition special group license plate to, upon renewal of the person's motor vehicle registration, be

a contributor to the Firefighter Support Restricted Account or replace the firefighter recognition special group license plate with a new license plate; until June 30, 2011, exempts a person that is required to replace the firefighter special group license plate with a new license plate from replacement license plate fees.

HB 54 Amendments to Vehicle Registration Requirements – Rep. Francis Gibson (Effective 5/12/09) Clarifies in the motor vehicle code that an owner must pay state and local sales and use taxes prior to registration of a vehicle.

HB 55 Amendments to Tourism, Recreation, Cultural, Convention, and Airport Facilities Tax Act – Rep. Wayne Harper (Retrospective to 1/1/07) Replaces language inadvertently repealed in prior legislation. The language that is replaced imposes the restaurant tax on sales of alcoholic beverages sold by a restaurant.

HB 58 Sales and Use Tax – Determining the Location of Certain Transactions – Rep. Wayne Harper (Effective 7/1/09) Allows a seller to source a sale, lease, or rental of a service to the seller's origin if the seller makes any sale, lease, or rental that qualifies for origin based sourcing.

HB 65 Reporting of Certain Transactions Exempt from Sales and Use Taxes – Rep. Julie Fisher (Effective 7/1/09) Repeals the requirement for an owner or purchaser to report transactions exempt from sales tax under the manufacturing and semiconductor sales tax exemptions.

HB 67 Public Hearings on Property Tax Increases – Rep. Gage Froerer (Effective 1/1/10) Excludes new growth from a taxing entity's budgeted revenue amounts for purposes of determining the taxing entity's percentage increase listed in a truth in taxation newspaper advertisement; modifies the advertisement requirements for a taxing entity when the taxing entity's public hearing is advertised by the county auditor; requires taxing entities to notify a county auditor of public hearings related to tax increases; requires the county auditor to compile the notices of all public hearings in that county in a list; requires publication of the compiled information in a newspaper; requires taxing entities to provide a copy of the list to taxpayers who request a copy of that list.

HB 71 Withholding Tax Amendments – Rep. Evan Vickers (Effective 5/12/09) Clarifies that the monthly withholding payment is a prepayment of withholding, and not a withholding return.

HB 80 Study on Taxpayer Advocate Program – Rep. Keith Grover (Effective 5/12/09) Requires the Revenue and Taxation Interim Committee to study the implementation of a taxpayer advocate program within the Utah State Tax Commission during the 2009 interim.

HB 112 Vehicle Towing Amendments – Rep. Todd Kiser (Effective 5/12/09) Requires a tow truck operator or tow truck motor carrier to send a report to the Motor Vehicle Division of the removal of a vehicle, vessel, or outboard motor if the tow truck service is being done without the vehicle, vessel, or outboard motor owner's knowledge or express consent; provides that the Motor Vehicle Division is not required to give notices after receiving a report from a tow truck operator or tow truck motor carrier for a tow truck service that was not ordered by a peace officer or person acting on behalf of a law enforcement agency, and was done without the vehicle, vessel, or outboard motor owner's knowledge.

HB 113 Salvage Vehicle Title Amendments – Rep. Todd Kiser (Effective 5/12/09) Provides that a seller of a salvage vehicle is not required to provide written notification that a salvage certificate or branded title has been

issued for the vehicle if the prospective purchaser is: (1) a licensed motor vehicle dealer whose primary business is auctioning salvage motor vehicles to licensed salvage vehicle buyers; or (2) an insurance company, if the sale of the vehicle is the result of a total loss settlement; provides that an advertisement for the sale of a vehicle for which a salvage certificate or branded title has been issued shall disclose that a salvage certificate or branded title has been issued for the vehicle.

HB 116 Uniform Fees on Canoes – Rep. Mark Wheatley (Effective 1/1/10) Amends the definition of "canoe," for purposes of the uniform fee on canoes, to include a canoe with an outboard motor.

HB 143 Vehicle Title, Inspection and Emission Testing Exemptions Amendments – Rep. Kenneth Sumsion (Effective 1/1/10) Defines a replica vehicle, street rod and a custom vehicle; includes street rod in the definition of a vintage vehicle; provides that a custom vehicle is exempt from the requirement of having a certificate of emissions inspection as a condition of registration or renewal of registration; requires that, in the case of a replica vehicle, the model year on the vehicle title shall be the year the replica vehicle resembles and the model type shall include the term "replica."

HB 157 Property Tax Assessment Amendments – Rep. Wayne Harper (Retrospective to 1/1/09) Amends the licensing requirements for first, second, and third class county assessors to require those county assessors to be state licensed or state certified appraisers prior to taking office as a county assessor; requires second through sixth class counties to levy an additional .000010 per dollar of taxable value for its Multicounty Assessing and Collection Levy; requires a contributing county of the 2nd or 3rd class to reduce its county additional property tax rate by .000005 per dollar of taxable value; provides a method for determining the amount of a county's multicounty assessing and collecting allocation that will be disbursed to the Multicounty Appraisal Trust and used to provide funding for a statewide computer assisted mass appraisal system.

HB 254 Health Professional Authority – Death Certificates – Rep. Bradley Last (Effective 5/12/09) Allows a nurse practitioner to certify that a person has a disability, and will have the disability for a particular length of time, for purposes of obtaining a disability special group license plate or removable windshield placard.

HB 261 Aviation Amendments – Rep. Wayne Harper (Effective 7/1/09) Reduces the aviation fuel tax rate that a federally certificated air carrier pays on aviation fuel purchased at an international airport located within a county of the first class that has a United States customs office on its premises from \$.04 to \$.025 on each gallon of aviation fuel; repeals the \$.015 per gallon aviation fuel tax refund or credit for federally certificated air carriers on gallons of aviation fuel purchased at an international airport located within a county of the first class that has a United States customs office on its premises; provides that certain aviation fuel tax revenue and aircraft registration fees shall be deposited into the Aeronautics Restricted Account and provides restrictions on how that money may be used by UDOT.

HB 324 Motor Vehicle Business Regulation Act Amendments – Rep. Francis Gibson (Effective 5/12/09) Provides that a person that has been issued a motor vehicle salesperson's license and that is employed by a dealer that operates as a wholesale motor vehicle auction may be employed by more than one dealer that operates as a wholesale motor vehicle auction at a time.

HB 378 Circuit Breaker Amendments – Rep. Tim Cosgrove (Retrospective to 1/1/09) Decreases a claimant's household income by \$1,000 for a dependent the claimant is eligible to claim on the claimant's federal taxes for purposes of qualifying for a homeowner's credit for a maximum household income decrease of

\$1,000; decreases a claimant's household income by \$1,000 for a dependent the claimant is eligible to claim on the claimant's federal taxes for purposes of qualifying for a renter's credit for a maximum household income decrease of \$1,000.

HB 430 Economic Development Incentives for Alternative Energy Products – Rep. Kevin Garn

(Retrospective to 1/1/09) Expands the economic development tax credit to include a business entity in a renewable energy development zone for a renewable energy project; provides for the issuance of a renewable energy development tax credit certificate by the Governor's Office of Economic Development (GOED), with restrictions and conditions, such as specifying the maximum amount of tax credit a business entity may earn over the life of a renewable energy project; requires the business entity to submit to audits by GOED for verification of a claimed tax credit; provides for certification by GOED of a business entity's eligibility for a claimed tax credit.

SENATE BILLS

SB 14 Financial Incentives for Motion Picture Productions – Sen. Lyle Hillyard (Retrospective to 1/1/09) Provides for motion picture incentives in the form of cash rebate incentives for small budget productions and refundable tax credits for larger budget productions; provides for definitions related to the determination and calculation of motion picture incentives by the Governor’s Office of Economic Development (GOED); provides that GOED may issue up to \$7,793.700 in tax credits in fiscal years 2009-10 and 2010-11.

SB 15 Workers’ Compensation Premium Assessment and Related Funding – Sen. Karen Mayne (Effective 3/20/09) Reduces the rate of the premium assessment that the Labor Commission may impose on workers’ compensation premiums beginning with the 2010 calendar year; modifies the accounts to which the commission will deposit amounts received from the tax on workers’ compensation premiums.

SB 22 Vehicle Amendments – Sen. Scott Jenkins (Effective 7/1/09) Requires that a person operating a motor vehicle shall have in the person’s immediate possession a safety inspection certificate or other evidence of compliance with the safety inspection requirement.

SB 23 Income Taxation of Pass-Through Entities and Pass-Through Entity Taxpayers – Sen. Wayne Niederhauser (Retrospective to 1/1/09) Repeals corporate franchise and income taxes on an S corporation (i.e. the built-in gains tax) effective 1/1/13; expands withholding requirements to provide that a pass-through entity, including a general partnership, limited partnership, limited liability partnership, limited liability company, or an S corporation, is required to pay or withhold a tax on behalf of a resident or nonresident business entity or a nonresident individual; provides that a publicly traded partnership is not required to withhold for its nonresident partners but is required to send the commission information on each partner with Utah income in excess of \$500.

SB 35 Sales and Use Tax Definitions Relating to Property – Sen. Wayne Niederhauser (Effective 7/1/09) Provides that appliances (e.g., dishwasher, dryer, freezer, microwave, refrigerator, stove, washer, or similar item) are always tangible personal property for sales tax purposes, regardless of whether or how the appliance is attached to a real property.

SB 36 Sales and Use Tax Amendments – Sen. Curtis Bramble (Effective 7/1/09) Provides that amounts paid or charged for prepaid telephone calling cards are not subject to state and local sales and use taxes and repeals a sales and use tax exemption for sales of telecommunications service charged to a prepaid telephone calling card – the effect of these two provisions taken together is that prepaid telephone calling cards will be taxed at the point of sale if the card may be used for in-state calls; includes various technical amendments to bring the state into compliance with the SST agreement; provides that to be eligible for the manufacturing exemption from sales and use taxes, machinery, equipment, or repair or replacement parts must be used in an establishment or facility in the state.

SB 56 Military Installation Development Authority Amendments – Sen. Sheldon Killpack (Effective 3/20/09) Authorizes the military installation development authority to levy a municipal energy sales and use tax, municipal telecommunications license tax, and a municipality transient room tax; prohibits municipalities from levying a municipal energy sales and use tax, municipal telecommunications license tax, or a transient room tax in a project area described in a project area plan adopted by the military installation development authority;

provides that half of the direct distribution of the 1% local option sales tax revenues generated within a project area shall be distributed to the military installation development authority based on sales in the military installation development authority; modifies the definitions of “base taxable value” and “taxing entity;” provides for the distribution of some tax increment revenue; requires sales tax revenues to be used for municipal services within project areas; provides that improvements become subject to property tax in the year during which the military installation development authority issues a certificate of occupancy.

SB 65 Amendments to Property Tax Notice, Public Hearing, and Resolution Provisions – Sen. Dennis Stowell (Effective 7/1/09 and 1/1/10) Current TNT statutes require calendar-year entities to advertise and hold a public hearing in December when they adopt their budget and again in August when they adopt their tax rates. This bill allows the calendar-year entity to forgo the August ad by sending a specified notice to all registered owners within fourteen days of the Treasurer's mailing of the tax notice on November 1 of the year prior to the one in which the calendar-year entity wishes to raise its tax rate above the certified tax rate.

SB 102 Share the Road Special Group License Plate – Sen. Wayne Niederhauser (Effective 10/1/09) Creates a Share the Road Bicycle Support special group license plate for bicycle operation and safety awareness programs; requires applicants for a new plate to make a \$25 annual donation for bicycle operation and safety awareness programs; creates the Share the Road Bicycle Support Restricted Account; requires the Department of Transportation to administer and distribute the funds in the Share the Road Bicycle Support Restricted Account.

SB 108 Tax Commission Administration, Collection, and Enforcement Amendments – Sen. Wayne Niederhauser (Effective 5/12/09)

Creates a new Part 14 in Title 59, Chapter 1, that provides uniform statutory provisions for assessment, collection and refund of taxes and fees, including:

- Providing a uniform time period for appealing the denial of a refund;
- Clearly defining the assessment date;
- Allowing the commission the discretion to estimate taxes for all tax types if a taxpayer doesn't file a return, or files a false or fraudulent return;
- Defining “deficiency” for all tax types and clarifying that the Commission may increase or decrease a deficiency during a redetermination proceeding without issuing an amended or supplemental assessment;
- Prohibiting the transfer of property of a delinquent taxpayer for all tax types;
- Defining mathematical error consistent with IRC practice and applying to all tax types;
- Increasing the time within which a taxpayer may respond to a notice and demand from 10 to 30 days;
- Clarifying that a warrant does not have to be filed with the sheriff, but may be filed by the commission directly with the court;
- Increasing the duration of a judgment from eight to ten years, and prohibiting the commission from refileing a judgment;
- Broadening the taxpayer remedies for a sales tax deficiency (Section 59-12-110(2)(e)) to apply to all tax types (these remedies are to: (1) appeal; or (2) pay the tax and apply for a refund); and
- Making consistent the time frames for appeals on refund claims with the time frames for appealing the assessment of tax (that is, repeals Sections 59-10-532 through 59-10-535).

SB 131 Law Enforcement Service in Local Districts and Interlocal Entities – Sen. Scott Jenkins (Effective 5/12/09) Requires counties and municipalities participating in a police local district to reduce their certified tax rate to offset a tax levied by the district.

SB 136 Diesel-Powered Motor Vehicle Emissions Inspection Program Amendments – Sen. Gregory Bell (Effective 5/12/09) Provides that an implement of husbandry and a farm truck with a gross vehicle weight rating of 12,001 pounds or more is exempt from the diesel-powered motor vehicle emissions opacity inspection and maintenance program; provides that a legislative body of a county shall exempt a pickup truck with a gross vehicle weight rating of 12,000 pounds or less from the diesel-powered motor vehicle emissions opacity inspection and maintenance program if the registered owner of the pickup truck provides a signed statement to the legislative body that the pickup truck is used by an owner or operator of a farm on agricultural land exclusively for the purposes of operating the farm; requires the legislative body of a county to issue a certificate of exemption to pickup trucks that are used by an owner or operator of a farm.

SB 141 Aviation Fuel Tax Amendments – Sen. Wayne Niederhauser (Effective 7/1/09) Reduces the aviation fuel tax rate that a federally certificated air carrier pays on aviation fuel purchased at an international airport located within a county of the first class that has a United States customs office on its premises from 4 cents to 2.5 cents on each gallon of aviation fuel; repeals the 1.5 cent per gallon aviation fuel tax refund or credit for federally certificated air carriers on gallons of aviation fuel purchased at an international airport located within a county of the first class that has a United States customs office on its premises.

SB 157 Property Taxation and Registration of Aircraft – Sen. Mark Madsen (Retrospective to 1/1/09) Provides that, for purposes of property taxation of an air charter service, operating property does not include an aircraft that is used by the air charter service for air charter and is owned by a person other than the air charter service; reduces the registration fee for an aircraft used by an air charter service for air charter from .4% to .25% of the average wholesale value of the aircraft.

SB 160 Utah Venture Capital Enhancement Act Amendments – Sen. Scott Jenkins (Effective 5/12/09) Provides that the Utah Capital Investment Board may issue contingent tax credits in a manner that would allow for the redemption of not more than \$20,000,000 for each increment of \$100,000,000 of outstanding certificates in any fiscal year.

SB 186 Amendments to State Tax Commission Penalty Provisions – Sen. Howard Stephenson (Retrospective to 1/1/09) Provides that tiered penalties for a specific tax type become effective after the activation of the State Tax Commission's GenTax system for that tax type; provides that the due date for filing an extension return is the earlier of the date the person files the return or the last day of the extension allowed by law.

SB 189 Amendments to Sales and Use Tax – Sen. Wayne Niederhauser (Effective 7/1/09) Exempts from sales tax airline in-flight sales of tangible personal property or a product transferred electronically; reduces the amount of state sales tax to be deposited into the Qualified Emergency Food Agencies Fund and provides that a portion of the local option sales tax and the county option sales tax shall be deposited into that fund.

SB 193 Salvage Vehicles Amendments – Sen. Stephen Urquhart (Effective 5/12/09) Provides that a person may offer for sale, sell, or exchange a vehicle with a salvage certificate at or through a motor vehicle auction to: (1) an out-of-state or out-of-country purchaser that is authorized to do business in the domestic or foreign jurisdiction in which the person is domiciled or registered to do business, and (2) an in-state purchaser that is registered to do business in Utah and has a Utah sales and use tax license; provides that a person may only offer for sale, sell, or exchange five vehicles with salvage certificates at or through a motor vehicle auction annually to an in-state purchaser that does not have a salvage vehicle buyer license; authorizes the commission to impose an administrative entrance fee not to exceed \$10 on the entrance into a motor vehicle auction of in-state purchasers that do not have a salvage vehicle buyer license; provides that a purchaser of a vehicle with a salvage certificate shall title the vehicle within 15 days of the purchase if the purchaser does not have a salvage vehicle buyer license; provides that a person may not offer for sale, sell, or exchange additional vehicles with a salvage certificate to a purchaser if notified that the purchaser has not titled previously purchased vehicles with a salvage certificate; requires the operator of a motor vehicle auction to retain a record of the sale of each salvage vehicle and to stamp “For Export Only” on the vehicle title if the buyer is an out-of-country buyer; provides that a person who violates the requirement to title a vehicle with a salvage certificate within 15 days of purchasing the vehicle at a motor vehicle auction is guilty of a class C misdemeanor; provides that a person who violates the requirement to title a vehicle with a salvage certificate within 15 days of purchasing the vehicle at a motor vehicle auction is subject to civil penalties.

SB 208 Utah Public Notice Website Amendments – Sen. Stephen Urquhart (Effective 5/12/09) Provides that, effective 1/1/10, a person required to publish legal notice shall publish that notice in a newspaper as required by statute and on a web site established by the collective effort of Utah’s newspapers; effective 1/1/12, a county of the first or second class required to publish a legal notice shall publish that notice on the website established by the newspapers and may publish notice in a newspaper.

SB 210 Amendments to Property Tax – Sen. Curtis Bramble (Retrospective to 1/1/09) Provides a method for determining the fair market value of centrally assessed aircraft for the 2009 and 2010 calendar years; fair market value shall equal 80% of the used price for average aircraft wholesale column of the Airliner Price Guide, or, for an aircraft not listed in the Airliner Price Guide, 80% of the average wholesale value in the Aircraft Bluebook Price Digest.

SB 235 Redistribution of Sales and Use Tax Revenues – Sen. John Valentine (Effective 5/12/09) Establishes procedures and requirements for the State Tax Commission to redistribute certain sales and use tax revenues from one county, city, or town to another county, city or town if the redistribution is prompted by the commission under extraordinary circumstances or a local government; provides that this redistribution may go back only 90 days; allows a county, city, or town to file a petition for reconsideration with the State Tax Commission for a redistribution of sales and use tax revenues from one county, city, or town to another county, city, or town.

SB 239 Transportation Revisions – Sen. Sheldon Killpack (Effective 7/1/09) Increases motor vehicle registration fees by \$20; provides that the \$20 increase shall be deposited in the Transportation Investment Fund of 2005.

SB 248 Tax Amendments – Sen. Gregory Bell (Effective 3/24/09) Modifies the County of the Second Class Airport, Highway, and Public Transit Sales and Use Tax Act under Title 59, Chapter 12, Part 19 to allow a city

or town legislative body within a county of the second class to impose this tax if the county of the second class has not imposed this tax by 4/1/09; provides for the distribution of amounts a city or town collects under this part.