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House Bills

HB 26 **Brine Shrimp Royalty Act Amendments**

Amends: 59-23-3, 59-23-3, 59-23-7, 59-23-8

Enacts: 59-23-2

Effective: 5/11/10

Repeals obsolete language; makes other technical changes.

HB 49 **Amendments Related to a Tax, Fee, or Charge Administered by the State Tax Commission**

Amends: 59-1-401, 59-1-402, 59-1-1402

Effective: 5/11/10

1. Provides that refund interest is allowed after a 45-day period (instead of 90 days) for corporate, individual income, and withholding tax if a return or amended return is filed electronically.
2. Refund interest is allowed after a 90-day period if a return or amended return is not filed electronically.

HB 88 **Electronic Cigarette Restrictions**

Amends: 53-3-229, 53-3-810, 53A-11-908, 76-8-311.3, 76-10-101, 76-10-104, 76-105, 76-10-105.1, 76-10-111, and 77-39-101

Effective: 5/11/10

Does not tax the device.

HB 92 Moist Snuff Taxation Revisions

Amends: 59-14-102 and 59-14-302

Effective: 5/11/10

1. Amends the definition of moist snuff to require the tobacco have at least 45% moisture content, and provides that, except for single-use pouches of loose tobacco, moist snuff does not include single-use units such as: tablets, lozenges, strips, sticks, or packages containing multiple single-use units; requires a manufacturer that distributes a tobacco product in Utah to maintain valid evidence of the moisture content of the tobacco and provide a document certifying the moisture content of the tobacco product to the person selling the tobacco product in Utah.
2. Provides penalties for a manufacturer that fails to maintain the required evidence or provide the required documentation to the seller of the tobacco product.

HB 196 Tobacco Tax Revisions

Amends: 59-14-204, 59-14-302, and 63J-1-201

Enacts: 59-14-215 and 59-14-304

Effective: 7/1/10

See SB 259.

HB 221 Sunset Act and Repealers Reauthorization

Amends: 63I-1-219, 63I-1-231, 63I-1-234, 63I-1-241, 63I-1-253, 63I-1-259, 63I-1-263, and 63I-1-267

Effective: 5/11/10

Allows the corporate and individual income tax credits for the recycling market development zone to sunset for taxable years beginning on or after 1/1/11, and for purchases of machinery or equipment for these credits made on or after 7/1/10.

HB 260 Children's Health Insurance Plan Simplified Renewal

Amends: 26-40-105

Effective: 5/11/10

Allows the Tax Commission to provide adjusted gross income information to the Children's Health Insurance Program if the applicant for the insurance provides consent for the Tax Commission to release that information to the Children's Health Insurance Program.

Senate Bills

SB 96 **Uintah Basin Revitalization Fund Amendments**

Amends: **59-5-116**

Effective: **5/11/10**

Clarifies the base calendar year in a CPI calculation formula that determines the maximum amount that may be deposited into the Uintah Basin Revitalization Fund is the 2008 calendar year.

SB 134 **Partnership Tax Return Filing Deadlines**

Amends: **59-10-516**

Effective: **Retrospective to 1/1/10**

1. Modifies the extension filing deadline for a partnership to 5 months after the original due date.
2. Retrospective operation for a taxable year beginning on or after January 1, 2010.

SB 148 **Guaranteed Asset Protection Waivers**

Amends: **1A-1-103, 31A-6a-105, and 31A-21-109**

Enacts: **31A-6b-101, 31A-6b-102, 31A-6b-103, 31A-6b-104, 31A-6b-201, 31A-6b-202, 31A-6b-203, 31A-6b-204, 31A-6b-301, 31A-6b-302, 31A-6b-303, and 31A-6b-401**

Effective: **5/11/10**

On May 11, 2010 GAP coverage will no longer be considered an insurance contract, and as such will not be subject to the insurance premium tax. It will, at that point, be subject to an assessment by the insurance commissioner.

SB 191 Government Accounting Amendments

Amends: 4-2-8.6, 4-2-8.7, 4-20-1, 4-20-1.5, 4-20-1.6, 4-20-2, 4-20-3, 9-4-802, 9-4-803, 13-1-2, 13-14-105, 13-15-3, 13-34-107, 13-35-105, 15-9-117, 16-10a-1703, 19-1-307, 19-3-106.2, 23-14-13, 26-2-12.5, 26-9-4, 26-18a-1, 26-18a-3, 26-18a-4, 35A-3-115, 35A-4-201, 35A-4-305, 35A-4-306, 35A-4-501, 35A-4-505, 35A-4-506, 35A-4-507, 51-5-4, 51-9-407, 53-10-602, 53-10-603, 53-10-604, 53-10-605, 53-10-606, 53A-16-101, 58-31b-103, 58-31b-503, 58-37-7.5, 58-44a-103, 58-55-503, 58-56-9.5, 58-76-103, 59-1-210, 59-7-614.5, 59-10-1108, 59-10-1306, 59-10-1308, 59-21-2, 62A-4a-309, 62A-4a-310, 62A-4a-311, 62A-15-503, 63A-5-220, 63B-10-401, 63J-1-104, 63J-1-602, 63J-6-203, 63M-1-902, 63M-1-903, 63M-1-904, 63M-1-905, 63M-1-906, 63M-1-908, 63M-1-909, 63M-1-1211, 63M-1-1802, 63M-1-1803, 63M-1-1804, 63M-1-2301, 63M-1-2302, 63M-1-2303, 63M-1-2304, 63M-1-2305, 67-5-25, 70-3a-203, 72-2-106, 72-2-120, 72-2-121, 72-2-121.1, 72-2-125, 72-6-118, 76-7-317.1, 78A-2-301, 8B-6-209

Enacts: 62A-15-502.5

Repeals: 63M-5-202

Effective: 3/29/10

Repeals provisions holding a county or municipality harmless from the loss of the imposition of the rural county health care facilities tax and the rural city hospital tax on food if a county repeals the rural county health care facilities tax or a city repeals the rural city hospital tax.

SB 259 Amendments to Tobacco Tax

Amends: 59-14-204

Utah Code Sections Affected by Coordination Clause: 59-14-204, 59-14-215, 59-14-302, 59-14-304, 63J-1-201

Effective: 7/1/10

1. On 7/1/10 increases the tax on cigarettes (from 69.5 cents per pack to \$1.70 per pack), moist snuff (from 75 cents per ounce to \$1.83 per ounce), and other tobacco products (from 35% of manufacturer's sales price to 86% of manufacturer's sales price).
2. Imposes an inventory tax on all cigarettes and tobacco products in the amount of the tax rate in effect on 7/1/10 less the tax in effect on 6/30/10.
3. Requires the inventory tax to be paid on all inventory for which tax had been paid on or before 6/30/10, whether by the distributor, manufacturer, or retailer.
4. Provides that the inventory tax shall be submitted to the Tax Commission on or before 7/31/10.

5. Provides that a person that fails to comply with the requirements of the inventory tax is subject to penalties and interest under Sections 59-1-401 and 59-1-402 and prohibits the commission from waiving these penalties or interest.
6. Beginning 7/1/10, prohibits the affixation of a stamp to cigarettes that reflects payment of the tax at the rate applicable on or before 6/30/10 and provides penalties for violation of this prohibition.
7. Directs a person who possesses unaffixed stamps purchased at the tax rate in effect on or before 6/30/10 to return those stamps to the commission for credit or refund.