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## House Bills

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### **HB 35      Sales and Use Tax Revisions**

**Amends:**      59-12-102, 59-12-102.3, 59-12-103, 59-12-106, 59-12-128, 59-12-211

**Effective:**    7/1/11

Updates the sales tax statutes to remain in compliance with the Streamlined Sales Tax Agreement, including:

1. Providing amnesty to sellers that obtain a state sales tax license within a 12-month period of the state's becoming a full member state.
2. Providing guidance on when a seller takes an exemption certificate in good faith and when a seller is liable for a tax even though the seller has taken an exemption certificate.
3. Clarifying that attachments of tangible personal property to tangible personal property are repairs or renovations only if the attachment is a repair or replacement.
4. Clarifying that prewritten software is subject to sales tax as tangible personal property and not as property transferred electronically.
5. Providing that repairs or renovations of tangible personal property do not include attaching prewritten computer software to other tangible personal property
6. Providing that a purchase of computer software where there is no transfer of a copy of that software to the purchaser shall be sourced to the location of the user and requiring the Tax Commission to make rules to source that computer software if the software is used at more than one location.

### **HB 82      Procedures for Claiming a Sales and Use Tax Exemption for Certain Lodging Related Purchases**

**Amends:**      59-12-104, 59-12-302, 59-12-354

**Enacts:**      59-12-104.6

**Effective:**    7/1/11

Provides that the sales and use tax exemption for lodging related purchases made on or after 7/1/11 shall be administered in the form of a refund (except for federal government and foreign diplomat purchases,

which remain at point of sale, and purchases by religious and charitable organizations that qualify for an exemption at the point of sale under Section 59-12-104.1)

Grants rulemaking authority to the State Tax Commission to prescribe the refund procedures

Repeals language that allowed counties, cities, and towns to collect transient room taxes.

### HB 303 Prepaid Wireless 911 Service Charge

**Enacts:** 69-2-5.7

**Effective:** 7/1/11

Provides for the collection of a prepaid wireless 911 service charge of 1.9% of the transaction amount from a prepaid wireless customer at the point of retail sale

Requires a seller to collect the charge from a customer and remit the charge to the Tax Commission at the time the seller remits sales taxes to the commission; allows a seller to retain 3% of the money collected from the charge for administration

Provides that the Tax Commission shall distribute the prepaid wireless 911 service charge revenues as follows:

1. 80.3% to each county and municipality in the same percentage as the entity receives E-911 fees
2. 9.2% to fund the Poison Control Center; and
3. 10.5% to fund the statewide unified E-911 emergency service.

## Senate Bills

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### **SB 16 State Tax Commission Tax, Fee, or Charge Administration and Collection Amendments**

**Amends:** 10-1-307, 10-1-405, 19-6-715, 19-6-716, 19-6-808, 53-10-604, 59-12-108, 59-12-128, 59-12-206, 59-12-302, 59-12-354, 59-12-403, 59-12-603, 59-12-704, 59-12-802, 59-12-804, 59-12-1102, 59-12-1201, 59-12-1302, 59-12-1403, 59-12-2004, 59-12-2103, 59-12-2207, 59-26-104, 59-27-105, 69-2-5, 69-2-5.5, 69-2-5.6

**Enacts:** 59-1-306

**Effective:** 7/1/11

Clarifies that the administrative charge collected by Tax Commission from each qualifying tax, fee, or charge may not exceed the lesser of 1.5% or a percentage of the revenues collected sufficient to cover the costs of administering those taxes, fees, or charges.

Provides that the following sales-related taxes, fees, and charges shall be filed at the same time the entity's sales tax return is filed, or monthly if no sales tax return is required to be filed:

- Municipal energy sales and use tax
- Municipal telecommunications license tax
- Lubricating oil recycling fee
- Waste tire recycling fee
- Multi-channel video or audio service tax
- 911 emergency telecommunications service fee
- Emergency services poison control fee, and
- Statewide unified E-911 fee

### **SB 51 Amendments to Local Sales and Use Taxes for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities**

**Amends:** 59-12-702, 59-12-703, 59-12-704, 59-12-705, 59-12-1402, 59-12-1403

**Effective:** 7/1/11

Prescribes what an opinion question shall state for purposes of local sales and use taxes for botanical, cultural, recreational, and zoological organizations or facilities.

Addresses the purposes for which revenues collected from local sales and use taxes for botanical, cultural, recreational, and zoological organizations or facilities may be expended.

Changes the reauthorization period for a city or town sales and use tax for botanical, cultural, recreational, and zoological organizations or facilities from an eight-year period to a ten-year period.

## **SB 69      Sales and Use Tax Exemptions for Textbooks for Higher Education**

**Amends:**      59-12-102, 59-12-104

**Enacts:**      59-12-104.4

**Effective:**    7/1/11

Provides a sales tax exemption for sales of a textbook for a higher education course:

- Sold by a seller that is not a bookstore owned by an institution of higher education, and sold to a person admitted to an institution of higher learning, if 51% or more of the seller's sales for the previous calendar quarter are sales of textbooks for a higher education course
- Grants rulemaking authority to the Tax Commission to prescribe the records a seller must keep to verify that:
  1. A book is a textbook for a higher education course; and
  2. 51% or more of the seller's sales for the previous calendar quarter are sales of textbooks for a higher education course.

## **SB 76      Distribution of Revenues Collected Under the Local Sales and Use Tax**

**Amends:**      59-12-204, 59-12-205, 59-12-2103

**Effective:**    7/1/11

Modifies the distribution of revenues under the Local Sales and Use Tax Act to hold harmless to their proportionate share of \$333,583: a county of the third, fourth, fifth, or sixth class, a city of the fifth class, or a town that received less sales tax distribution in 2008 than in 2007, and had located in that county or town in 2008 an establishment that is described in NAICS Codes 2121 or 213113.

## **SB 86      Sunset Reauthorizations**

**Amends:**      63I-1-226, 63I-1-231, 63I-1-253, 63I-1-261, 63I-1-263, 63I-1-269

**Effective:**    5/10/11

Reauthorizes the statewide E-911 fee by extending the repeal date from 7/1/11 to 7/1/21.

## **SB 222      Public Transit Amendments**

**Amends:**    17B-1-415, 17B-2a-804, 17B-2a-814, 59-12-2213

**Effective:**   5/10/11

Authorizes a local district that provides transportation services to adopt a resolution approving the annexation of the area outside of the local district's boundaries if:

- The area is within a county that has levied a local option sales and use tax, and the county legislative body has adopted a resolution approving the annexation of the areas outside of the local district.
- Provides that a county, city, or town legislative body is not required to submit an opinion question to the county's, city's, or town's registered voters to impose a sales and use tax to fund public transit if the county, city, or town imposes a county sales and use tax for fixed guideways on or before July 1, 2011.

## **SB 237      Pollution Control Facility Amendments**

**Amends:**    19-2-124

**Effective:**   5/10/11

Authorizes a person that operates a pollution control facility pursuant to an agreement to apply for a sales and use tax exemption.

## **SB 259      Sales and Use Tax Exemption for Certain Local Government Taxes and Fees**

**Amends:**    10-1-203, 59-12-104

**Effective:**   7/1/11

Provides that a municipal tax or fee that a municipality imposes to provide an enhanced level of municipal services may be imposed on a purchaser from a business for which the municipality provides an enhanced level of services; and to the extent the tax is imposed on a purchaser, that tax may not be included in the sales tax base.