

**R865. Tax Commission, Auditing.**

**R865-12L. Local Sales and Use Tax.**

**~~[R865-12L-12. Leases and Rentals Pursuant to Utah Code Ann. Section 59-12-204.~~**

~~A. Local sales tax applies to all lease and rental charges where the tangible personal property leased or rented is delivered from a lessor's place of business that is located in a county that has adopted The Uniform Local Sales and Use Tax Law. The local sales tax accrues to the county or city from which the property was delivered, regardless of where in Utah such property is used. The lessor is required to collect and remit both local and state sales tax.~~

~~B. Lessors who lease or rent tangible personal property that is shipped from outside Utah direct to a lessee in Utah are required to collect local use tax on lease charges for tangible personal property used in a county that has adopted the uniform local tax law, regardless of whether the lessor has a place of business in that county or in Utah. The presence of the lessor's property in a county that has adopted the uniform local tax law imposes the liability upon the lessor to collect and remit local use tax in addition to state use tax. The local use tax on rental and lease charges accrues to the county in which the tangible personal property is being used. With motor vehicles leased in Utah by a lessor who has no place of business in Utah, the local tax will apply according to the Utah address of the lessee, and the tax is to be collected by the lessor and reported on that basis.]~~

**KEY: taxation, sales tax, restaurants, collections**

**Effective: January 1, 2009**