

R865. Tax Commission, Auditing.

R865-12L. Local Sales and Use Tax.

R865-12L-17. Procedures for Administration of the Tourism, Recreation, Cultural, and Convention Facilities Tax Pursuant to Utah Code Ann. Sections 59-12-602 and 59-12-603.

(1) Definitions

(a) "Primary business" means the source of more than 50 percent of the revenues of the retail establishment. In the case of a retail establishment with more than two lines of business, primary business means the line of business which generates the highest revenues when compared with the other lines of business.

(b) "Retail establishment" means a single outlet, whether or not at a fixed location, operated by a seller. Retail establishment includes the preparation facilities of caterers, outlets that deliver the alcoholic beverages, food and food ingredients, and prepared food that they prepare, and other similar sellers. A single seller engaged in multiple lines of business at one location may be deemed to be operating multiple retail establishments if the lines of business are not commonly regarded as a single retail establishment or if there are other factors indicating that the lines of business should be treated separately. The operation of concession stands by stadium owners, performers, promoters, or others with a financial interest in ticket sales or admission charges to any event shall be considered a separate line of business constituting a retail establishment.

(c) "Theater" means an indoor or outdoor location for the presentation of movies, plays, or musicals.

(2) If an establishment that is a restaurant under Section 59-12-602 sells prepackaged foods as incidental items with the sale of alcoholic beverages, food and food ingredients, or prepared foods, a tax imposed under Section 59-12-603(1)(b) applies to the prepackaged food as well.

(3) For purposes of collecting the tax imposed on the sale of alcoholic beverages, food and food ingredients, and prepared foods and beverages, the tax will attach in the county in which the food or beverage is served.

(4) A seller that sells foods or beverages prepared for immediate consumption and is uncertain whether it is a restaurant shall make application, in letter form, for exemption with the Tax Commission indicating the circumstances that may qualify it for an exemption. A single application may be filed by a seller for multiple retail establishments if the operations of all of the retail establishments are similar.

KEY: taxation, sales tax, restaurants, collections

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