

1 **DRAFT January 17, 2024**

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3 **R865. Tax Commission, Auditing.**

4 **R865-19S. Sales and Use Tax.**

5 **R865-19S-33. Admissions and User Fees Pursuant to Utah Code Ann. Sections 59-12-102**
6 **and 59-12-103.**

7 (1)(a) "Admission" means the right or privilege to enter into a place. Admission includes
8 the amount paid for the right to use a reserved seat or any seat in an auditorium, theater, circus,
9 stadium, schoolhouse, meeting house, or gymnasium to view any type of entertainment. Admission
10 also includes the right to use a table at a night club, hotel, or roof garden whether such charge is
11 designated as a cover charge, minimum charge, or any such similar charge.

12 (b) This applies whether the charge made for the use of the seat, table, or similar
13 accommodation is combined with an admission charge to form a single charge, or is separate and
14 distinct from an admission charge, or is the sole charge.

15 (2) "Annual membership dues paid to a private organization" [~~includes only those~~]include
16 dues paid by a member[members] of the private organization who[-];

17 (a) directly or indirectly, [establish]establishes the level of the dues[-];

18 (b) shares internal operational control in the private organization, as demonstrated by
19 membership participation in operational decisions; or

20 (c) owns an equity interest in the private organization.

21 (3) "Season passes" include amounts paid to participate in specific activities, once annual
22 membership dues have been paid.

23 (4) If the original admission charge carries the right to remain in a place, or to use a seat or
24 table, or other similar accommodation for a limited time only, and an additional charge is made for
25 an extension of such time, the extra charge is paid for admission within the meaning of the law.
26 Where a person or organization acquires the sole right to use any place or the right to dispose of all
27 of the admissions to any place for one or more occasions, the amount paid is not subject to the tax
28 on admissions. Such a transaction constitutes a rental of the entire place and if the person or
29 organization in turn sells admissions, sales tax applies to amounts paid for such admissions.

30 (5) Annual membership dues may be paid in installments during the year.

31 (6) Amounts paid for the following activities are not admissions or user fees:

32 (a) lessons, public or private;

33 (b) sign up for amateur athletics if the activity is sponsored by a state governmental entity,
34 or a nonprofit corporation or organization, the primary purpose of which, as stated in the corporation's
35 or organization's articles or bylaws, is the sponsoring, promoting, and encouraging of amateur
36 athletics;

37 (c) sign up for participation in school activities. Sign up for participation in school activities
38 excludes attendance as a spectator at school activities.

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40 **KEY: charities, tax exemptions, religious activities, sales tax**

41 **Date of Last Change: January 12, 2023**

42 **Notice of Continuation: November 9, 2021**

43 **Authorizing, and Implemented or Interpreted Law: 9-2-1702; 9-2-1703; 10-1-303; 10-1-306;**
44 **10-1-307; 10-1-405; 19-6-808; 26-32a-101 through 26-32a-113; 59-1-210; 59-12; 59-12-102;**
45 **59-12-103; 59-12-104; 59-12-105; 59-12-106; 59-12-107; 59-12-108; 59-12-118; 59-12-301; 59-**
46 **12-352; 59-12-353**