

FINAL PRIVATE LETTER RULING

RESPONSE LETTER

May 20, 2021

COMPANY
c/o NAME-1
ADDRESS
CITY, UT #####

Dear NAME-1:

This letter is in response to your request for a private letter ruling for COMPANY (“Company”) concerning the Company’s sales of a product or service involving use of the Company’s platform containing downloadable prerecorded educational video courses. You have asked the following question: “Are the Company’s receipts for providing subscription access to its online TRAINING platform subject to or exempt from sales tax?” This private letter ruling concludes that the Company’s receipts are subject to Utah sales and use taxes when the purchasers/users are located in Utah. This private letter ruling includes the following sections: I. Facts, II. Issue, III. Applicable Law, IV. Analysis, and V. Conclusion.

I. Facts

This Facts Section includes facts from the following: A. your request letter, B. the Company’s website, and C. the Company’s Terms of Use agreement.

A. Facts from your letter requesting the private letter ruling.

The following are facts quoted from your request letter:

b. The Company Engages in Providing Professional Education Services

The Company has been engaged in business since YEAR. The Company initially provided nontaxable on-site professional TRAINING by sending instructors around the country to provide classroom-based instruction. Today, the Company is principally engaged in providing an online professional TRAINING platform. The primary value driver of the platform is the library of TRAINING courses that the Company has developed through its network of authors, which is comprised of experts in various TRAINING disciplines. These “courses ” are not standalone videos but are comprised of interactive services outlined below in conjunction with various cloud-based skill assessment, course recommendation, and analytical tools

that make up the virtual classroom that helps customers ensure they are gaining targeted and personalized knowledge through the Company's educational process.

The mission of the Company is to democratize (X) skills by making (X) learning available and affordable to anyone with access to the Internet. To accomplish this goal, the Company has moved entirely to online professional TRAINING primarily focused in the fields of information (X), (Y), and (Z). The Company has created an online education process that allows students to learn according to their specific needs and desires as well as connect with course authors/instructors and other students around the world. The students who use the Company's TRAINING platform are able to enhance existing, or obtain entirely new, (X) skills enabling them to improve their careers and productivity.

The Company holds itself out to the public and in marketing materials as "The (X) learning platform" with courses taught by the best industry experts. To provide a high-quality educational experience to learners, the Company contracts with subject matter experts ("authors") who create pre-recorded training courses on their topic or (X) of expertise. The courses all come with access to a course-specific discussion board, which allows the learner to interact with the course instructor and other learners.

Through acquisition, creation via the author network and internal course development, the course library includes over ##### on-demand and online courses across a range of (X) subject areas and skill levels. New educational courses are added daily, so content is always broadening and maintaining pace with changes in (X). Educational courses are organized by modules and subject excerpts are searchable, so users can either take an entire course or target an area for a specific need. The pre-recorded training course content is similar to the curriculum previously offered through in-person instruction by the Company and other training providers. The majority of the Company's courses are transcribed, and once transcribed, are available with closed captioning in over 100 languages.

The Company's customers can be divided into two groups: individual and business. The company sells directly to individual customers through its website. On the business side, the company's sales team targets the skills development leader in all industries, including (X) based companies, government agencies, and educational institutions.

The largest competitor to the Company is the live-classroom professional TRAINING industry.

c. Several of the Courses Provided by the Company Prepare Learners to Obtain Certifications, Professional Education Units, and Professional Development Units

Several of the courses offered by the Company help prepare learners for active certifications issued by various (X) industry organizations. For example, the Company is a Platinum Partner with CERTIFICATION COMPANY, a (X) industry trade association which offers a number of certificate programs for (X) professionals. As a Platinum Partner, the Company gets early access to certification objectives so that it can specifically design its educational content around exam objectives and the specific knowledge required to obtain a CERTIFICATION COMPANY certification.

Some courses provide continuing education units (“CEUs”) or Professional Development Units (“PDUs”) for the learners who complete the courses. The Company has partnered with the following professional certification providers in order to provide CEUs for their customers: REMOVED NAMES OF CERTIFICATION COMPANIES.

Learners Do Not Obtain Any Intellectual Property Rights Associated with the Courses

Visitors to the Company’s website are able to browse the course library, review subscription options and access other free information including a sampling of free courses, tutorials, and (X) blog articles.

In exchange for monthly or annual subscription fees, a learner is granted a temporary license to access the Company’s Site, which includes the complete course library, interactive features and other online analytical services provided by the Company. Learners may take as many courses, or individual modules of the courses, as they wish during the subscription period. The Company retains 100% of the intellectual property rights related to these courses, and learners are prohibited from retaining, storing or redistributing any of the training materials accessed via their subscriptions.

Learners can access the online courses via any device that can connect to the Internet via an Internet browser or that can access the appropriate viewing app. During their subscription period, learners can also download content for certain training courses, including exercise files, course slides, and sample code. Also, if desired, learners can download a free viewer that enables them to temporarily download and view training videos offline during the subscription period. Once the subscription period ends, the Customer’s access to the learning content is terminated and they must renew their subscription in order to regain access to the educational material again.

d. *Each Course Has an Interactive Discussion Board Where Learners Can Communicate With the Author(s) and Other Learners*

The Company's courses are no longer presented in-person to customers; however, the content remains much the same as that previously offered in-person and is similar to what the Company's competitors still offer in-person. Each course available online has a discussion board on which questions and comments can be presented to the course author and to other course viewers. Popular courses have very active discussion boards. Although it varies by author and course, authors often respond quickly, sometimes within minutes or hours, of receiving a question, and in general, they play an active role on the discussion boards. An author's participation in the discussion boards can help generate additional interest in, and viewership of, his or her courses, thereby increasing the author's viewership payments.^[1]

e. *In Addition to the Interactive Discussion Boards There Are Several Other Benefits Provided on the Company's Learning Platform*

The following benefits are included with all subscriptions:

1. *Skills Assessments*: Skill assessments inform learners of their current level of mastery of a particular topic and help identify a correct starting point, and suggested learning paths, for their training. Skill assessments measure a learner's competency in any given topic or skill against all other learners to properly assess whether or not the learner has gained proficiency, or requires additional learning and study, in order to achieve mastery of a given subject matter. Skills Assessments use machine learning and advanced algorithms to measure a user's skills, benchmark that user against others in the industry, and discover opportunities for growth. Users are provided with a numerical assessment of proficiency in various (X) languages and fields such as Angular JS, C# and Java.
2. *Guided Learning Paths*: Guided learning paths identify courses needed to learn the necessary competencies and can be accessed by learners to guide their study of a particular topic or (X). Guided Learning Paths are based on the Skills Assessments and a user's goals—guiding users through a curated set of courses designed to help them master their desired subject and avoid spending time reviewing content that they already know.
3. *One-on-One Phone Support*: Learners can call in and speak with the Company's support team or professional services team and get guidance as to which courses they should take based on their desire to learn a specific skillset. The Company uses its years of experience as a professional (X) learning company to properly assist customers in selecting the correct course(s) to take based on their unique learning requirements and desires.
4. *Optional Learning Check*: Most courses include an optional learning check to test the user's retention of the material.

¹ Your website at WEBSITE states the following about viewership payments: QUOTE DELETED.

5. *Learning Profiles*: A learner's profile tracks training course progress and other learning and usage statistics. In addition, course completion certificates can also be printed from the Customer's history page. Course completion certificates, along with the skill assessment printout, can be used by a learner when applying for a promotion or new job to showcase that they have the necessary relevant skillset required by the employer.
6. *Interactive Coding Platform*: Some courses allow the participant to access an interactive coding platform that allows the viewer to code along with the instructor and that gives feedback on how well the viewer is performing each task.

f. Course Subscriptions Options

As mentioned above, the Company serves two main customer groups: individual and business (including government and educational institutions) customers. Three subscription single-price tiers are offered, which are outlined below. Business pricing is often negotiated from the list pricing based on the number of learners a customer is enrolling.

i. Individual Plans (Single Learner)

Plans targeting individual customers, which have monthly or annual billing options include access to the entire course library, except coding challenge courses, access to course-specific discussion boards, skill assessments, guided learning paths suggested by the recommendation engine, channels that allow a user to create his or her own learning paths, course learning checks, course completion certificates, mobile and TV apps, and email and phone support services. The premium personal subscription includes all items in the base plan plus access to all coding challenge courses and certification practice exams.

ii. Professional Plan for Business, Government, and Educational Institution Teams (Multiple Learner)

Professional business plans include all of the premium personal subscription services, basic skill analytics^[2] that allow business customers to evaluate their teams and identify skills gaps, basic channel analytics that provide insight into completion rates and employee engagement, certification practice exams, trend and usage analytics, and team management capabilities.

iii. Enterprise Plan for Business, Government, and Educational Institution Organizations (Multiple Learner)

² [Your footnote 1, found your request letter for this private letter ruling:] Business Analytics, which are analytics tools that enable business customers to evaluate the technical abilities of their teams, align learning and map learning paths to meet key business objectives, determine the level of learning engagement, examine trends in skill development, and quantify the impact of the personalized learning solution on their teams' skills.

Enterprise business plans include all premium personal and professional business services and also include more advanced skill and channel analytics, single sign on services, application program interface (“API”) access, and data export capabilities.

The pre-recorded videos are one element of the learning process and are not available for purchase as hard copy/DVD courses or without the course discussion functionality and the other various learning tools described above. The Company only offers the educational course subscriptions outlined above. The Company service offering is effectively an interactive platform not unlike a virtual classroom for people to learn, understand their current skill levels and find the most efficient path to improving those skills or to learning entirely new skills for use in their personal and professional lives.

B. Facts from the Company’s website.

The Company’s website provides more information about the course-specific discussion boards. A webpage titled “What are discussion boards?” located at WEBSITE REMOVED, states the following:

DISCUSSION BOARDS PARAGRAPHS REMOVED

The how-to video titled “Helpful learning tools,” available at WEBSITE, explains that if a user would like to participate in discussions with **other Company users** about the course, the user can access a discussion tab, which provides the user with space to type a question about the course or related topics. Based on the “Helpful learning tools,” the discussion boards connect users together. In this how-to video, the Company does not describe the discussion boards as connecting users with **course authors**.

The Company’s website also provides more information about the interactive coding platform. According to the how-to video titled “Interactive Courses,” available at WEBSITE REMOVED, a user watches a video and then completes a coding challenge in the browser and receives feedback. The Company does not describe the feedback as coming from a person analyzing and responding to that particular user’s coding project.

C. Facts from the Company’s Terms of Use.

Under the Company’s Terms of Use, a purchaser/user receives **use of and access to the Company’s website** in exchange for money. Subsection 4(a) states that a purchaser’s/users “**use of and access to the Site** is expressly conditioned upon timely payment of the applicable License Fee . . .” (emphasis added). Subsection 4.1(a) states, “If you choose or purchase a [Company] individual subscription plan during Checkout . . ., [the Company] grants you, and you alone, a non-exclusive, non-transferable license . . . **to use the Site** for the subscription term length . . .” (emphasis added). Subsection 4.2(a) states, “If you choose or purchase a [Company] business subscription plan during Checkout . . ., [the Company] grants you a non-exclusive, non-transferable license . . . **to use the Site** for the subscription term length . . .” (emphasis added). For business subscription plans, Subsection 4.2(b) continues, “The Business License allows a specific

number of your employees or affiliate employees to register as [Company] **users . . . and receive access to the Site** by way of your Business License” (emphasis added). For a Company Partnership Plan, Subsection 4.4 provides, “As a Company Partnership Plan user, you acknowledge and agree that your **use of and access to the Site** is subject to . . . these Terms of Use . . .” (emphasis added). Subsection 12(a) states the following:

THE SITE IS PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS, WITHOUT WARRANTY OF ANY KIND, WHETHER EXPRESSED OR IMPLIED. NEITHER [THE COMPANY] NOR ANY PERSON OR ENTITY ASSOCIATED WITH [THE COMPANY] MAKES ANY PROMISE, WARRANTY, OR REPRESENTATION WITH RESPECT TO THE COMPLETENESS, SECURITY, RELIABILITY, QUALITY, ACCURACY OR AVAILABILITY OF THE SITE. WITHOUT LIMITING THE FOREGOING, NEITHER [THE COMPANY] NOR ANY PERSON OR ENTITY ASSOCIATED WITH [THE COMPANY] PROMISES, REPRESENTS OR WARRANTS THAT THE SITE OR CONTENT OBTAINED THROUGH THE SITE OR ANY PORTION THEREOF WILL BE ACCURATE, RELIABLE, ERROR-FREE OR UNINTERRUPTED, THAT DEFECTS WILL BE CORRECTED, THAT THE SITE OR THE SERVER THAT MAKES THEM AVAILABLE ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS, OR THAT THE SITE OR ITS CONTENT OR MATERIALS WILL OTHERWISE MEET YOUR NEEDS OR EXPECTATIONS. [THE COMPANY] HEREBY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, AND FITNESS FOR PARTICULAR PURPOSE.

(Emphasis added.) Subsection 15(h) provides the following:

These Terms of Use, our Privacy Policy, the Mobile Terms, together with each Sales Order, and/or the Professional Services Terms, as applicable, constitute the sole and entire agreement between you and [the Company] **with respect to the Site** and supersede all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to **the Site**. . . .

(Emphasis added.)

The Terms of Use provides what is available for use and access. For a Company Partnership Plan, Subsection 4.4 provides, “The **scope and features of the Site content and materials** available to you, the length of your Company Partnership Plan, and the license fee . . . will be set out during Checkout . . .” (emphasis added). Section (5)(a) explains the following about use of the Company’s proprietary materials:

Use of [Company’s] Proprietary Materials. The Site contains copyrighted materials, trademarks, proprietary and confidential information, and intellectual property of [Company] and licensors of [“Company”] (collectively, “Proprietary

Materials”), including without limitation source code, **video, text, software, photos, graphics, images, music, and sound**. You agree not to modify, publish, transmit, participate in the transfer or sale of, create derivative works of, or in any way exploit, in whole or in part, any Proprietary Materials. **Proprietary Materials may only be accessed through the Site**, and not by or from any other site or means. The applicable License granted you by these Terms of Use is a right of **access through the Site** only, and does not grant to you any right to download or store any Proprietary Materials in any medium, other than (i) that **downloadable content** that may be provided for certain training courses, including **exercise files, course slides, and sample code**, (ii) files that are automatically cached by your web browser for display purposes, and (iii) if we provide desktop, mobile, or other applications **for download, a single copy of such application for your computer or mobile device** solely for your own, personal use, provided you agree to be bound by an applicable end user license agreement for such application (collectively, the “Authorized Downloadable Materials”). Authorized Downloadable Materials are held by you pursuant to a limited revocable right only, and are subject to all restrictions described herein, including the **prohibition on further transfer, sale, creation of derivative works**, or exploitation in any manner.

(Emphasis changed.) The content and materials include video, images, and written content, one copy of which the purchaser/user may download during the term of the subscription for the user’s personal use. The nature of the content and materials is also seen in Section 8 and Subsection 8(b), which states the following:

You acknowledge and agree that the Site contains **content and materials that are viewable through online streaming methods and they are not to be downloaded by you (or your Business Users), except under the limited circumstances** and for the limited times as permitted by your Plan.”

.....

You acknowledge and agree that you (and your Business Users), will not:

- reproduce, redistribute, transmit, assign, sell, broadcast, rent, share, lend, modify, adapt, edit, create derivative works of, license, capture, download, save, upload, print, or otherwise transfer or retain information or content available on the Site other than with regard to **Authorized Downloadable Materials**, subject to the limited permissions set forth herein;
- manually or systematically harvest, scrape, collect or otherwise extract information or data contained on the Site, other than permitted use of **Authorized**

Downloadable Materials or temporary storage of video materials for offline viewing (if permitted by your Plan).

....

(Emphasis changed.)

The Company's Terms of Use, Section 7 User Content and Feedback, provides more information about the Interactive Discussion Boards discussed in your request letter and in other information available on the Company's website. Subsection 7 states the following in part:

(a) Interactive Features. The Site from time to time may provide you with the ability to upload, post, submit, publish, or transmit **to other users or persons** (hereinafter, "post") via online forums, chat capabilities, user discussion groups, blogs, online profiles, or other online forums ("Interactive Features").

(b) User Content. The Interactive Features are intended to provide you and other users with valuable resources on selected topics. **Some, if not most, of the content found on such Interactive Features is provided by third-party users, and not us** (such content, "User Content"). **The third-party user (including you, if applicable) is solely responsible for the User Content** and for complying with applicable laws relating thereto.

(i) All User Content you submit to the Interactive Features (including for inclusion on the Site) or that is otherwise made available to [the Company] will be considered non-confidential and non-proprietary, and by so doing, you hereby grant us and our affiliates and service providers, and each other and our respective licensees, successors, and assigns the right to use, reproduce, modify, perform, display, distribute, and otherwise disclose to third parties any such material.

....

(c) Feedback. We welcome and encourage you to provide feedback, comments, and suggestions for improvements to the Site ("Feedback"). You acknowledge and agree that any and all Feedback provided by way of the Site or otherwise will be the sole and exclusive property of [the Company]

(d) Monitoring and Enforcement. We have the right to:

(i) remove or refuse to post any User Content or Feedback for any or no reason in our sole discretion;

....

Notwithstanding anything to the contrary, **we have no obligation to review any User Content, Feedback, or materials before they are posted on the Site**, and we cannot ensure prompt removal of objectionable material after it has been posted. Accordingly, **we assume no liability for any action or inaction regarding transmissions, communications, or content provided by any user or third party, and we have no liability or responsibility to anyone for performance or nonperformance of the activities described in this Section.**

(Emphasis changed.) According to the Terms of Use, the Interactive Features are the use of the software tools allowing for communications between the purchaser/user and "other users or persons." The Company is taking no responsibility for those communications. The Company has

“no liability or responsibility to anyone for performance or nonperformance of the activities described [in Section 7 User Content and Feedback].” *See also* Subsection 9(d) (“We are not responsible or liable to you . . . for the content or accuracy of any materials provided by any third parties.”). After considering the above Terms of Use, the Company is **not** selling to purchasers/users the right to communicate with the course authors.

II. Issue

The issue for this private letter ruling is whether the Company’s receipts for providing subscription access to its online TRAINING platform are subject to Utah sales and use taxes. This private letter ruling concludes that these receipts are subject to Utah sales and use taxes when the purchasers/users are located in Utah. The analysis for this conclusion is located in the IV. Analysis Section of this ruling.

III. Applicable Law

Utah Code Annotated § 59-12-103(1) imposes sales and use taxes on certain transactions, stating the following in part:

A tax is imposed on the purchaser . . . on the purchase price or sales price for amounts paid or charged for the following transactions:

- (a) retail sales of tangible personal property made within the state;
.....
- (k) amounts paid or charged for leases or rentals of tangible personal property if within this state the tangible personal property is:
 - (i) stored;
 - (ii) used; or
 - (iii) otherwise consumed;
- (l) amounts paid or charged for tangible personal property if within this state the tangible personal property is:
 - (i) stored;
 - (ii) used; or
 - (iii) consumed; and
- (m) amounts paid or charged for a sale:
 - (i) (A) of a product transferred electronically; . . .
.....
 - (ii) regardless of whether the sale provides:
 - (A) a right of permanent use of the product; or
 - (B) a right to use the product that is less than a permanent use, including a right:
 - (I) for a definite or specified length of time; and
 - (II) that terminates upon the occurrence of a condition.

Utah Code Ann. § 59-12-102 defines various terms, stating the following in part:

As used in this chapter:

....

- (19) (a) "Bundled transaction" means the sale of two or more items of tangible personal property, products, or services if the tangible personal property, products, or services are:
- (i) distinct and identifiable; and
 - (ii) sold for one nonitemized price.

- (b) "Bundled transaction" does not include:

....

- (iv) the retail sale of tangible personal property and a service if:
- (A) the tangible personal property:
 - (I) is essential to the use of the service; and
 - (II) is provided exclusively in connection with the service; and
 - (B) the service is the true object of the transaction;

....

- (27) "Computer" means an electronic device that accepts information:

- (a) (i) in digital form; or
- (ii) in a form similar to digital form; and
- (b) manipulates that information for a result based on a sequence of instructions.

- (28) "Computer software" means a set of coded instructions designed to cause:

- (a) a computer to perform a task; or
- (b) automatic data processing equipment to perform a task.

....

- (98) (a) "prewritten computer software" means computer software that is not designed and developed:
- (i) by the author or other creator of the computer software; and
 - (ii) to the specifications of a specific purchaser.

....

- (100) (a) Except as provided in Subsection (100)(b), "product transferred electronically" means a product transferred electronically that would be subject to a tax under this chapter if that product was transferred in a manner other than electronically.

- (b) "Product transferred electronically" does not include:

- (i) an ancillary service;
- (ii) computer software; or
- (iii) a telecommunications service.

....

- (104) (a) "Purchase price" and "sales price" mean the total amount of consideration:

- (i) valued in money; and
- (ii) for which tangible personal property, a product transferred electronically, or services are:
 - (A) sold;

- (B) leased; or
- (C) rented.

....

- (113) "Retail sale" or "sale at retail" means a sale, lease, or rental for a purpose other than:
- (a) resale;
 - (b) sublease; or
 - (c) subrent.

....

- (115)(a) "Sale" means any transfer of title, exchange, or barter, conditional or otherwise, in any manner, of tangible personal property or any other taxable transaction under Subsection 59-12-103(1), for consideration.
- (b) "Sale" includes:

....

- (v) any transaction under which right to possession, operation, or use of any article of tangible personal property is granted under a lease or contract and the transfer of possession would be taxable if an outright sale were made.

....

- (130)
- (b) "Tangible personal property" includes:

....

- (v) prewritten computer software, regardless of the manner in which the prewritten computer software is transferred.

....

Utah Code Ann. § 59-12-211(3) provides the location of sales that involve the purchasers' receipt of tangible personal property, a product transferred electronically, or a service, with Subsection § 59-12-211(3) stating the following:

Subject to Subsection (10), and except as provided in Subsections (7), (8), (9), (11), and (14), if tangible personal property, a product transferred electronically, or a service that is subject to taxation under this chapter is not received by a purchaser at a business location of a seller, **the location of the transaction is the location where the purchaser takes receipt of the tangible personal property** or service.

(Emphasis added.) Utah Code Ann. § 59-12-211(12) provides the location of sales that involve the purchasers' use of software when there is not a transfer of a copy of the software, with § 59-12-211(12) stating the following:

- (a) Notwithstanding any other provision of this section and except as provided in Subsection (12)(b), **if a purchaser uses computer software and there is not a transfer of a copy of that software to the purchaser**, the location of the transaction is determined in accordance with Subsections (4) and (5).

- (b) If a purchaser uses computer software described in Subsection (12)(a) at more than one location, the location of the transaction shall be determined in accordance with rules made by the commission in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(Emphasis added.) When § 59-12-211(12) applies, Subsections (4) and (5) of Utah Code Ann. § 59-12-211 generally locate transactions at an address for the purchaser.³

IV. Analysis

This Analysis Section includes the following subsections:

- A. Summary of Analysis Section's conclusions
- B. A bundled transaction analysis does not apply to the Company's sales of subscriptions because the information presented does not show that the subscription's benefits are distinct and identifiable.
- C. Depending on the essence of the transaction analysis, the Company's sales of the subscriptions could potentially be taxable as sales of products transferred electronically and/or as sales of tangible personal property.
- D. The essence of the transaction of the Company's sales of subscriptions is the sale of the right to use the downloadable prerecorded videos and to use the related software tools; thus, the sales of the subscriptions are subject to Utah sales and use taxes when the transactions are located within this State.
- E. This private letter ruling's conclusion that the Company's sales of subscriptions are taxable is consistent with the conclusions of PLR 17-003, which involved sales of downloadable continuing educational resources.
- F. The STATE-1 Department of Revenue's guidance does not conflict with the conclusions of this private letter ruling.
- G. PLR 11-006 is factually distinguishable from, and does not apply to, this PLR 19-003.
- H. PLR 07-013 is factually distinguishable from, and does not apply to, this PLR 19-003.
- I. Prospective enforcement is appropriate for the Company's situation to the extent

³ For more direction on the application of § 59-12-211 to the situation you have presented, you may contact the Taxpayer Services Division, Technical Research Unit, by phone at 801-297-7705, by email at taxmaster@utah.gov, or by mail at 210 N 1950 W, Salt Lake City, UT 84134.

described in this subsection.

The analysis for this private letter ruling is provided below.

A. Summary of Analysis Section's conclusions

The Company's sales of subscriptions granting access to its online TRAINING platform are subject to Utah sales and use taxes when the purchasers/users are located in Utah. The subscriptions provide online access both to a library of downloadable prerecorded video courses and to interactive prewritten software. Based on the downloadable prerecorded video courses, the subscription fees are taxable under § 59-12-103(1)(m) as "amounts paid or charged for a sale . . . of a product transferred electronically."⁴ Additionally, based on the interactive prewritten software, the subscription fees are also taxable under § 59-12-103(1)(a), (k), and (l) as "amounts paid or charged for . . . retail sales of tangible personal property made within the state . . ." (under Subsection (1)(a)); as "amounts paid or charged for leases or rentals of tangible personal property if within this state the tangible personal property is . . . used . . . or . . . otherwise consumed" (under Subsection (1)(k)); and as "amounts paid or charged for tangible personal property if within this state the tangible personal property is . . . used . . . or . . . consumed . . ." (under Subsection (1)(l)). After analyzing the facts presented, the essence of the transaction between the Company and the purchasers/users is the sale of the use of the Company's downloadable prerecorded videos and the use of the Company's prewritten computer software; the essence is not the sale of personal services provided by the Company's personnel to the purchasers/users.

B. A bundled transaction analysis does not apply to the Company's sales of subscriptions because the information presented does not show that the subscription's benefits are distinct and identifiable.

Subsection 59-12-102(19)(a) defines "bundled transaction" as "the sale of two or more items of tangible personal property, products, or services if the tangible personal property, products, or services are: (i) distinct and identifiable; and (ii) sold for one nonitemized price." Your request letter does not explain how the subscription benefits are distinct and identifiable. Instead, your request letter asserts that the benefits are part of one product, with that product being nontaxable educational services.⁵

C. Depending on the essence of the transaction analysis, the Company's sales of the subscriptions could potentially be taxable as sales of products transferred electronically and/or as sales of tangible personal property.

⁴ The fact that the prerecorded videos are downloadable is important to the finding that prerecorded video courses are products transferred electronically.

⁵ The sales of educational services involving tangible personal property may be excluded from the definition of "bundled transaction" by § 59-12-102(19)(b)(iv) and would not be subject to sales taxes if the educational services are the object of the transaction. Subsection 59-12-102(19)(b)(iv) excludes from the definition of bundled transaction certain "sales of tangible personal property and a service if . . . the service is the true object of the transaction." Sales of educational services are not among the transactions listed in § 59-12-103 as being subject to tax. You have asserted that the Company sells educational services; however, this private letter ruling concludes otherwise.

Under § 59-12-102(100), a “‘product transferred electronically’ means a product transferred electronically that would be subject to a tax under this chapter if that product was transferred in a manner other than electronically.” All subscriptions you presented involve a library of downloadable prerecorded videos, accessible through the Company’s website as long as the purchasers/users have active subscriptions. The downloadable nature of the videos means that the videos can be electronically transferred to the purchasers/users; which is a requirement for the videos to be a “product transferred electronically.”⁶ Transactions involving products transferred electronically are subject to Utah sales and use taxes under § 59-12-103(1)(m), as “amounts paid or charged for a sale . . . of a product transferred electronically; . . . regardless of whether the sale provides . . . a right to use the product that is less than a permanent use, including a right . . . for a definite or specified length of time . . .” Thus, if the sales of subscriptions are essentially sales of the right to use the downloadable prerecorded videos, the sales of subscriptions would be taxable under § 59-12-103(1)(m).

Under § 59-12-102(28), “[c]omputer software means a set of coded instructions designed to cause . . . a computer to perform a task” (internal quotes omitted). All subscriptions you presented involve software tools accessed and used by purchasers/users through the Company’s website. Under § 59-12-102(98)(a), “prewritten computer software means computer software that is not designed and developed . . . by the . . . creator of the computer software . . . to the specifications of a specific purchaser” (internal quotes omitted). The software tools that the purchasers/users access and use through the Company’s website are not designed and developed by the Company to the specifications of a specific purchaser/user. Thus, the software tools are prewritten computer software. Under § 59-12-102(130)(b)(v), prewritten computer software is tangible personal property. Transactions involving tangible personal property are subject to Utah sales and use taxes under the following subsections:

- Section 59-12-103(1)(a), for “retail sales of tangible personal property made within the state”
- Section 59-12-103(1)(k), for “amounts paid or charged for leases or rentals of tangible personal property if within this state the tangible personal property is . . . used . . . or . . . otherwise consumed”
- Section 59-12-103(1)(l), for “amounts paid or charged for tangible personal property if within this state the tangible personal property is . . . used . . . or . . . consumed . . .”

For purposes of § 59-12-103(1)(a), (k), and (l), § 59-12-102(115)(b)(v) broadly defines “sale” to include “any transaction under which **right to . . . use** of any article of tangible personal property is granted under a lease or contract and the transfer of possession would be taxable if an outright sale were made” (emphasis added). Thus, if the sales of the subscriptions are essentially sales of

⁶ If the videos had been viewable but not downloadable or otherwise electronically transferable to the purchasers/users, the analysis of this private letter ruling would have been different. The differing treatments of downloadable videos and of non-downloadable videos that are only viewed online can be seen in PLR 16-005. Redacted copies of PLR 16-005 and other private letter rulings are available through the tax.utah.gov website. Further discussion of downloadable educational resources versus live educational resources is included in Subsection IV.E. of this private letter ruling.

the right to use the software tools on the Company’s website, the sales would be taxable under § 59-12-103(1)(a), as retail sales of tangible personal property if the sales are “made within the state.”⁷ Alternatively, those sales could also be taxable under § 59-12-103(1)(k) and (1)(l) if the purchasers/users are using or consuming the Company’s software tools within this state. Subsection 59-12-211(12) addresses whether certain transactions involving software are made within this state, with § 59-12-211(12)(a) stating the following:

[I]f a purchaser uses computer software and there is not a transfer of a copy of that software to the purchaser, the location of the transaction is [the address for the purchaser].

Thus, if the sales of the subscriptions are sales of the use of software tools, then the sales are subject to Utah sales and use taxes if the purchasers/users are located in Utah.

D. The essence of the transaction of the Company’s sales of subscriptions is the sale of the right to use the downloadable prerecorded videos and to use the related software tools; thus, the sales of the subscriptions are subject to Utah sales and use taxes when the transactions are located within this State.

This Subsection IV. D. includes the following subsections:

1. Utah Supreme Court’s guidance on the essence of the transaction analysis.
2. Nature and extent of the personal services provided by the Company’s personnel.
3. Nature and extent of the use of the Company’s downloadable prerecorded videos and related software tools.
4. The essence of the transaction is the sale of the use of the downloadable prerecorded videos and related software tools.

The analysis of Subsection IV. D. is explained below.

1. Utah Supreme Court’s guidance on the essence of the transaction analysis.

To determine whether the Company’s sales of subscriptions are sales of personal services of the Company’s personnel or, alternatively, sales of the right to use the downloadable prerecorded videos and the related software tools, one must consider the essence of, or primary object of, the transaction. The Utah Supreme Court has explained the essence of the transaction as follows:

[T]he essence of the transaction theory[] focuses on the nature of what was sold and whether it primarily entails tangible personal property. . . . This theory

⁷ Under § 59-12-102(113), a “[r]etail sale” . . . means a sale, lease, or rental for a purpose other than: (a) resale; (b) sublease; or (c) subrent.” This private letter ruling analyzes the Company’s sales of subscriptions as **retail sales**.

examines the transaction as a whole to determine whether the essence of the transaction is one for services or for tangible personal property. The analysis typically requires a determination either that the services provided are merely incidental to an essentially personal property transaction or that the property provided is merely incidental to an essentially service transaction. . . .

B.J.-Titan Services v. State Tax Comm'n, 842 P.2d 822, 825 (Utah 1992) (internal citations removed). To decide whether the essence of the transaction for the Company's sales is the personal services provided by the Company's personnel or, alternatively, the use of the downloadable prerecorded videos and/or the related software tools, one must consider the nature and extent of (1) the personal services provided by the Company's personnel and (2) the use of the downloadable prerecorded videos and related software tools.

2. *Nature and extent of the personal services provided by the Company's personnel.*

The Company's personnel provide purchasers/users with one-on-one phone support and email communications. Through these communications, the Company's personnel advise users on the courses the users should take. The Company's personnel also provide limited personal services for the course-specific discussion boards; if a user posts a question on a course-specific discussion board and does not get a response, then the user may email the Company and the Company's personnel will follow up and try to expedite an answer to the user's question or concern. Additionally, the Company's personnel may monitor the content on discussion boards and may remove or refuse to post any message, according to the Company's Terms of Use. Overall, the Company's services for the discussion boards are very limited. Under the Company's Terms of Use, the Company takes no responsibility for the content posted on those discussion boards.

The authors' interactions on the discussion boards have not been shown to be among the personal services provided by the Company's personnel. You explained that the authors often take an active role on the discussion boards because these activities help them generate additional interest in their training courses, which can increase the authors' viewership payments. The Company pays the authors the viewership payments to compensate the authors for the video courses. The limited information provided about the viewership payments does not show the Company is also paying the authors to directly interact with individual purchasers/users on the Company's behalf. No information suggests that the Company requires authors to participate in any way with individual users/purchasers, based on the Company's Terms of Use.

The services of the Company's sales personnel are not personal services provided to purchasers/users in exchange for the subscription fees. Instead, the Company's sales personnel interact with the skills development leaders of potential customers to generate sales for the Company.

The services of the Company's personnel to develop the Company's library of downloadable prerecorded videos and related software tools are not personal services provided to

individual purchasers/users. Instead, these services develop and enhance the value of the product sold for the subscription fees. These services of the personnel include the following:

- contracting with the authors who create the pre-recorded training video courses
- providing the software tools that allows users to engage in skill assessments and in communications with other users
- acquiring courses
- creating courses internally
- making the Company's library of video courses searchable
- transcribing videos and adding closed captioning
- partnering with (X) industry organizations, then designing courses that help users obtain certain certifications
- partnering with professional certification providers, then designing courses that provide users with continuing education units for certain certificates

In the past, the personal services of the Company's personnel included sending instructors to customers' locations to provide classroom-based instruction. However, the Company's personnel are no longer providing these personal services. As discussed above, the personal services of the Company's personnel provided directly to users are much more limited now.

3. *Nature and extent of the use of the Company's downloadable prerecorded videos and related software tools.*

You explained that "the Company is principally engaged in providing an online professional TRAINING platform." Through this platform, purchasers/users learn or enhance their skills by using the downloadable prerecorded video courses and related software tools. The software tools include various cloud-based skill assessments, course recommendations, and analytical tools. The Company acquires or creates the prerecorded videos that are integral to the downloadable prerecorded video courses. The Company's course library includes over ##### on-demand and online courses, with new courses added daily. The courses are organized by module and are searchable. Through the Company's website, users can browse the Company's course library. A subscription allows users to have a temporary license to access the Company's website, which includes the course library, interactive features, and other online analytical features. The Company retains the intellectual property rights related to the courses and users may only temporarily download video and other content for offline viewing during the subscription period. Users have access to the content only while their subscriptions are active. A subscription provides software-based benefits that include skill assessments, guided learning paths, optional learning checks, and an interactive coding platform. The interactive coding platform appears to involve software that provides users with computer generated feedback when the users complete coding challenges in a browser. No information provided in the request letter or in other documents suggests an instructor is personally analyzing and responding to an individual user's coding project. The Company's Terms of Use explain that purchasers/users receive use of and access to the Company's website in exchange for the subscription fee. The Terms of Use provide the limits of the purchasers'/users' use of the Company's website, including the use of the Company's videos, texts, software, etc., which content is accessible through the Company's website.

4. *The essence of the transaction is the sale of the use of the downloadable prerecorded videos and related software tools.*

After reviewing the facts relating to the nature and extent of the personal services provided by the Company's personnel to individual purchasers/users and the facts relating to the nature and extent of the use of the downloadable prerecorded videos and use of the related software tools, the essence of the transaction of the sales of subscriptions is for the use of the downloadable prerecorded videos and the use of the related software tools. The essence is not for the personal services of the Company's personnel. The Company's personnel provide only limited personal services directly to users, and these are counseling services that focus on the downloadable prerecorded videos and related software tools. The other services of the Company's personnel are not specific to individual users, and instead, are those services are primarily related to developing the Company's library of downloadable prerecorded video courses and related software tools, the use of which the Company sells through its subscriptions.

Because the essence of the transaction is the use of the downloadable prerecorded videos and the use of the related software tools, the sales are subject to Utah sales and use taxes under § 59-12-103(1)(m), as sales of products transferred electronically for the downloadable videos, and under § 59-12-103(1)(a), (1)(k), and (1)(l) for the sales of the use of the software tools when the transactions are made "within the state," in accordance with § 59-12-211(12). A purchaser's/user's objective of learning or education does not change this result.⁸

E. This private letter ruling's conclusion that the Company's sales of subscriptions are taxable is consistent with the conclusions of PLR 17-003, which involved sales of downloadable continuing educational resources.⁹

In PLR 17-003, the Commission addressed a company's sales of downloadable online continuing education resources and business education resources. Licensed professionals authored the company's continuing educational course materials, and the company's online continuing education was a library of blogs, downloadable articles, and recorded webinars. The Commission concluded that the downloadable online educational resources were taxable, with PLR 17-003, page 18, providing the following analysis:

7. *If the Online Educational Resources that are Downloadable for Offline Viewing Were Sold Separately, the Benefit Would be Taxable Under § 59-12-103(1)(m).*

If the Company were to sell separately the online educational resources that are downloadable for offline viewing, the Company would be selling products transferred electronically, which transactions are subject to sales and use taxes, as explained below.

⁸ The essence of the transaction analysis of this private letter ruling is based on the unique facts of this private letter ruling. In recent years, the number and variety of educational courses offered online have grown. In general, online courses involve various levels of personal services provided by companies' personnel to their students. Thus, the conclusions in this private letter ruling may not be the same as those for other online courses.

⁹ Redacted copies of PLR 17-003 and other private letter rulings are available through the tax.utah.gov website.

The online educational resources that are downloadable for offline viewing meet the definition of product transferred electronically. Section 59-12-102(95)(a) defines “product transferred electronically” as “a product transferred electronically that would be subject to a tax under this chapter if that product was transferred in a manner other than electronically.” Downloaded articles, audio recordings, and audio-video recordings can meet this definition. If the articles, audio recordings, and audio-video recordings were “transferred in a manner other than electronically,” such as through CDs or DVDs, then the articles, audio recordings, and audio-video recordings would be subject to Utah sales and use taxes if the Customers are located in Utah.

The sales and/or uses in Utah of online educational resources that are downloadable for offline viewing are subject to Utah sales and use taxes under § 59-12-103(1)(m), as “amounts paid or charged for a sale: (i) (A) of a product transferred electronically . . .” Under § 59-12-103(1)(m)(ii), the sale of the online educational resources that are downloadable for offline viewing remain taxable “regardless of whether the sale provides: (A) a right of permanent use of the product; or (B) a right to use the product that is less than a permanent use, including a right: (I) for a definite or specified length of time; and (II) that terminates upon the occurrence of a condition.”

In summary, if the Company’s articles, audio recordings, and audio-video recordings are downloadable, the Company would be selling products transferred electronically and these sales would be subject to Utah sales and use taxes if the sales and/or uses are in Utah. Therefore, if the Company sold separately the online educational resources that are downloadable for offline viewing, these sales would be subject to Utah sales and use taxes if the sales and/or uses are in Utah.

The above analysis and conclusion are consistent with the analysis found in PLR 16-005. PLR 16-005 involved the sale of memberships that provided multiple membership benefits. The membership benefits in PLR 16-005 included a “VIDEOS BENEFIT—downloading movies and TV shows,” an “E-BOOK BENEFIT—downloading books,” and a “MUSIC BENEFIT—downloading music.” PLR 16-005 concluded that these benefits are subject to Utah sales and use taxes.

Consistent with PLR 17-003, this PLR 19-003 finds that the Company’s sales of the use of a library of downloadable prerecorded video courses are subject to Utah sales and use taxes.

In PLR 17-003, the Commission also addressed a company’s sales of live education resources. The Commission concluded that sales of live education resources were not taxable, with PLR 17-003, page 17, providing the following analysis:

5. *If the In-person Educational Resources Were Sold Separately, the Benefit Would Not be Taxable Under § 59-12-103(1).*

Another membership benefit is the in-person educational resources. If the Company were to sell the in-person educational resources separately, the Company would be selling a service that is not subject to Utah sales and use taxes.

You explained, “In-person CONTINUING EDUCATION events are typically three to four day conferences with featured speakers, workshops, and panel discussions.” You also explained, “For . . . in-person . . . CONTINUING EDUCATION courses, licensed PROFESSIONALS comprise the faculty who author or present the materials.” These in-person educational services provided to Members are not subject to Utah sales and use taxes because they are not a service listed as taxable in § 59-12-103(1). However, the Company would be subject to sales and use taxes on the tangible personal property, products transferred electronically, or taxable services that the Company consumes in Utah in providing these educational services.

PLR 17-003 shows how Utah treats live educational services differently from downloadable prewritten/prerecorded educational resources. You have claimed that the Company’s downloadable prerecorded video courses should not be taxable because they are like the live trainings the Company previously provided. However, under Utah law, live education is unlike downloadable prewritten/prerecorded educational resources. Both PLR 17-003 and this PLR 19-003 correctly conclude that the sales of downloadable prewritten/prerecorded educational materials in Utah are taxable, while the sales of live education are not.

F. The STATE-1 Department of Revenue’s guidance does not conflict with the conclusions of this private letter ruling.

STATE-1’s laws are different from Utah’s. STATE-1 has a webinar exemption; Utah does not. STATE-1’s webinar exemption, found in M.S. § 297A.67 Subd. 33, states the following:

Presentations accessed as digital audio and audiovisual works. The charge for a live or prerecorded presentation, such as a lecture, seminar, workshop, or course, where participants access the presentation as a digital audio work or digital audiovisual work, and are connected to the presentation via the Internet, telecommunications equipment, or other device that transfers the presentation electronically, is exempt if:

(1) participants and the presenter, during the time that participants access the presentation, are **able to give, receive, and discuss the presentation with each other**, although the amount of interaction and when in the presentation the interaction occurs may be limited by the presenter; and

(2) for those presentations where participants are given the option to attend the same presentation in person:

(i) any limitations on the amount of interaction and when it occurs during

the presentation are the same for those participants accessing the presentation electronically as those attending in person; and
(ii) the admission to the in-person presentation is not subject to tax under this chapter.

(Emphasis added.) The STATE-1 Department of Revenue’s guidance focused on whether the Company’s purchasers/users had **the ability to** interact in an educational course because that ability is a requirement of STATE-1’s webinar exemption. Utah does not have an exemption similar to STATE-1’s; the ability to interact in an educational course is not a requirement stated in the Utah Code.

G. PLR 11-006 is factually distinguishable from, and does not apply to, this PLR 19-003.

Both PLR 19-003 and PLR 11-006 include essence of the transaction analyses. However, PLR 11-006 is factually different from PLR 19-003, which leads to the different conclusion that the company in PLR 11-006 provided nontaxable services and the Company in this PLR 19-003 is providing taxable use of downloadable rerecorded videos and related software tools.

PLR 11-006 concluded that a client was purchasing the company’s unique research and analysis services, which created the value of the report transferred to the client. The company’s personnel provided personal services to each client to help them interpret the report. PLR 11-006 considered the nature and extent of the client’s use of the company’s software, and found that use to be “very limited.” *Id.* at 12. The client used the software to provide the company with the data to be analyzed and again used the software to receive back the final report from the company.

The situation of PLR 19-003 is very different from the situation of PLR 11-006. In this PLR 19-003, the purchasers/users of the Company’s subscriptions have continuous use of the Company’s downloadable prewritten video courses and related software tools for the duration of the subscriptions. The purchasers’/users’ interactions with the Company’s downloadable prewritten video courses and related software are extensive. The purchasers/users are acquiring use of the videos and software tools through the website to learn certain subjects; they are not acquiring use of the videos and software tools for the primary purpose of receiving reports. Based on these factual differences, PLR 11-006 does not apply to PLR 19-003

H. PLR 07-013 is factually distinguishable from, and does not apply to, this PLR 19-003.

Both PLR 19-003 and PLR 07-013 provided essence of the transaction analyses. However, PLR 07-013 is factually different from PLR 19-003, which leads to the different conclusion that the company in PLR 07-013 provided nontaxable services while the Company in this PLR 19-003 is providing use of downloadable prerecorded videos and related software tools.

In 07-013, the Commission found that the company sold a nontaxable backup service, designed to protect a customer’s computer data, and the Commission did not find that the company was selling use of its computer server space located in Utah. Also in PLR 07-006, no library of

prewritten material was involved. Instead, the customers in PLR 07-006 were acquiring a service to protect their own information rather than purchasing the use of the company's downloadable materials. The company provided its customers with use of the company's prewritten computer software at no charge to allow them to use the backup service. The software was merely incidental to the service.

The situation of PLR 19-003 is very different from that of PLR 07-006. In this PLR 19-003, purchasers/users of the Company's subscriptions pay to use the Company's content of downloadable prerecorded video courses. PLR 07-006 did not involve the sale of use of downloadable content. In PLR 19-003, purchasers/users of the Company's subscriptions pay to use the software tools relating to the downloadable video courses. In PLR 07-006, the use of the software was not sold, it was provided free of charge; the software was incidental to the service provided. Based on these factual differences, PLR 07-006 does not apply to PLR 19-003.

I. Prospective enforcement is appropriate for the Company's situation to the extent described in this subsection.

Based on the facts and circumstances of your unique situation, the Commission finds that prospective enforcement of Utah sales and use tax collection is appropriate for the Company's sales of subscriptions. The Taxpayer Services Division provided the Company with written guidance that the Company's sales of subscriptions would not be subject to Utah sales and use taxes. The Company voluntarily submitted its request for this private letter ruling on April 10, 2019, to verify the correctness of the Taxpayer Services Division's guidance. Additionally, the Company has been responsive throughout the process of preparing this private letter ruling, causing no delay in the ruling's issuance. The Company disclosed its name to the Commission during the private letter ruling process only after the Commission asked so that the Commission could better understand the facts of the Company's situation. Our delay in our response to you along with the complexity of your issue justify prospective enforcement. Thus, as of thirty (30) days after the date of this private letter ruling, the Company is obligated to collect and remit Utah sales and use taxes on the Company's sales of subscriptions in accordance with the direction that the Commission has provided in this private letter ruling.

Before thirty (30) days after the date of this private letter ruling, the Company might have collected sales taxes on the Company's sales of subscriptions. For these sales, the prospective enforcement does not relieve the Company of its obligation to remit all Utah sales and use taxes the Company has collected. Thus, for tax periods prior to thirty (30) days after the date of this private letter ruling, the Company must still remit all collected taxes.

V. Conclusion

This private letter ruling concludes the following:

1. The Company's receipts for providing subscription access to its online TRAINING platform are subject to Utah sales and use taxes when the purchasers/users are located in Utah.

2. Prospective enforcement is appropriate for the Company's situation to the extent described in Subsection IV. I. of this private letter ruling.

The Tax Commission's conclusions are based on the facts as you described them and the Utah law currently in effect. Should the facts be different or if the law were to change, a different conclusion may be warranted. If you feel we have misunderstood the facts as you have presented them, you have additional facts that may be relevant, or you have any other questions, please feel free to contact the Commission.

Additionally, you may also appeal the private letter ruling in the following two ways.

First, you may file a petition for declaratory order, which would serve to challenge the Commission's interpretation of statutory language or authority under a statute. This petition must be in written form, and submitted within thirty (30) days after the date of this private letter ruling. You may submit your petition by any of the means given below. **Failure to submit your petition within the 30-day time frame could forfeit your appeal rights and will be deemed a failure to exhaust your administrative remedies.** Declaratory orders are discussed in Utah Administrative Code R861-1A-34 C.2., available online at <http://tax.utah.gov/commission/effective/r861-01a-034.pdf>, and in Utah Administrative Code R861-1A-31, available online at <http://tax.utah.gov/commission/effective/r861-01a-031.pdf>.

Second, you may file a petition for redetermination of agency action if your private letter ruling leads to an audit assessment, a denial of a claim, or some other agency action at a division level. This petition must be written and may use form TC-738, available online at <http://tax.utah.gov/forms/current/tc-738.pdf>. Your petition must be submitted by any of the means given below, within thirty (30) days, generally, of the date of the notice of agency action that describes the agency action you are challenging.

You may access general information about Tax Commission Appeals online at <http://tax.utah.gov/commission-office/appeals>. You may file an appeal through any of the means provided below:

- **Best way**—by email: taxappeals@utah.gov
- By mail: Tax Appeals
USTC
210 North 1950 West
Salt Lake City, UT 84134
- By fax: 801-297-3919

For the Commission,

Rebecca L. Rockwell
Commissioner

RLR/aln
19-003

cc. NAME-2
COMPANY-2
EMAIL