

Utah Sales and Use Tax Direct Payment Permit Application Instructions

General Information

Use form TC-62DPA to apply to the Utah State Tax Commission for a Sales and Use Tax Direct Payment Permit. A direct payment permit allows a permit holder to purchase taxable goods and services without payment of tax to the seller. The permit holder then determines the taxability and reports and pays the tax due directly to the Tax Commission on the permit holder's monthly sales and use tax return.

Type or print clearly. **Applications with missing or illegible information will be returned.**

Mail or fax the completed application to the address below. Allow 15 days for processing.

Requirements for a Direct Payment Permit Holder

As a permit holder you must:

- Obtain a sales tax license from the Utah State Tax Commission per Utah Code §59-12-106.
- Make purchases of at least \$1,500,000 in each of the previous three years.
- Demonstrate a timely filing/payment history. Your application will be denied if your account is not current or shows a history of delinquencies (late payment) for sales and use tax.
- Demonstrate to the Utah State Tax Commission that you are able to comply with the reporting requirements for local tax distribution sourcing under Utah Code §§59-12-211, 212 and 213.

Limitations of the Direct Payment Permit

A direct payment permit MAY NOT be used in connection with the following transactions identified in Utah Code §59-12-107.1(2):

- Purchases of prepared food, and food and food ingredients, if purchased in the same transaction
- Amounts paid or charged for lodging accommodations and services
- Amounts paid or charged for admission or user fees
- Purchases of the following: a motor vehicle, an aircraft, a watercraft, a modular home, a manufactured home or a mobile home
- Amounts paid to a telephone service provider for telephone service that originates and terminates within the boundaries of the state of Utah
- Amounts paid for mobile telecommunications service that originates and terminates within the boundaries of one state
- Amounts paid for the commercial use of fuel

In addition, the direct pay permit MAY NOT be used to make tax-free purchases normally subject to the following taxes or fees:

- Municipal energy sales and use tax
- Motor vehicle rental tax
- Tourism (restaurant) tax
- Tourism (short-term leasing) tax
- Transient room tax
- Emergency services telephone fee
- Municipal telecom license tax

Auditing Division

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