

Utah State Tax Commission Tax and Revenue



Updated August 2023

Utah State Tax Commission

- Monthly webinars of various tax topics.
- Ability to access the recording and presentation after the event.
- Free to all attendees.



Utah State Tax Commission Monthly Webinars

tax.utah.gov/training/webinars

Tax Webinars & Videos

Each month, the Tax Commission holds live public webinars on various tax topics, with access to the recording after the event. We'll also add other training items here as needed. The links will appear below as they're available.

All webinars are held on the third Thursday of each month and begin at **10:00 a.m.**

Category/Tax Type

Date	Title	Category/Tax Type	Links
Jan 19, 2023	What's new this filing season for income tax	Individual Income Tax	MP4 PDF
Feb 16, 2023	Sales Tax licensing requirements and application process	Sales Tax	MP4 PDF
Mar 16, 2023	Who needs to file a Utah Income Tax return?	Individual Income Tax	MP4 PDF
Apr 20, 2023	Sales Tax rates and how to remit taxes	Sales Tax	MP4 PDF
May 18, 2023	Income Tax residency, domicile and special instructions	Individual Income Tax	MP4 PDF
Jun 15, 2023	Basics of what is taxable and what is exempt from Sales Tax	Sales Tax	MP4 PDF
Jul 20, 2023	Income Tax Audit / Exam Process	Tax Audits	MP4 PDF
Aug 17, 2023	Sales and Use Tax on Goods Consumed	Sales Tax	
Sep 21, 2023	Taxpayer Access Point (TAP)	Taxpayer Access Point (TAP)	
Oct 19, 2023	Sales Tax Treatment of Real Property vs Tangible Personal Property vs Tangible Personal Property Attached to Real Property	Sales Tax	
Nov 16, 2023	Withholding Taxes and W-2 Filing	Withholding Tax	



Sales and Use Tax on Goods Consumed



SALES TAX VS. USE TAX...

Sales Tax:

- Tax is applied to retail sales and leases of tangible personal property, products transferred electronically, and certain services.
- The seller collects the Sales Tax from the buyer and pays it to the Tax Commission.

Use Tax:

- Sales Tax was due on the purchase, but it was not charged or collected by the seller.
- Buyer sends Use Tax directly to Tax Commission.



SALES OR USE TAX?

DETERMINED BY POINT OF SALE AND FINAL CONSUMER

Sales Tax

- Seller has Utah nexus (required to collect)
- Buyer is located in Utah

Use Tax

- Usually the Seller is outside of Utah and items are shipped into Utah (i.e. online purchases)
- Buyer is located in Utah
- Used items that were intended for resale



USE TAX CODE REFERENCE

Utah Tax Code 59-12-107(2)

(f) A person shall pay a use tax imposed by this chapter on a transaction described in Subsection 59-12-103(1) if:

- (i) the seller did not collect a tax imposed by this chapter on the transaction; and
- (ii) the person:
 - (A) stores the tangible personal property or product transferred electronically in the state;
 - (B) uses the tangible personal property or product transferred electronically in the state; or
 - (C) consumes the tangible personal property or product transferred electronically in the state.



GOODS CONSUMED BY THE SELLER

Items consumed by the seller are subject to use tax on the amount of the seller's cost, not the potential sales price. Items consumed by the seller include:

- items taken from inventory and used by the seller,
- samples given away for advertising, and
- products consumed by employees without payment.



Use Tax

Report use tax on the ***Sales and Use Tax Return***, line ***4, Goods purchased tax free and used by you***, at the seller's cost.

Taxable Sales Detail		Help
1. Total sales of goods and services	0.00	6. Adjustments
2. Exempt sales included in line 1	0.00	0.00
3. Taxable sales	0.00	If you entered an amount in line 6, you must provide an explanation of the adjustment(s) below
4. Goods purchased tax free and used by you	0.00	
5. Total taxable amounts	0.00	7. Net taxable sales and purchases
		0.00



Use Tax

If a license is not required, Use Tax is reported on personal or business income tax returns.

Schedule A - Utah Net Taxable Income and Tax Calculation TC-20, Sch. A Pg. 2
20104 EIN [REDACTED] 2021

23 Enter tax from Schedule A, page 1, line 22

24 Nonrefundable credits (see instructions or incometax.utah.gov/credits for codes)

Code	Amount	Code	Amount
• 24a	[REDACTED]	• 24b	[REDACTED]
• 24c	[REDACTED]	• 24d	[REDACTED]
• 24e	[REDACTED]	• 24f	[REDACTED]

Total nonrefundable credits - add lines 24a through 24f

25 Net tax - subtract line 24 from line 23 (cannot be less than line 18b or less than zero)

26 Utah use tax

**Utah Partnership/Limited Liability Partnership/
Limited Liability Company Return** 2021 TC-65
Clear form

65101 [REDACTED]
9998 [REDACTED]

For calendar year 2021 or fiscal year (mm/dd/yyyy):
beginning - [REDACTED] / [REDACTED] / [REDACTED] and ending - [REDACTED] / [REDACTED] / [REDACTED]

Partnership name [REDACTED]
Address [REDACTED]
City [REDACTED]
Foreign country (if not U.S.) [REDACTED]

ENTITY TYPE (check one):
☐ General
☐ Limited liability

1 Date registered in Utah (mm/dd/yyyy)
2 If dissolved, date of dissolution (mm/dd/yyyy)
3 Total pass-through withholding tax - enter the amount
Note: This amount must be paid by the due date

4 Utah use tax

Utah Individual Income Tax Return (continued) TC-40 Pg. 2
40102 SSN [REDACTED] Last name [REDACTED] 2021

23 Enter tax from TC-40, page 1, line 22

24 Apportionable nonrefundable credits from TC-40A, Part 3 (attach TC-40A, page 1)

25 Full-year resident, subtract line 24 from line 23 (not less than zero)
Non or Part-year resident, complete and enter the UTAH TAX from TC-40B, line 41

26 Nonapportionable nonrefundable credits from TC-40A, Part 4 (attach TC-40A, page 1)

27 Subtract line 26 from line 25 (not less than zero)

28 Voluntary contributions from TC-40, page 3, Part 4 (attach TC-40, page 3)

29 AMENDED RETURN ONLY - previous refund

30 Exemption of low-income housing credit

31 Utah use tax



EXEMPTIONS TO PAYING SALES OR USE TAX ON GOODS CONSUMED...DO I QUALIFY?

Utah Tax Code 59-12-104 (sales and use tax exemptions)

Some examples include:

- Materials used or consumed in the manufacturing process
- Short-term lodging consumables (soaps, toilet paper, meals)
- Service provider consumables (detergents, rags, cleaners)



ITEMS FOR BOTH RESALE AND CONSUMPTION?

UTAH ADMIN CODE R865-19S-23

If a purchaser is unable to segregate tangible personal property or services purchased for resale from tangible personal property or services purchased for the purchaser's own consumption, everything should be purchased tax-free.


The purchaser must then report and pay the tax on the cost of goods or services purchased tax-free for resale that the purchaser uses or consumes.



TC-721

Exemption Certificate

tax.utah.gov/forms-pubs

	Utah State Tax Commission • 210 N 1950 W • Salt Lake City, UT		Print Form		TC-721 Rev. 5/20
	Exemption Certificate (Sales, Use, Tourism and Motor Vehicle Rental Tax)		Clear form		
Name of business or institution claiming exemption (purchaser)			Telephone number		
Street address		City	State	ZIP Code	
Authorized signature		Name (please print)	Title		
Name of Seller or Supplier:		Date			
Sales Tax License Number:		Required for all exemptions marked with an asterisk (*)			

The signer of this certificate MUST check the box showing the basis for which the exemption is being claimed.

DO NOT SEND THIS CERTIFICATE TO THE TAX COMMISSION
Keep it with your records in case of an audit.

For purchases by government, Native American tribes and public schools, use form TC-721G.

☐ **Resale or Re-lease**

I certify I am a dealer in tangible personal property or services that are for resale or re-lease. If I use or consume any tangible personal property or services I purchase tax free for resale, or if my sales are of food, beverages, dairy products and similar confections dispensed from vending machines (see Rule R865-19S-74), I will report and pay sales tax directly to the Tax Commission on my next sales and use tax return.

☐ **Machinery and Equipment and Normal Operating Repair or Replacement Parts Used in an Electronic Payment Service**

I certify the machinery and equipment and normal operating repair or replacement parts have an economic life of three years or more and are for use in the operation of an electronic payment service described in NAICS Code 522320.



TC-721G

Exemption Certificate

tax.utah.gov/forms/current/tc-721g.pdf

Utah State Tax Commission		TC-721G	
Exemption Certificate for Governments & Schools		Rev. 5/18	
(Sales, Use, Tourism and Motor Vehicle Rental Tax)			
Name of institution claiming exemption (purchaser)		Telephone Number	
Street Address	City	State	ZIP Code
Authorized Signature	Name (please print)	Title	
Name of Seller or Supplier:		Date	

The person signing this certificate MUST check the applicable box showing the basis for which the exemption is being claimed.

Email questions to taxmaster@utah.gov. You may also write or visit the Tax Commission at 210 N 1950 W, Salt Lake City, UT 84134, or call 801-297-2200 or toll free 1-800-662-4335.

DO NOT SEND THIS CERTIFICATE TO THE TAX COMMISSION
Keep it with your records in case of an audit.

[Print Form](#)

[Clear form](#)

☐ **UNITED STATES GOVERNMENT OR NATIVE AMERICAN TRIBE**
I certify the tangible personal property or services purchased are to be paid directly with funds from the entity noted on this form and will be used in the exercise of essential governmental or tribal functions. **NOTE:** Includes sales of tangible personal property to federally chartered credit unions. "Directly" does not include per diem, entity advances, or government reimbursements for employee credit card purchases.

☐ **CONSTRUCTION MATERIALS PURCHASED FOR SCHOOLS OR PUBLIC TRANSIT DISTRICTS**
I certify the construction materials purchased are on behalf of a public elementary or secondary school, or public transit district. I further certify the purchased construction materials will be installed or converted into real property owned by the school or public transit district.
Name of school or public transit district:

Name of project:

☐ **FOREIGN DIPLOMAT**
I certify the purchases are authorized by a diplomatic tax exemption card issued by the United States.
Foreign diplomat number:

☐ **Construction Materials Purchased for Airports**
I certify the construction materials are purchased by, on behalf of, or for the benefit of Salt Lake International Airport, or a new airport owned or operated by a city in Davis, Utah, Washington or Weber County. I further certify the construction materials will be installed or converted into real property owned by and located at the airport.

☐ **UTAH LOCAL GOVERNMENTS AND PUBLIC ELEMENTARY AND SECONDARY SCHOOLS**
Sales Tax License No. _____

I certify the tangible personal property or services purchased are to be paid directly with funds from the entity noted on this form and will be used in the exercise of that entity's essential functions. For construction materials, if the purchaser is a Utah local government, these construction materials will be installed or converted into real property by employees of this government entity. **CAUTION:** This exemption does not apply to government or educational entities of other states and is not valid for lodging-related purchases.

☐ **UTAH STATE GOVERNMENT**
Sales Tax License No. _____
I certify the tangible personal property or services purchased are to be paid directly with funds from the entity noted on this form and will be used in the exercise of its essential functions. For construction materials, they will be installed or converted into real property by employees of this government entity. **CAUTION:** This exemption does not apply to other states and is not valid for lodging-related purchases.

☐ **HEBER VALLEY HISTORIC RAILROAD**
I certify these purchases and sales are by the Heber Valley Historic Railroad Authority or its operators and are related to the operation and maintenance of the Heber Valley Historic Railroad.



Tax Commission Resources



Tax Commission Resources



Contact Us	
Practitioner Hotline	801-297-7790 or 1-800-662-4335 ext. 7790
Customer Service – payment processing & liens	801-297-2200 or 1-800-662-4335
Taxpayer Resources Unit – basic tax questions	801-297-7705 or 1-800-662-4335 ext. 7705
TAP Support	801-297-3996 or 1-800-662-4335 ext. 3996 Email: tapsupport@utah.gov
Taxpayer Advocate Service	801-297-7562 or 1-800-662-4335 ext. 7562
Email	taxmaster@utah.gov
Online Resources	
Tax Commission Website	tax.utah.gov
Forms and Publications	tax.utah.gov/forms
Online Services (TAP)	tap.utah.gov
Tax Practitioner Information	tax.utah.gov/taxpros
Sales and Use Tax Information	tax.utah.gov/sales
Tax Training	tax.utah.gov/training

Sales and Use Tax Workshops

tax.utah.gov/training/workshops/sales-use-tax

Sales & Use Tax Workshop

Tax Instruction & Training

Tax Workshops +

- Small Business Employer Tax Workshop
- Sales & Use Tax Workshop**
- Pay the IRS Less Without Going to Jail
- Tax Webinars & Videos

This free workshop helps new business owners understand the basics of Utah's sales and use tax, including:

- Licensing requirements
- Tax rates
- Filing returns
- Remitting tax
- The basics of what is taxable versus what is exempt

Registration is required—see below.

Scheduled Dates

Please note: All workshops are currently only held online.

All workshops are taught from **9:00 a.m. to 11:30 a.m.** GoTo Meetings are held online and you'll receive instructions when registering.

- Tuesday, January 17, 2023
- Wednesday, April 26, 2023
- Wednesday, July 19, 2023
- Wednesday, October 25, 2023

Location

- Currently all workshops are online
- You will receive the link when registering

To Register

Email: taxtraining@utah.gov

Registration requests are accepted until one week before each class

CPE Credits are not offered for workshops offered by the Tax Commission

We have four scheduled workshops throughout the year. Please use the email below to register and you will be sent information to access the workshop. Check the link above for future dates.

If you would like a recording of the workshop, please send an email to taxtraining@utah.gov and we can send it to you by email. We encourage you to attend on these dates so you will have opportunities to ask questions.



Sales Tax Check up

tax.utah.gov/training/sales-tax-checkup

Sales Tax Check Up



Register at salestaxcheckup@utah.gov

Let us help with your sales and use tax reporting by conducting a Sales Tax Check Up. A tax examiner will visit you to educate you on how to properly account for and report your sales and use taxes. You will receive instructions specific to your business and accounting software regarding:

- Which report(s) to use to file sales and use tax returns
- What documentation is needed for exempt sales
- Identify transactions subject to sales or use tax
- What tax rates and correct taxing jurisdiction to use
- How to correctly accrue and report use tax
- What appropriate adjustments to make

Sales Tax Check Ups are meant to be educational only, and no tax assessments are made. A tax examiner can answer your specific questions. To register for a Sales Tax Check Up, contact us at salestaxcheckup@utah.gov.



THANK YOU FOR VIEWING THIS WEBINAR

