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SHORT-TERM RENTAL AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John Knotwell

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts provisions related to short-term rentals.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ provides that on or after the effective date of this bill and before March 31, 2017, a municipality or county may not enact, amend, or enforce a land use ordinance governing short-term rentals;
- ▶ addresses a hosting platform's authority to voluntarily collect and remit certain taxes; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

- This bill provides a special effective date.
- This bill provides revisor instructions.

Utah Code Sections Affected:

AMENDS:

- 10-9a-503**, as last amended by Laws of Utah 2012, Chapter 195
- 17-27a-503**, as renumbered and amended by Laws of Utah 2005, Chapter 254



28 **59-12-107**, as last amended by Laws of Utah 2012, Chapters 178, 312, and 399
 29 **63I-2-210**, as last amended by Laws of Utah 2015, Chapters 157, 352, and 465
 30 **63I-2-217**, as enacted by Laws of Utah 2015, Chapter 465 and further amended by
 31 Revisor Instructions, Laws of Utah 2015, Chapter 465

32 **Utah Code Sections Affected by Revisor Instructions:**

33 **10-9a-503**, as last amended by Laws of Utah 2012, Chapter 195
 34 **17-27a-503**, as renumbered and amended by Laws of Utah 2005, Chapter 254

35

36 *Be it enacted by the Legislature of the state of Utah:*

37 Section 1. Section **10-9a-503** is amended to read:

38 **10-9a-503. Land use ordinance or zoning map amendments -- Limited**
 39 **prohibition on designation of historic district or area -- Prohibition on short-term rental**
 40 **ordinances.**

41 (1) The legislative body may amend:

- 42 (a) the number, shape, boundaries, or area of any zoning district;
- 43 (b) any regulation of or within the zoning district; or
- 44 (c) any other provision of a land use ordinance.

45 (2) The legislative body may not make any amendment authorized by this section
46 unless the amendment was proposed by the planning commission or was first submitted to the
47 planning commission for its recommendation.

48 (3) The legislative body shall comply with the procedure specified in Section
49 **10-9a-502** in preparing and adopting an amendment to a land use ordinance or a zoning map.

50 (4) (a) Notwithstanding Subsection (1), on or after May 10, 2011, and before May 14,
51 2013, within an area designated on the National Register of Historic Places that has on or
52 before March 1, 2011, a land use application pending to designate the area as a local historic
53 district or area, the legislative body of a city of the first class in a county of the first class may
54 not:

- 55 (i) establish the local historic district or area;
- 56 (ii) adopt or amend a land use ordinance affecting the area except as provided in
57 Subsection (4)(c); and
- 58 (iii) authorize a demolition permit for more than 75% of the above grade area of any

59 structure on property located within the area.

60 (b) A land use application in an area subject to Subsection (4)(a):

61 (i) shall be stayed from any further proceedings conducted by the municipality before
62 May 15, 2013; and

63 (ii) is not subject to Section 10-9a-509 or 10-9a-509.5.

64 (c) The provisions of this Subsection (4) do not apply to an adopted or amended land
65 use ordinance applicable generally throughout a municipality unless the ordinance is enacted to
66 contravene the purpose of this Subsection (4)(a).

67 (5) (a) For purposes of this subsection:

68 (i) "Permanent resident" means the owner of record or a lessee of a residential unit.

69 (ii) "Residential unit" means a residential structure or any portion of a residential
70 structure that is occupied as a residence.

71 (iii) "Short-term rental" means a residential unit or any portion of a residential unit that
72 is offered by a permanent resident of the residential unit for occupancy for fewer than 30
73 consecutive days.

74 (b) Notwithstanding Subsection (1) or Section 10-9a-501, on or after the effective date
75 of this bill, a legislative body may not enact, amend, or enforce a land use ordinance that
76 governs short-term rentals.

77 Section 2. Section 17-27a-503 is amended to read:

78 **17-27a-503. Land use ordinance or zoning map amendments -- Prohibition on**
79 **short-term rental ordinances.**

80 (1) The legislative body may amend:

81 (a) the number, shape, boundaries, or area of any zoning district;

82 (b) any regulation of or within the zoning district; or

83 (c) any other provision of a land use ordinance.

84 (2) The legislative body may not make any amendment authorized by this subsection
85 unless the amendment was proposed by the planning commission or is first submitted to the
86 planning commission for its recommendation.

87 (3) The legislative body shall comply with the procedure specified in Section
88 17-27a-502 in preparing and adopting an amendment to a land use ordinance or a zoning map.

89 (4) (a) For purposes of this subsection:

90 (i) "Permanent resident" means the owner of record or a lessee of a residential unit.

91 (ii) "Residential unit" means a residential structure or any portion of a residential
92 structure that is occupied as a residence.

93 (iii) "Short-term rental" means a residential unit or any portion of a residential unit that
94 is offered by a permanent resident of the residential unit for occupancy for fewer than 30
95 consecutive days.

96 (b) Notwithstanding Subsection (1) or Section 17-27a-501, on or after the effective
97 date of this bill, a legislative body may not enact, amend, or enforce a land use ordinance that
98 governs short-term rentals.

99 Section 3. Section 59-12-107 is amended to read:

100 **59-12-107. Definitions -- Collection, remittance, and payment of tax by sellers or**
101 **other persons -- Returns -- Reports -- Direct payment by purchaser of vehicle -- Other**
102 **liability for collection -- Rulemaking authority -- Credits -- Treatment of bad debt --**
103 **Penalties and interest.**

104 (1) As used in this section:

105 (a) "Hosting platform" means a person that:

106 (i) provides a means by which a person may offer a short-term rental to one or more
107 prospective renters; and

108 (ii) collects amounts described in Subsection 59-12-103(1)(i) to facilitate payment for
109 the use of the person's short-term rental.

110 ~~(a)~~ (b) "Ownership" means direct ownership or indirect ownership through a parent,
111 subsidiary, or affiliate.

112 ~~(b)~~ (c) "Related seller" means a seller that:

113 (i) meets one or more of the criteria described in Subsection (2)(a)(i); and

114 (ii) delivers tangible personal property, a service, or a product transferred electronically
115 that is sold:

116 (A) by a seller that does not meet one or more of the criteria described in Subsection
117 (2)(a)(i); and

118 (B) to a purchaser in the state.

119 (d) "Residential unit" means a residential structure or any portion of a residential
120 structure that is occupied as a residence.

121 (e) "Short-term rental" means a residential unit or any portion of a residential unit that
122 is offered for occupancy for fewer than 30 consecutive days.

123 [~~(e)~~] (f) "Substantial ownership interest" means an ownership interest in a business
124 entity if that ownership interest is greater than the degree of ownership of equity interest
125 specified in 15 U.S.C. Sec. 78p, with respect to a person other than a director or an officer.

126 (2) (a) Except as provided in Subsection (2)(e), Section 59-12-107.1, or Section
127 59-12-123, and subject to Subsection (2)(f), each seller shall pay or collect and remit the sales
128 and use taxes imposed by this chapter if within this state the seller:

129 (i) has or utilizes:

130 (A) an office;

131 (B) a distribution house;

132 (C) a sales house;

133 (D) a warehouse;

134 (E) a service enterprise; or

135 (F) a place of business similar to Subsections (2)(a)(i)(A) through (E);

136 (ii) maintains a stock of goods;

137 (iii) regularly solicits orders, regardless of whether or not the orders are accepted in the
138 state, unless the seller's only activity in the state is:

139 (A) advertising; or

140 (B) solicitation by:

141 (I) direct mail;

142 (II) electronic mail;

143 (III) the Internet;

144 (IV) telecommunications service; or

145 (V) a means similar to Subsection (2)(a)(iii)(A) or (B);

146 (iv) regularly engages in the delivery of property in the state other than by:

147 (A) common carrier; or

148 (B) United States mail; or

149 (v) regularly engages in an activity directly related to the leasing or servicing of
150 property located within the state.

151 (b) A seller is considered to be engaged in the business of selling tangible personal

152 property, a service, or a product transferred electronically for use in the state, and shall pay or
153 collect and remit the sales and use taxes imposed by this chapter if:

154 (i) the seller holds a substantial ownership interest in, or is owned in whole or in
155 substantial part by, a related seller; and

156 (ii) (A) the seller sells the same or a substantially similar line of products as the related
157 seller and does so under the same or a substantially similar business name; or

158 (B) the place of business described in Subsection (2)(a)(i) of the related seller or an in
159 state employee of the related seller is used to advertise, promote, or facilitate sales by the seller
160 to a purchaser.

161 (c) A seller that does not meet one or more of the criteria provided for in Subsection
162 (2)(a) or is not a seller required to pay or collect and remit sales and use taxes under Subsection
163 (2)(b):

164 (i) except as provided in Subsection (2)(c)(ii), may voluntarily:

165 (A) collect a tax on a transaction described in Subsection 59-12-103(1); and

166 (B) remit the tax to the commission as provided in this part; or

167 (ii) notwithstanding Subsection (2)(c)(i), shall collect a tax on a transaction described
168 in Subsection 59-12-103(1) if Section 59-12-103.1 requires the seller to collect the tax.

169 (d) The collection and remittance of a tax under this chapter by a seller that is
170 registered under the agreement may not be used as a factor in determining whether that seller is
171 required by Subsection (2) to:

172 (i) pay a tax, fee, or charge under:

173 (A) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

174 (B) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

175 (C) Section 19-6-714;

176 (D) Section 19-6-805;

177 (E) Section 69-2-5;

178 (F) Section 69-2-5.5;

179 (G) Section 69-2-5.6; or

180 (H) this title; or

181 (ii) collect and remit a tax, fee, or charge under:

182 (A) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

- 183 (B) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;
- 184 (C) Section 19-6-714;
- 185 (D) Section 19-6-805;
- 186 (E) Section 69-2-5;
- 187 (F) Section 69-2-5.5;
- 188 (G) Section 69-2-5.6; or
- 189 (H) this title.
- 190 (e) A person shall pay a use tax imposed by this chapter on a transaction described in
- 191 Subsection 59-12-103(1) if:
- 192 (i) the seller did not collect a tax imposed by this chapter on the transaction; and
- 193 (ii) the person:
- 194 (A) stores the tangible personal property or product transferred electronically in the
- 195 state;
- 196 (B) uses the tangible personal property or product transferred electronically in the state;
- 197 or
- 198 (C) consumes the tangible personal property or product transferred electronically in the
- 199 state.
- 200 (f) The ownership of property that is located at the premises of a printer's facility with
- 201 which the retailer has contracted for printing and that consists of the final printed product,
- 202 property that becomes a part of the final printed product, or copy from which the printed
- 203 product is produced, shall not result in the retailer being considered to have or maintain an
- 204 office, distribution house, sales house, warehouse, service enterprise, or other place of
- 205 business, or to maintain a stock of goods, within this state.
- 206 (g) A hosting platform may voluntarily collect and remit a tax in accordance with
- 207 Subsection (2)(c) as if the hosting platform were a seller.
- 208 (3) (a) Except as provided in Section 59-12-107.1, a tax under this chapter shall be
- 209 collected from a purchaser.
- 210 (b) A seller may not collect as tax an amount, without regard to fractional parts of one
- 211 cent, in excess of the tax computed at the rates prescribed by this chapter.
- 212 (c) (i) Each seller shall:
- 213 (A) give the purchaser a receipt for the tax collected; or

214 (B) bill the tax as a separate item and declare the name of this state and the seller's
215 sales and use tax license number on the invoice for the sale.

216 (ii) The receipt or invoice is prima facie evidence that the seller has collected the tax
217 and relieves the purchaser of the liability for reporting the tax to the commission as a
218 consumer.

219 (d) A seller is not required to maintain a separate account for the tax collected, but is
220 considered to be a person charged with receipt, safekeeping, and transfer of public money.

221 (e) Taxes collected by a seller pursuant to this chapter shall be held in trust for the
222 benefit of the state and for payment to the commission in the manner and at the time provided
223 for in this chapter.

224 (f) If any seller, during any reporting period, collects as a tax an amount in excess of
225 the lawful state and local percentage of total taxable sales allowed under this chapter, the seller
226 shall remit to the commission the full amount of the tax imposed under this chapter, plus any
227 excess.

228 (g) If the accounting methods regularly employed by the seller in the transaction of the
229 seller's business are such that reports of sales made during a calendar month or quarterly period
230 will impose unnecessary hardships, the commission may accept reports at intervals that will, in
231 the commission's opinion, better suit the convenience of the taxpayer or seller and will not
232 jeopardize collection of the tax.

233 (h) (i) For a purchase paid with specie legal tender as defined in Section [59-1-1501.1](#),
234 and until such time as the commission accepts specie legal tender for the payment of a tax
235 under this chapter, if the commission requires a seller to remit a tax under this chapter in legal
236 tender other than specie legal tender, the seller shall state on the seller's books and records and
237 on an invoice, bill of sale, or similar document provided to the purchaser:

238 (A) the purchase price in specie legal tender and in the legal tender the seller is
239 required to remit to the commission;

240 (B) subject to Subsection (3)(h)(ii), the amount of tax due under this chapter in specie
241 legal tender and in the legal tender the seller is required to remit to the commission;

242 (C) the tax rate under this chapter applicable to the purchase; and

243 (D) the date of the purchase.

244 (ii) (A) Subject to Subsection (3)(h)(ii)(B), for purposes of determining the amount of

245 tax due under Subsection (3)(h)(i), a seller shall use the most recent London fixing price for the
246 specie legal tender the purchaser paid.

247 (B) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
248 commission may make rules for determining the amount of tax due under Subsection (3)(h)(i)
249 if the London fixing price is not available for a particular day.

250 (4) (a) Except as provided in Subsections (5) through (7) and Section 59-12-108, the
251 sales or use tax imposed by this chapter is due and payable to the commission quarterly on or
252 before the last day of the month next succeeding each calendar quarterly period.

253 (b) (i) Each seller shall, on or before the last day of the month next succeeding each
254 calendar quarterly period, file with the commission a return for the preceding quarterly period.

255 (ii) The seller shall remit with the return under Subsection (4)(b)(i) the amount of the
256 tax required under this chapter to be collected or paid for the period covered by the return.

257 (c) Except as provided in Subsection (5)(c), a return shall contain information and be in
258 a form the commission prescribes by rule.

259 (d) (i) Subject to Subsection (4)(d)(ii), the sales tax as computed in the return shall be
260 based on the total nonexempt sales made during the period for which the return is filed,
261 including both cash and charge sales.

262 (ii) For a sale that includes the delivery or installation of tangible personal property at a
263 location other than a seller's place of business described in Subsection (2)(a)(i), if the delivery
264 or installation is separately stated on an invoice or receipt, a seller may compute the tax due on
265 the sale for purposes of Subsection (4)(d)(i) based on the amount the seller receives for that
266 sale during each period for which the seller receives payment for the sale.

267 (e) (i) The use tax as computed in the return shall be based on the total amount of
268 purchases for storage, use, or other consumption in this state made during the period for which
269 the return is filed, including both cash and charge purchases.

270 (ii) (A) As used in this Subsection (4)(e)(ii), "qualifying purchaser" means a purchaser
271 who is required to remit taxes under this chapter, but is not required to remit taxes monthly in
272 accordance with Section 59-12-108, and who converts tangible personal property into real
273 property.

274 (B) Subject to Subsections (4)(e)(ii)(C) and (D), a qualifying purchaser may remit the
275 taxes due under this chapter on tangible personal property for which the qualifying purchaser

276 claims an exemption as allowed under Subsection 59-12-104(23) or (25) based on the period in
277 which the qualifying purchaser receives payment, in accordance with Subsection (4)(e)(ii)(C),
278 for the conversion of the tangible personal property into real property.

279 (C) A qualifying purchaser remitting taxes due under this chapter in accordance with
280 Subsection (4)(e)(ii)(B) shall remit an amount equal to the total amount of tax due on the
281 qualifying purchaser's purchase of the tangible personal property that was converted into real
282 property multiplied by a fraction, the numerator of which is the payment received in the period
283 for the qualifying purchaser's sale of the tangible personal property that was converted into real
284 property and the denominator of which is the entire sales price for the qualifying purchaser's
285 sale of the tangible personal property that was converted into real property.

286 (D) A qualifying purchaser may remit taxes due under this chapter in accordance with
287 this Subsection (4)(e)(ii) only if the books and records that the qualifying purchaser keeps in
288 the qualifying purchaser's regular course of business identify by reasonable and verifiable
289 standards that the tangible personal property was converted into real property.

290 (f) (i) Subject to Subsection (4)(f)(ii) and in accordance with Title 63G, Chapter 3,
291 Utah Administrative Rulemaking Act, the commission may by rule extend the time for making
292 returns and paying the taxes.

293 (ii) An extension under Subsection (4)(f)(i) may not be for more than 90 days.

294 (g) The commission may require returns and payment of the tax to be made for other
295 than quarterly periods if the commission considers it necessary in order to ensure the payment
296 of the tax imposed by this chapter.

297 (h) (i) The commission may require a seller that files a simplified electronic return with
298 the commission to file an additional electronic report with the commission.

299 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
300 commission may make rules providing:

301 (A) the information required to be included in the additional electronic report described
302 in Subsection (4)(h)(i); and

303 (B) one or more due dates for filing the additional electronic report described in
304 Subsection (4)(h)(i).

305 (5) (a) As used in this Subsection (5) and Subsection (6)(b), "remote seller" means a
306 seller that is:

- 307 (i) registered under the agreement;
- 308 (ii) described in Subsection (2)(c); and
- 309 (iii) not a:
 - 310 (A) model 1 seller;
 - 311 (B) model 2 seller; or
 - 312 (C) model 3 seller.
- 313 (b) (i) Except as provided in Subsection (5)(b)(ii), a tax a remote seller collects in
314 accordance with Subsection (2)(c) is due and payable:
 - 315 (A) to the commission;
 - 316 (B) annually; and
 - 317 (C) on or before the last day of the month immediately following the last day of each
318 calendar year.
- 319 (ii) The commission may require that a tax a remote seller collects in accordance with
320 Subsection (2)(c) be due and payable:
 - 321 (A) to the commission; and
 - 322 (B) on the last day of the month immediately following any month in which the seller
323 accumulates a total of at least \$1,000 in agreement sales and use tax.
- 324 (c) (i) If a remote seller remits a tax to the commission in accordance with Subsection
325 (5)(b), the remote seller shall file a return:
 - 326 (A) with the commission;
 - 327 (B) with respect to the tax;
 - 328 (C) containing information prescribed by the commission; and
 - 329 (D) on a form prescribed by the commission.
- 330 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
331 commission shall make rules prescribing:
 - 332 (A) the information required to be contained in a return described in Subsection
333 (5)(c)(i); and
 - 334 (B) the form described in Subsection (5)(c)(i)(D).
- 335 (d) A tax a remote seller collects in accordance with this Subsection (5) shall be
336 calculated on the basis of the total amount of taxable transactions under Subsection
337 [59-12-103\(1\)](#) the remote seller completes, including:

338 (i) a cash transaction; and

339 (ii) a charge transaction.

340 (6) (a) Except as provided in Subsection (6)(b), a tax a seller that files a simplified
341 electronic return collects in accordance with this chapter is due and payable:

342 (i) monthly on or before the last day of the month immediately following the month for
343 which the seller collects a tax under this chapter; and

344 (ii) for the month for which the seller collects a tax under this chapter.

345 (b) A tax a remote seller that files a simplified electronic return collects in accordance
346 with this chapter is due and payable as provided in Subsection (5).

347 (7) (a) On each vehicle sale made by other than a regular licensed vehicle dealer, the
348 purchaser shall pay the sales or use tax directly to the commission if the vehicle is subject to
349 titling or registration under the laws of this state.

350 (b) The commission shall collect the tax described in Subsection (7)(a) when the
351 vehicle is titled or registered.

352 (8) If any sale of tangible personal property or any other taxable transaction under
353 Subsection 59-12-103(1), is made by a wholesaler to a retailer, the wholesaler is not
354 responsible for the collection or payment of the tax imposed on the sale and the retailer is
355 responsible for the collection or payment of the tax imposed on the sale if:

356 (a) the retailer represents that the personal property is purchased by the retailer for
357 resale; and

358 (b) the personal property is not subsequently resold.

359 (9) If any sale of property or service subject to the tax is made to a person prepaying
360 sales or use tax in accordance with Title 63M, Chapter 5, Resource Development Act, or to a
361 contractor or subcontractor of that person, the person to whom such payment or consideration
362 is payable is not responsible for the collection or payment of the sales or use tax and the person
363 prepaying the sales or use tax is responsible for the collection or payment of the sales or use tax
364 if the person prepaying the sales or use tax represents that the amount prepaid as sales or use
365 tax has not been fully credited against sales or use tax due and payable under the rules
366 promulgated by the commission.

367 (10) (a) For purposes of this Subsection (10):

368 (i) Except as provided in Subsection (10)(a)(ii), "bad debt" is as defined in Section

369 166, Internal Revenue Code.

370 (ii) Notwithstanding Subsection (10)(a)(i), "bad debt" does not include:

371 (A) an amount included in the purchase price of tangible personal property, a product
372 transferred electronically, or a service that is:

373 (I) not a transaction described in Subsection 59-12-103(1); or

374 (II) exempt under Section 59-12-104;

375 (B) a financing charge;

376 (C) interest;

377 (D) a tax imposed under this chapter on the purchase price of tangible personal
378 property, a product transferred electronically, or a service;

379 (E) an uncollectible amount on tangible personal property or a product transferred
380 electronically that:

381 (I) is subject to a tax under this chapter; and

382 (II) remains in the possession of a seller until the full purchase price is paid;

383 (F) an expense incurred in attempting to collect any debt; or

384 (G) an amount that a seller does not collect on repossessed property.

385 (b) (i) To the extent an amount remitted in accordance with Subsection (4)(d) later
386 becomes bad debt, a seller may deduct the bad debt from the total amount from which a tax
387 under this chapter is calculated on a return.

388 (ii) A qualifying purchaser, as defined in Subsection (4)(e)(ii)(A), may deduct from the
389 total amount of taxes due under this chapter the amount of tax the qualifying purchaser paid on
390 the qualifying purchaser's purchase of tangible personal property converted into real property to
391 the extent that:

392 (A) tax was remitted in accordance with Subsection (4)(e) on that tangible personal
393 property converted into real property;

394 (B) the qualifying purchaser's sale of that tangible personal property converted into real
395 property later becomes bad debt; and

396 (C) the books and records that the qualifying purchaser keeps in the qualifying
397 purchaser's regular course of business identify by reasonable and verifiable standards that the
398 tangible personal property was converted into real property.

399 (c) A seller may file a refund claim with the commission if:

400 (i) the amount of bad debt for the time period described in Subsection (10)(e) exceeds
401 the amount of the seller's sales that are subject to a tax under this chapter for that same time
402 period; and

403 (ii) as provided in Section 59-1-1410.

404 (d) A bad debt deduction under this section may not include interest.

405 (e) A bad debt may be deducted under this Subsection (10) on a return for the time
406 period during which the bad debt:

407 (i) is written off as uncollectible in the seller's books and records; and

408 (ii) would be eligible for a bad debt deduction:

409 (A) for federal income tax purposes; and

410 (B) if the seller were required to file a federal income tax return.

411 (f) If a seller recovers any portion of bad debt for which the seller makes a deduction or
412 claims a refund under this Subsection (10), the seller shall report and remit a tax under this
413 chapter:

414 (i) on the portion of the bad debt the seller recovers; and

415 (ii) on a return filed for the time period for which the portion of the bad debt is
416 recovered.

417 (g) For purposes of reporting a recovery of a portion of bad debt under Subsection
418 (10)(f), a seller shall apply amounts received on the bad debt in the following order:

419 (i) in a proportional amount:

420 (A) to the purchase price of the tangible personal property, product transferred
421 electronically, or service; and

422 (B) to the tax due under this chapter on the tangible personal property, product
423 transferred electronically, or service; and

424 (ii) to:

425 (A) interest charges;

426 (B) service charges; and

427 (C) other charges.

428 (h) A seller's certified service provider may make a deduction or claim a refund for bad
429 debt on behalf of the seller:

430 (i) in accordance with this Subsection (10); and

431 (ii) if the certified service provider credits or refunds the entire amount of the bad debt
432 deduction or refund to the seller.

433 (i) A seller may allocate bad debt among the states that are members of the agreement
434 if the seller's books and records support that allocation.

435 (11) (a) A seller may not, with intent to evade any tax, fail to timely remit the full
436 amount of tax required by this chapter.

437 (b) A violation of this section is punishable as provided in Section 59-1-401.

438 (c) Each person who fails to pay any tax to the state or any amount of tax required to be
439 paid to the state, except amounts determined to be due by the commission under Chapter 1,
440 Part 14, Assessment, Collections, and Refunds Act, or Section 59-12-111, within the time
441 required by this chapter, or who fails to file any return as required by this chapter, shall pay, in
442 addition to the tax, penalties and interest as provided in Sections 59-1-401 and 59-1-402.

443 (d) For purposes of prosecution under this section, each quarterly tax period in which a
444 seller, with intent to evade any tax, collects a tax and fails to timely remit the full amount of the
445 tax required to be remitted, constitutes a separate offense.

446 Section 4. Section 63I-2-210 is amended to read:

447 **63I-2-210. Repeal dates -- Title 10.**

448 (1) Subsection 10-2a-106(2), the language that states ", including a township
449 incorporation procedure as defined in Section 10-2a-105," is repealed July 1, 2016.

450 (2) Section 10-2a-105 is repealed July 1, 2016.

451 (3) Subsection 10-9a-304(2) is repealed June 1, 2016.

452 (4) Subsection 10-9a-503(5) is repealed March 31, 2017.

453 Section 5. Section 63I-2-217 is amended to read:

454 **63I-2-217. Repeal dates -- Title 17.**

455 [~~(1) Subsection 17-8-7(2), the language that states "Sections 17-19-1 to 17-19-28 and"~~
456 ~~and ", as applicable," is repealed January 1, 2015.]~~

457 [~~(2) Section 17-15-30 is repealed July 1, 2015.]~~

458 [~~(3) Title 17, Chapter 19, County Auditor, is repealed January 1, 2015.]~~

459 [~~(4) Subsection 17-24-1(4)(b), the language that states ", as applicable, Sections~~
460 ~~17-19-1, 17-19-3, and 17-19-5 or" is repealed January 1, 2015.]~~

461 [~~(5) Subsection 17-24-4(2), the language that states ", as applicable, Subsection~~

462 ~~17-19-3(3)(b) or~~ is repealed January 1, 2015.]

463 [(6)] (1) Subsection [17-27a-102\(1\)\(b\)](#), the language that states "or a designated
464 mountainous planning district" is repealed June 1, 2016.

465 [(7)] (2) (a) Subsection [17-27a-103\(15\)\(b\)](#) is repealed June 1, 2016.

466 (b) Subsection [17-27a-103\(34\)](#) is repealed June 1, 2016.

467 [(8)] (3) Subsection [17-27a-210\(2\)\(a\)](#), the language that states "or the mountainous
468 planning district area" is repealed June 1, 2016.

469 [(9)] (4) (a) Subsection [17-27a-301\(1\)\(b\)\(iii\)](#) is repealed June 1, 2016.

470 (b) Subsection [17-27a-301\(1\)\(c\)](#) is repealed June 1, 2016.

471 (c) Subsection [17-27a-301\(2\)\(a\)](#), the language that states "described in Subsection
472 (1)(a) or (c)" is repealed June 1, 2016.

473 [(10)] (5) Subsection [17-27a-302\(1\)](#), the language that states ", or mountainous
474 planning district" and "or the mountainous planning district," is repealed June 1, 2016.

475 [(11)] (6) Subsection [17-27a-305\(1\)\(a\)](#), the language that states "a mountainous
476 planning district or" and ", as applicable" is repealed June 1, 2016.

477 [(12)] (7) (a) Subsection [17-27a-401\(1\)\(b\)\(ii\)](#) is repealed June 1, 2016.

478 (b) Subsection [17-27a-401\(6\)](#) is repealed June 1, 2016.

479 [(13)] (8) (a) Subsection [17-27a-403\(1\)\(b\)\(ii\)](#) is repealed June 1, 2016.

480 (b) Subsection [17-27a-403\(1\)\(c\)\(iii\)](#) is repealed June 1, 2016.

481 (c) Subsection (2)(a)(iii), the language that states "or the mountainous planning
482 district" is repealed June 1, 2016.

483 (d) Subsection [17-27a-403\(2\)\(c\)\(i\)](#), the language that states "or mountainous planning
484 district" is repealed June 1, 2016.

485 [(14)] (9) Subsection [17-27a-502\(1\)\(d\)\(i\)\(B\)](#) is repealed June 1, 2016.

486 (10) Subsection [17-27a-503\(4\)](#) is repealed March 31, 2017.

487 [(15)] (11) Subsection [17-27a-505.5\(2\)\(a\)\(iii\)](#) is repealed June 1, 2016.

488 [(16)] (12) Subsection [17-27a-602\(1\)\(b\)](#), the language that states "or, in the case of a
489 mountainous planning district, the mountainous planning district" is repealed June 1, 2016.

490 [(17)] (13) Subsection [17-27a-604\(1\)\(b\)\(i\)\(B\)](#) is repealed June 1, 2016.

491 [(18)] (14) Subsection [17-27a-605\(1\)](#), the language that states "or mountainous
492 planning district land" is repealed June 1, 2016.

493 [~~(19)~~] (15) Title 17, Chapter 27a, Part 9, Mountainous Planning District, is repealed
494 June 1, 2016.

495 [~~(20)~~] (a) Subsection ~~17-36-3~~(5)(a), the language that states "for a county of the second,
496 third, fourth, fifth, or sixth class, the county auditor, county clerk, or county executive as
497 provided in Subsection ~~17-19-19~~(1); or" is repealed January 1, 2015.]

498 [~~(b)~~] Subsection ~~17-36-3~~(5)(b), the language that states "for a county of the first class,"
499 is repealed January 1, 2015.]

500 [~~(c)~~] Subsection ~~17-36-3~~(7), the language that states "~~17-19-3~~," and "~~17-24-4~~, as
501 applicable" is repealed January 1, 2015.]

502 [~~(21)~~] Subsection ~~17-36-9~~(1)(a)(iii), the language that states "~~17-36-10.1~~, as applicable,
503 or" is repealed January 1, 2015.]

504 [~~(22)~~] Subsection ~~17-36-10~~(1), the language that states the following is repealed January
505 1, 2015:]

506 ["(1) (a) On or before December 31, 2014, a county of the second, third, fourth, fifth,
507 or sixth class is not subject to the provisions of this section; and]

508 [(b) on or after January 1, 2015, a county of the second, third, fourth, fifth, or sixth
509 class is subject to the provisions of this section.".]

510 [~~(23)~~] Section ~~17-36-10.1~~ is repealed January 1, 2015.]

511 [~~(24)~~] Subsection ~~17-36-11~~(1), the language that states the following is repealed January
512 1, 2015:]

513 ["(1) (a) On or before December 31, 2014, a county of the second, third, fourth, fifth,
514 or sixth class is not subject to the provisions of this section; and]

515 [(b) on or after January 1, 2015, a county of the second, third, fourth, fifth, or sixth
516 class is subject to the provisions of this section.".]

517 [~~(25)~~] Section ~~17-36-11.1~~ is repealed January 1, 2015.]

518 [~~(26)~~] Subsection ~~17-36-15~~(1), the language that states the following is repealed January
519 1, 2015:]

520 ["(1) (a) On or before December 31, 2014, a county of the second, third, fourth, fifth,
521 or sixth class is not subject to the provisions of this section; and]

522 [(b) on or after January 1, 2015, a county of the second, third, fourth, fifth, or sixth
523 class is subject to the provisions of this section.".]

524 [~~(27) Section 17-36-15.1 is repealed January 1, 2015.~~]

525 [~~(28) Subsection 17-36-20(1), the language that states the following is repealed January~~
526 ~~1, 2015.~~]

527 [~~"(1) (a) On or before December 31, 2014, a county of the second, third, fourth, fifth,~~
528 ~~or sixth class is not subject to the provisions of this section; and]~~

529 [~~(b) on or after January 1, 2015, a county of the second, third, fourth, fifth, or sixth~~
530 ~~class is subject to the provisions of this section."~~]

531 [~~(29) Section 17-36-20.1 is repealed January 1, 2015.~~]

532 [~~(30) Subsection 17-36-32(4), the language that states "or 17-36-20.1, as applicable,~~
533 ~~and" is repealed January 1, 2015.~~]

534 [~~(31) Subsection 17-36-43(1), the language that states the following is repealed January~~
535 ~~1, 2015.~~]

536 [~~"(1) (a) On or before December 31, 2014, a county of the second, third, fourth, fifth,~~
537 ~~or sixth class is not subject to the provisions of this section; and]~~

538 [~~(b) on or after January 1, 2015, a county of the second, third, fourth, fifth, or sixth~~
539 ~~class is subject to the provisions of this section."~~]

540 [~~(32) Section 17-36-43.1 is repealed January 1, 2015.~~]

541 [~~(33) Section 17-36-44, the language that states "or 17-36-43.1, as applicable" is~~
542 ~~repealed January 1, 2015.~~]

543 [~~(34) Subsection 17-50-401(1), the language that states the following is repealed~~
544 ~~January 1, 2015.~~]

545 [~~"(1) (a) On or before December 31, 2014, a county of the second, third, fourth, fifth,~~
546 ~~or sixth class is not subject to the provisions of this section; and]~~

547 [~~(b) on or after January 1, 2015, a county of the second, third, fourth, fifth, or sixth~~
548 ~~class is subject to the provisions of this section."~~]

549 [~~(35) Section 17-50-401.1 is repealed January 1, 2015.~~]

550 [~~(36) Subsection 17-52-101(2), the language that states "or 17-52-401.1, as applicable"~~
551 ~~is repealed January 1, 2015.~~]

552 [~~(37) Subsection 17-52-401(1), the language that states the following is repealed~~
553 ~~January 1, 2015.~~]

554 [~~"(1) (a) On or before December 31, 2014, a county of the second, third, fourth, fifth,~~

555 or sixth class is not subject to the provisions of this section; and]

556 [~~(b) on or after January 1, 2015, a county of the second, third, fourth, fifth, or sixth~~
557 ~~class is subject to the provisions of this section."~~.]

558 [~~(38) Section 17-52-401.1 is repealed January 1, 2015.~~]

559 [~~(39) Subsection 17-52-403(1)(a), the language that states "or 17-52-401.1(2)(c), as~~
560 ~~applicable" is repealed January 1, 2015.~~]

561 [~~(40) On January 1, 2015, when making the changes in this section, the Office of~~
562 ~~Legislative Research and General Counsel shall:~~]

563 [~~(a) in addition to its authority under Subsection 36-12-12(3), make corrections~~
564 ~~necessary to ensure that sections and subsections identified in this section are complete~~
565 ~~sentences and accurately reflect the office's perception of the Legislature's intent; and]~~

566 [~~(b) identify the text of the affected sections and subsections based upon the section~~
567 ~~and subsection numbers used in Laws of Utah 2012, Chapter 17.~~]

568 [~~(41)~~] (16) On June 1, 2016, when making the changes in this section, the Office of
569 Legislative Research and General Counsel shall:

570 (a) in addition to its authority under Subsection 36-12-12(3), make corrections
571 necessary to ensure that sections and subsections identified in this section are complete
572 sentences and accurately reflect the office's perception of the Legislature's intent; and

573 (b) identify the text of the affected sections and subsections based upon the section and
574 subsection numbers used in Laws of Utah 2015, Chapter 465.

575 Section 6. **Effective date.**

576 If approved by two-thirds of all the members elected to each house, this bill takes effect
577 upon approval by the governor, or the day following the constitutional time limit of Utah
578 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
579 the date of veto override.

580 Section 7. **Revisor instructions.**

581 It is the intent of the Legislature that, in preparing the Utah Code database for
582 publication, the Office of Legislative Research and General Counsel replace the phrase "the
583 effective date of this bill" in Subsections 10-9a-503(5)(b) and 17-27a-503(4)(b) with the bill's
584 actual effective date.

Legislative Review Note
Office of Legislative Research and General Counsel