2019 PRIORITIES

CHAIRMAN JOHN L. VALENTINE
UTAH STATE TAX COMMISSION
MAY 21, 2019
Wayfair Implementation

Online

Sales Tax
Effective Jan. 1, 2019

Online sellers must collect if:
1. $100,000 in Utah sales, or
2. 200 Utah transactions
Since Passage:
• 1,420 – 1,880 new registered sellers
• 120 mil – 170 mil taxable sales
• 8 mil – 12 mil in sales tax revenue
Effective Oct. 1, 2019

- A marketplace facilitator must collect tax for purchases made on the platform.
Does the property require additional valuation review?

- **Was the property subject to a detailed review during the current year** [§59-2-303.2(1)(d)(ii)]? 
  - **YES**: The property is not subject to an automatic review.
  - **NO**: 
    - **Were there any improvements between Jan. 1 prior year and Jan. 1 current year (lien date)** [§59-2-303.2(1)(d)(ii)]? 
      - **NO**: 
        - **Did the increase in value equal or exceed the threshold increase** [§59-2-303.2(1)(e)] (median property value change for same class in same market area PLUS 15% AND at least $10K) [§59-2-303.2(2)(a)]? 
          - **NO** 
          - **YES**: Assessor shall conduct an automatic review. If the assessor determines the FMV is not reflected, value must be adjusted before completing assessment book (May 22) [§59-2-303.2(3)(b)].
Is the property subject to appeal?

Was the value of the subject property lowered as the result of an appeal in the prior year [§59-2-1004(1)(e)(i)]?

Were there any improvements between Jan. 1 prior year and Jan. 1 current year (lien date) [§59-2-1004(1)(e)(ii)]?

The assessor shall calculate the inflation adjusted value [§59-2-1004(1)(b)] of the property by applying the median property value change [§59-2-1004(1)(c)] to the final assessed value [§59-2-1004(1)(a)] for the prior year. Is the original assessed value for the current year HIGHER than the inflation adjusted value [§59-2-1004(1)(e)(C)]?

The BOE presumes the original assessed value is most correct. The burden of proof lies with the taxpayer, unless the assessor or BOE asserts a higher value than originally assessed [§59-2-109(3)].

Is the property entitled to a presumed value?

The BOE presumes the inflation adjusted value is most correct. The burden of proof lies with the assessor or BOE, unless the taxpayer asserts a lower value than the inflation adjusted value [§59-2-109(4)].
2019 H.B. 231

- Increases the personal property exemption from $10k to $15k

- Exempts critical business property with an acquisition cost of less than $150
GILTI

IRC §951 (GILTI)
Global Intangible Low Taxed Income Tax
QUESTIONS?