Historical Tax Law Changes
Use Tax

Laws 1955, 2nd Special Session, Chapter 1 imposed the first Arizona Use Tax. The tax was levied at a rate of 2% on the sale price of tangible personal property stored, used or consumed in Arizona. The tax was intended to capture revenue from property purchased in other states and brought into Arizona for consumption. It did not apply to property on which a Transaction Privilege Tax had already been paid. The Use Tax was paid to the State Tax Commission on or before the 15th day of the month following the month in which the tax accrued. All collections from the tax (except for payments made under protest) were dedicated to the state General Fund. (EFA - July 1, 1956)

Laws 1963, Chapter 60 eliminated the exemption for farming equipment, herbicides, insecticides, and fertilizers that was included in the original law. (E - March 29, 1963)

Laws 1967, 3rd Special Session, Chapter 2 repealed the following exemptions which were established by the original law:

(1) Property intended for and incorporated in a building, road, street, bridge or other structure, provided such property was incorporated pursuant to a contract designating a fixed, lump sum consideration entered into before July 1, 1956.
(2) Property which was not available, in the regular course of business, from merchants within the state.
(3) Property used, stored or consumed within Arizona by persons or corporations organized and operated exclusively for religious or charitable purposes.

The following exemptions were established by the 1967 law: (E- July 1, 1968)

(1) Tangible personal property purchased outside Arizona by hospitals organized and operated exclusively for charitable purposes or operated by the state or a political subdivision of the state.
(2) Tangible personal property enumerated as 15 through 20 and 22 through 23 under A.R.S. § 42-1409.

Laws 1971, Chapter 43 increased the maximum extension that could be granted for paying the Use Tax. Originally, the State Tax Commission was authorized to grant extensions for a period not to exceed fifteen days. Under this law, payment of the tax could be extended to the 15th day of the second month following the regular due date. (E- From and After September 30, 1971)

Laws 1973, Chapter 123 created the Department of Revenue and transferred the responsibility for the collection of the tax from the State Tax Commission to the new Department. (E - July 1, 1974)

Laws 1977, Chapter 42 exempted solar energy devices from payment of the Use Tax. The exemption expired after December 31, 1984. (E - August 27, 1977)

Laws 1977, Chapter 152 exempted buses sold to or purchased by bus companies holding certificates of convenience. Airplanes and related equipment were also exempted when sold to foreign governments or to non-residents for use outside this state. (E- August 27, 1977)

Laws 1978, Chapter 60 levied a Use Tax on the cost of tangible personal property provided under warranties and service contracts. Formerly this type of property was taxable under the Transaction Privilege Tax. (E - September 3, 1978)

Laws 1978, Chapter 121 established exemptions from the Use Tax for prosthetic devices, insulin, syringes purchased with insulin, eyeglasses, and similar purchases. (E - September 3, 1978)

Laws 1978, Chapter 211 changed the Use Tax rate from 2% to 4% and repealed the 2% Education Excise Tax on the storage, use or consumption of tangible personal property. The law provided that half of the proceeds from the

4% tax will be deposited in the Use Tax Receipts Fund and one-half of the proceeds of the tax will be deposited in the Education Excise Tax Fund before these amounts are transferred to the state General Fund. (E - June 14, 1978)

Laws 1979, Chapter 146 extended the exemption for solar energy devices through December 31, 1989. (E- July 21, 1979)

Laws 1980, 2nd Special Session, Chapter 8 exempted food from the Use Tax when its intended use is for home consumption. Enactment of this provision was conditional on the passage of Laws 1980, 2nd Special Session, Chapter 9 and 4 constitutional amendments that were approved by the voters in a special election held on June 3, 1980. (EFA - June 30, 1980)

Laws 1980, 3rd Special Session, Chapter 2 exempted use fuel from the Use Tax when it is subject to the Use Fuel Tax. (ERTYBFA - December 31, 1976)

Laws 1980, Chapter 70 changed the due date for payment of the Use Tax to the 1st day of the second month following the month in which the tax accrues. A delinquency date was established to be five days after the due date. The Department was given authority to adjust the payment period for taxpayers with annual tax liabilities of less than $500. The Department was also authorized to extend the time for payment of the tax up to the 1st day of the third month following the regular due date, when the extension was for good cause. The interest rate imposed on deficient tax payments was increased from 6% to 12% per year. (EFA - August 1, 1980)

Laws 1981, Chapter 111 increased the interest rate on delinquent Use Tax payments from 6% to 12% per year. (E- July 25, 1981)

Laws 1981, Chapter 130 changed the provision that exempts fuel from the Use Tax when a Use Fuel Tax or Motor Vehicle Fuel Tax has been paid. Effectively, the change authorized the Department of Revenue to collect the tax on the use of fuel in off-road vehicles, when the Use Fuel Tax or Motor Vehicle Fuel Tax has been paid but is refundable to taxpayers. (E - July 25, 1981)

Laws 1982, Chapter 69 raised the Use Tax rate on tangible personal property provided under service contracts or warranties from 2% to 4%.

Laws 1982, Chapter 163 exempted sales of food and drink from the Use Tax when purchased by public schools for preparation and consumption on the premises during school hours. (E - July 24, 1982)

Laws 1982, Chapter 186 established a Use Tax exemption for groundwater measuring devices that are required by law in groundwater management areas and irrigation non-expansion areas. (E - July 24, 1982)

Laws 1983, Chapter 4 changed the due date for payment of the Use Tax to the 20th day of the month following the month in which the tax accrues. Also the delinquent date was moved to the day preceding the last day of the month in which they were due. (E - April 1, 1983) The interest rate on deficient and delinquent tax payments was also changed to equal the rate established by Section 6621 of the Internal Revenue Code, compounded annually. (E - February 11, 1983)

Laws 1983, Chapter 138 provided that the Use Tax on motor vehicles purchased out of state was paid to the Department of Transportation or to the Department's Registering Officer, at the time the vehicle was registered. Prior to passage of this law, the Use Tax on vehicles was payable to the Department of Revenue. (E - July 27, 1983)

Laws 1983, Chapter 230 relieved state agencies from payment of Use Taxes that were unpaid or paid under protest as of January 1, 1983. This provision only applied to state agencies funded by General Fund appropriations. (E - April 22, 1983)

Laws 1984, Chapter 5 (1st Special Session-1984) prescribed a temporary Use Tax at the rate of 1% for the time period January 1, 1984 through June 30, 1984.

Laws 1984, Chapter 120 prescribed new delinquency dates for Transaction Privilege and affiliated excise and Use Taxes. Tax liabilities are delinquent, and thus subject to interest and penalties, if not postmarked on or before the 25th day of that month next succeeding the month of accrual or not received by the Department of Revenue on or before the day preceding the last day of that month next succeeding the month of accrual.

Laws 1984, Chapter 134 altered the expiration date of the exemption from Transaction Privilege and affiliated excise and Use Taxes for solar energy devices. The exemption expires April 30, 1984.

Laws 1984, Chapter 371 amended A.R.S. § 42-1408. The Use Tax rate is now equated to the retail Transaction Privilege Tax rate. The Use Tax rate will automatically track any changes in the retail sales tax rate.

Laws 1985, Chapter 47 prescribed a new delinquency date for Use Tax reporting. Returns must either be: 1) received by the Department of Revenue by the second-to-last business day of the month, by mail or hand delivery, or 2) postmarked by the 25th day of the month.

Laws 1985, Chapter 101 exempted from Use Taxes tangible personal property brought into Arizona by individuals who were not residents of the state at the time of purchase if the first actual use or consumption of the property was outside Arizona. This does not apply to property used while conducting a business in Arizona.

Laws 1985, Chapter 104 concerned the sales and use taxation rate for certain new farm crop machinery and equipment. New machinery and equipment consisting of tractors, tractor-drawn implements, self-powered implements, and drip irrigation lines are exempt. The tax is scheduled to be phased out over three years. The tax rate declines 1% per year through fiscal year 1987-88, after which there will be no tax.

Laws 1985, Chapter 248 exempted from Use Tax the purchase of printed materials for use in public libraries, which are unavailable for purchase in this state.

Laws 1986, Chapter 50 provided a Use Tax exemption for newspaper advertising supplements intended for sale with newspapers published in Arizona. (E - August 13, 1986)

Laws 1986, Chapter 161 exempted from state and local sales and use taxes those items that are purchased with USDA Food Stamps. See Consolidated Transaction Privilege Tax for effective date.

Laws 1986, Chapter 371 exempted from sales and use taxes expendable materials that are used directly in the production of semiconductor products. New or used spare or replacement parts which are not normally expected to last more than 1 year are not exempted. (E - August 13, 1986)

Laws 1987, Chapter 34 exempted from state and local transaction privilege and use taxes, the items purchased with food instruments issued under the Child Nutrition Act which is the Special Supplemental Food Program for Women, Infants, and Children. (EFA - September 30, 1987)

Laws 1987, Chapter 69 exempted ice and dry ice used in packing, shipping, or transporting food from Transaction Privilege and Use Taxes.

Laws 1987, Chapter 134 exempted from tax levied on storage, use or consumption of tangible personal property purchased with United States Department of Agriculture food coupons issued under the Food Stamp Act of 1977. (E - August 18, 1987)

Laws 1987, Chapter 183 exempted from Use Tax the sale of newspaper advertising supplements if they have been subjected to an excise tax in some other state, and that tax paid was greater than or equal to an excise tax in this state. (E - April 27, 1987)

Laws 1987, 2nd Special Session, Chapter 4 exempted from Transaction Privilege and Use Taxes on certain utility, contracting, and construction activities connected to federal research projects with an initial construction cost in excess of $2,000,000,000 within Arizona. This legislation was conditional on the federal superconducting super

collider locating in this state by January 1, 1990. This law was never enacted as the super collider was located in Texas.

Laws 1988, Chapter 56 extended the termination of the bill that established the Telecommunication Service Assistance Program to June 30, 1990 from June 30, 1989. This bill (Laws 1986, Chapter 361) allowed a credit against the transaction privilege and other affiliated excise taxes for phone companies that provided rate assistance to certain elderly and low income customers. (E - September 30, 1988)

Laws 1988, Chapter 271 exempted aviation fuel taxed under the Aviation Fuel Tax from the Use Tax. (E - September 30, 1988)

Laws 1989, Chapter 132 revised the Use Tax on tangible personal property provided under a service contract or warranty from 4% to 5% of the cost of the tangible personal property. (ER - May 5, 1984)

Laws 1989, Chapter 281 expanded the definition of retailers to persons who solicit orders for tangible personal property by mail if solicitations are substantial and recurring and benefits from certain activities or facilities located in this state. This allows for use taxation of such retailers by establishing sufficient nexus in Arizona. (E - September 15, 1989)

Laws 1990, 3rd Special Session, Chapter 9 excluded from the definition of sales or purchase price under the Use Tax those amounts due to certain federal excise taxes on sales of heavy trucks, trailers, or use fuel. (E - September 27, 1990)

Laws 1991, Chapter 200 provided for the Transaction Privilege Tax and Use Tax exemption for (1) medical oxygen prescribed by a licensed medical, dental, or veterinarian physician and (2) certain durable equipment having a federal health care financing administration designation and prescribed by a licensed physician, podiatrist, or homeopathic physician. (RFA - December 31, 1979)

Laws 1991, Chapter 158 defined certain new machinery or equipment used for commercial production of agricultural, horticultural, viticultural, and floricultural crops in Arizona for Transaction Privilege and Use Tax exemption purposes. Under the retail classification each machinery that has never been sold and has been leased for less than two years are exempt. However, under the personal property rental classification, these new equipment which have been leased less than two years are not exempt from taxation. (E - September 21, 1991)

Laws 1991, Chapter 200 provided for the Transaction Privilege Tax and Use Tax exemption for (1) medical oxygen prescribed by a licensed medical, dental, or veterinarian physician and (2) certain durable equipment having a federal health care financing administration designation and prescribed by a licensed physician, podiatrist, or homeopathic physician. (RFA - December 31, 1979)

Laws 1992, Chapter 32 exempted from the Use Tax tangible personal property when used or consumed in restaurants for human food, drink, or condiment whether it is simple, mixed, or compounded. (RTYBFA - December 21, 1986)

Laws 1992, Chapter 96 provided a tax refund for motion picture production companies who, in the course of twelve months, produce one or more motion pictures and spend $1,000,000 in Arizona toward production or filming. To qualify for the refund, companies must file pre- and post-filming applications. The refund is 50% of the Transaction Privilege Tax and Use Tax on tangible personal property purchased in Arizona, and paid by the motion picture production company. (RTYBFA - June 30, 1992)

Laws 1992, Chapter 135 exempted from the Use Tax glucose test strips. (E - June 2, 1992)

Laws 1992, Chapter 162 exempted from Transaction Privilege and Use Tax seeds and other propagative material used by commercial crop producers in Arizona. This bill also changed the current Transaction Privilege Tax classification name of "animal feed" to "feed," clarified that the feed classification applies to livestock and poultry feed. The bill simplified the computation of a county's share of feed tax by deeming the taxpayer's place of business is in the county where the sale is made. The exemption for seeds and other propagative material applied

retroactively to tax periods beginning from and after June 30, 1984. However, refunds are only allowed for Sales Tax paid during the period from April 1, 1992 until September 30, 1992. (E - September 30, 1992)

Laws 1992, Chapter 222 expanded the Transaction Privilege and Use Tax exemption on aircrafts to include the following (E - September 30, 1992):

(1) Federally approved flight simulators.
(2) Tangible personal property that is permanently affixed or attached as a component part of an aircraft.
(3) Accessories and equipment that physically contact aircraft during overall carrier operation.
(4) Machinery, tools, equipment, and related supplies used in repairing, remodeling, or maintaining aircrafts, its engines or component parts by or for a licensed carrier.

Laws 1992, Chapter 238 provided a Transaction Privilege and Use Tax exemption for machinery or equipment used in research and development. The bill specifically defined research and development and described applications qualified as those not qualified for the exemption. This act applied prospectively only. (EFA - December 31, 1992)

Laws 1993, Chapter 12 revised the Use Tax on motor vehicles removed from inventory and returned to active sales inventory within 1 year after the date of removal. The tax on vehicles removed from inventory is levied on a monthly basis at 1/39th of the manufacturers suggested retail price on new cars, and to 1/39th of the value of a used car, as determined by any industry wide publication in common use. Motor vehicles removed from inventory and used for charitable purposes are exempted. (RFA December 31, 1992)

Laws 1993, Chapter 48 exempted tangible personal property purchased by certain qualified nonprofit charitable organization from the parent or an affiliate organization that is located outside the state. (E - July 17, 1993)

Laws 1993, Chapter 103 amended the definition of "Qualifying Hospital" to include a residential care facility operated in conjunction with a licensed nursing care institution. Exempts all tangible personal property sold to or purchased by such a facility from the Transaction Privilege Tax and Use Tax. Any tax liabilities paid between January 1, 1982 and the effective date of this act shall not be refunded unless the taxpayer requesting the refunds provides proof to the Department of Revenue that monies paid as taxes will be returned to the residents of the residential facilities. (ER - January 1, 1982)

Laws 1993, Chapter 199 defined a qualifying community health center as an entity recognized as a nonprofit community-based, primary care clinic with a community based board of directors and is either:

(1) The sole provider of primary care in the community, or
(2) A nonhospital affiliated clinic that is located in a federally designated medically underserved area in the state.

The bill provides a Transaction Privilege and Use Tax exemption for tangible personal property sold to or purchased by either a qualifying community health center or a qualifying health care organization; provided that the qualifying health care organization is dedicated to providing educational, therapeutic, rehabilitative and family medical education training for blind, visually impaired and multi-handicapped children from the time of birth to age twenty-one. (RTYBFA -January 1, 1991)

Laws 1993, Chapter 206 exempted from the Transaction Privilege and Use Tax the sales of natural gas or liquefied petroleum gas used to propel a motor vehicle under the retail, utilities and pipeline classifications. The bill also provided an exemption from any similar municipal tax. (E - July 17, 1993)

Laws 1993, Chapter 246 exempted private toll facility projects from any state imposed Transaction Privilege Tax, Sales Tax, Use Tax or similar Excise Tax. Provides that a lease to a private entity of a transportation facility constructed pursuant to this chapter is deemed a governmental activity which allows eligibility for industrial development bonds. (E - July 17, 1993)

Laws 1993, Chapter 258 required the Department of Commerce to establish and conduct an Environmental Technology Assistance Program to promote business and economic development by recruiting and expanding companies that manufacture, produce, or process solar and other renewable energy products from recycled materials. The Department of Commerce has until June 30, 1996 to certify qualified environmental technology manufacturers, producers and processors for purposes of available tax incentives provided in the bill. The bill contains a severability clause. Various sections of this bill are delayed or have retroactive effective dates. (E - April 22, 1993)

Laws 1994, Chapter 41 contained the major components of the Tax Reduction Package known as the Middle Income Tax Relief Act (MITRA) of 1994. The act contained the following major provisions affecting the Transaction Privilege Tax:

(1) The act provided a Transaction Privilege and Use Tax exemption to chemicals used in manufacturing and mining, alone or as part of an integrated system of chemicals, that cause a chemical or physical change to occur in the materials as part of the production process. This excludes chemicals used or consumed in activities such as packaging, storage, or transportation but does not affect any deduction for such chemicals that is otherwise provided in statute. (EFA - June 30, 1995)
(2) The act clarified that prosthetic devices prescribed or recommended by a person who is licensed, registered or otherwise professionally credentialed as a physician, dentist, podiatrist, chiropractor, naturopath, homeopath, nurse, or optometrist are exempted from the Use Tax. (E - July 17, 1994)

Laws 1994, Chapter 64 clarified an earlier bill that provided refunds of Transaction Privilege Taxes paid on tangible personal property sold to or purchased by a residential care facility in conjunction with a licensed nursing care institution. This act required the facility to demonstrate that the refund will be paid in a reasonable and nondiscriminatory manner to those residents, including past, current or future residents, who have paid or are continuing to pay the taxes. The refunds may be provided by means of direct payment or by an offsetting credit against facility charges. (E - July 17, 1994)

Laws 1994, Chapter 240 provided the following Transaction Privilege and/or Use Tax exemptions: (E - July 17, 1994)

(1) Provides a Transaction Privilege Tax exemption for nonprofit charitable organizations that have qualified under Section 501(C)(3) of the Internal Revenue Code and that regularly serves meals to the needy and indigent on a continuing basis at no cost.
(2) Exempts from the Transaction Privilege and Use Tax sales of food, drink and condiment for consumption within the premises of a prison, jail or other institution under the jurisdiction of the State Department of Corrections, the Department of Public Safety, the Department of Youth Treatment and Rehabilitation or a County Sheriff.
(3) Provided a Use Tax exemption for printed, photographic, electronic or digital media materials for use by the public, which are unavailable for purchase in this state, purchased by publicly funded libraries.
(4) Clarified that the Use Tax exemption for prosthetic appliances applies to devices prescribed or recommended by a person who is licensed, registered or professionally credentialed as a physician, dentist, podiatrist, chiropractor, naturopath, homeopath, nurse or optometrist.

Laws 1994, Chapter 305 provides a Use Tax exemption for the following tangible personal property (RTYBFA - December 31, 1986):

(1) Motor vehicles that are removed from inventory by a motor vehicle dealer and that are provided to:

    a. Public educational institutions.
    b. State universities or affiliated organizations of a state university if no part of the organization's net earnings inures to the benefit of any private shareholder or individual.

(2) Tangible personal property which is or directly enters into and becomes an ingredient or component part of cards used as prescription plan identification cards. This provision applies prospectively only and is intended to have no effect on tax liabilities that accrued before the effective date of this act, including liabilities established pursuant to audit and administrative and judicial appeal. (E - July 17, 1994)

Laws 1994, Chapter 307 provided a Transaction Privilege and Use Tax exemption, under the retail classification, to (EFA - September 30, 1994):

(1) Livestock and poultry feed, salts, vitamins and other additives for livestock or poultry. For these purposes "poultry" includes ratites.
(2) Implants used as growth promotants and injectable medicines, not already exempt, for livestock or poultry. For these purposes "poultry" includes ratites.

The act amends the feed classification by clarifying that "concentrated animal feeding operation" means a dairy or beef cattle feedlot or feedyard. Feedlot or feedyard includes a lot or facility where dairy, slaughter or feeder cattle are confined and fed for forty-five days or more in any twelve month period. The feed classification, as amended, is repealed from and after September 30, 1994. (RTYBFA - September 30, 1993)

The act clarified that for tax periods from and after December 31, 1989, the feed classification is comprised of the business of selling livestock or poultry feed, including salts, vitamins, implants used as growth promotants, injectable medicines and other additives, for livestock or poultry consumption to persons who are engaged in producing livestock, poultry or livestock or poultry products or who are engaged in feeding livestock or poultry commercially.

Laws 1994, Chapter 309 provided a Transaction Privilege and Use Tax exemption to ratites used as breeding or production stock. The act also included "ratites" as Class 11 personal property for tax purposes. "Ratites" were defined as ostriches, emus, rheas and cassowaries. "Poultry" was defined as chickens, turkeys, domesticated birds, game birds, fowl and waterfowl but does not include ratites. The act contains provisions defined in Article IX, Section 22, Constitution of Arizona that requires the affirmative vote of at least two-thirds of both houses. (E - April 25, 1994)

Laws 1994, Chapter 313 provided for the issuance of bonds by a city, town or county to finance the construction of a "qualified theme park." The city, town or county may impose a special excise tax on all business activity that is subject to taxation. Business activity that is subject to taxation is exempt from the state Transaction Privilege Tax during the time the tax imposed by the city, town or county is in effect. The tax will remain in effect until the bonds issued are paid in full or twenty years after the bonds are issued, whichever occurs first. Any city, town or special taxing district shall not levy a Transaction Privilege, Sales, Use or other similar tax on any business activity conducted at or tangible personal property leased or rented by any qualified theme park, themed amusement park or other nonathletic entertainment facility that is subject to taxation as prescribed by this act. (EFA - June 30, 1995)

Laws 1994, Chapter 375 provided changes to the Taxpayers' Bill of Rights including provisions on installment payments of tax, abatement of penalties, and reimbursement of fees and other costs. The reimbursement of fees and other costs section is effective for fees and other costs incurred after December 31, 1994. (E - July 17, 1994)

Laws 1994, Chapter 377 provided a Transaction Privilege and Use Tax exemption for overhead materials that are used in performing a contract between the United States Government and a manufacturer, modifier, assembler or repairer, including property used in performing a subcontract with a government contractor to which title passes to the government under terms of the contract or subcontract. The act also defined "overhead materials" and "subcontract." The act does not apply with respect to any existing audit, appeal or litigation. (ETYBFA - June 30, 1995)

Laws 1995, Chapter 17 provided that the Transaction Privilege and Use Tax exemption for chemicals enacted by Laws 1994, Chapter 41, are to be considered as separate and distinct from the exemptions for machinery and equipment. Interpretation of one exemption in conjunction with the other is prohibited. (ER - July 17, 1994)

Laws 1995, Chapter 35 imposed a Use Tax on motor vehicle manufacturers, for the storage, use or consumption of its maintenance, support or service vehicles, equal to 1/39th of the dealer net price of the motor vehicles. The tax is not to be imposed for more than 39 months on any motor vehicle and does not apply to motor vehicles and component parts used for testing or development. It is the intent of the Legislature that this tax does not apply to tax liabilities incurred before January 1, 1993. (RTYBFA - December 31, 1992)

Laws 1995, Chapter 61 exempted toll revenues collected by operators, who have leased or licensed right-of-way or other property from the Department of Transportation, from any Transaction Privilege Tax, Sales Tax, Use Tax or any similar excise tax. (E - July 13, 1995)

Laws 1995, Chapter 98 clarified that motion picture production companies which expend more than $1 million, or $250,000 in the case of commercial advertising production, in the state in at least a twelve consecutive month period may apply for a refund of Transaction Privilege and Use Taxes paid for expenditures in connection with the production company activity. Companies shall apply for refunds within six months after completing the filming or production activities or at any time after $1 million in expenditures, or $250,000 for commercial advertising production, has been reached. Defined "commercial advertising production" to mean any film or video production that is created to promote specific brands, products, services, retailers or advocacy positions and that consists of two minutes of air time or less. The refund is limited to 50% of the Transaction Privilege and Use Taxes imposed. (EFA - June 30, 1994)

Laws 1995, Chapter 138 provided a Transaction Privilege and Use Tax exemption to machinery and equipment necessary for extracting milk, and for cooling milk and livestock. Clarified that Aself-powered implements≅ includes machinery and equipment that are electric powered. Tax liabilities, penalties and interest paid from and after April 17, 1985 will be refunded if paid on self-powered implements now exempt, and if satisfactory proof that monies paid will be returned to the customer who purchased the implements is provided to the Department of Revenue. (RTYBFA - April 17, 1985)

Laws 1995, Chapter 178 made technical changes to the Transaction Privilege and Use Tax statutes related to changing the name of the Department of Youth Treatment and Rehabilitation to the Department of Juvenile Corrections. (E - July 13, 1995)

Laws 1995, Chapter 182 authorized municipalities with a population less than 50,000 and counties with a population less than 125,000 to submit their July 1995 populations, as approved by the Director of the Department of Economic Security (DES) Population Statistics Unit, for state revenue sharing purposes without having to contract with DES to conduct a sample survey verification. Allowed any city, town or county to submit a request that the 1990 Decennial Census, plus revisions due to annexation certified by the United States Bureau of the Census, continue to be used for the purposes of state revenue sharing, even if a special census has been conducted. (E - July 13, 1995)

Laws 1995, Chapter 267 provided a Transaction Privilege Tax exemption to sales of motor vehicles sold at auction to nonresidents for use outside this state. (RTYBFA - June 30, 1988)

Provided Transaction Privilege and Use Tax exemptions to personal hygiene items sold to businesses engaged in transient lodging if the item is intended for use by the guest. Taxes, penalties and interest paid after May 31, 1990 are refundable if the taxpayer provides that the Transaction Privilege or Use Tax on the item was not passed on to the consumer by way of increased prices for transient lodging. (RTYBFA - May 31, 1990)

Laws 1995, Chapter 277 changed the effective date of Laws 1994, chapter 313, that provided municipal and county finance provisions for the construction of "qualified theme parks" to December 31, 1994. Clarified that municipal or county excise taxes maybe imposed in all or part of the park and includes concessions, shops, restaurants and other amenities and such business activity subject to the tax is exempt from the state Transaction Privilege and Use Tax for the period the tax is imposed. Provided for the repeal of all provisions from and after December 31, 2005. (E - July 13, 1995)

Laws 1997, Chapter 75 applied a four-year statute of limitations to assessments of use taxes levied against vendors who sell to a purchaser licensed or registered by the Department of Revenue to remit use tax. The Department of Revenue is required to provide a credit or offset for interest and penalties paid by the purchaser if and when the department issues a use tax deficiency assessment against a seller. This act is estimated to have no fiscal impact. (Effective June 2, 1996)

Laws 1999, Chapter 144 extended a use tax exemption to any diesel fuel imported in the regular fuel tanks of a locomotive and consumed in this state. However, any *excess* diesel fuel brought into the state by a locomotive and consumed here is still subject to the use tax. This act is estimated to have no fiscal impact. (Effective January 1, 1993)

Laws 2001, Chapter 137 provided exemptions from the retail sales and use taxes for food and drinks purchased by hotels and served to guests. This bill is estimated to have minimal fiscal impact. (Effective June 8, 1994)

Laws 2001, Chapter 287 provided a number of technical and clarifying changes to statutes, and combined fuel tax statutes for motor vehicle fuel and use fuel into one article. The act also included several substantive provisions, such as an increase in the bonding levels for fuel suppliers and criminal penalty for fuel tax evasion. (Effective August 9, 2001)