

Sales/Use/Indirect:

Utah: New Law Removes 200-Transaction Threshold from *Wayfair* Economic Nexus Statute and Clarifies Amnesty Period for Errors

S.B. 47, signed by gov. 3/25/25. Effective as of July 1, 2025, recently signed legislation revises Utah's economic nexus provisions for out-of-state remote sellers by repealing the requirement that a seller must pay or collect and remit Utah sales and use tax if the seller sells tangible personal property, products transferred electronically, or services for storage, use, or consumption in Utah in more than 200 separate transactions. Under current Utah law, out-of-state remote sellers meeting one or both of the following criteria in the immediately preceding or current calendar year generally must license their business in Utah and remit applicable Utah sales and use tax:

URL: <https://le.utah.gov/~2025/bills/static/SB0047.html>

- Gross revenue from sales into Utah exceeds \$100,000; or
- 200 or more separate transactions for delivery into Utah.

The bill also includes some related technical and conforming changes.

S.B. 40, signed by gov. 3/25/25. Recently signed legislation clarifies the amnesty period during which a seller or certified service provider is not liable for failure to collect taxes due to an error by the Utah State Tax Commission in certain situations. Specifically, the legislation provides that the time period for which a seller or certified service provider (CSP) is not liable for failure to collect Utah taxes in certain situations "ends on the first day of the calendar quarter after 90 days from the day" on which the Utah State Tax Commission first notifies the seller or CSP of the error. This bill takes effect May 7, 2025. Please contact us with any questions.

URL: <https://le.utah.gov/~2025/bills/static/SB0040.html>

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