

State Tax Matters

The power of knowing. July 8, 2022

Administrative:

Utah: New Law Allows Some Payments to Government to be Made with Digital Assets/Crypto

H.B. 456, signed by gov. 3/24/22. Effective July 1, 2022, new law:

URL: https://le.utah.gov/~2022/bills/static/HB0456.html

- 1. Requires the Utah Division of Finance (Division) to contract with a third-party to accept payments to participating government agencies in the form of digital assets on or before January 1, 2023;
- 2. Authorizes the Division to contract with a third-party to accept payments to political subdivisions in the form of digital assets;
- 3. Gives the Division rulemaking authority to determine standards a third-party must meet to provide such payment service; and
- 4. Describes the assignment of liability with respect to aspects of providing this digital asset payment service.

The legislation contains a list of relevant definitions, including that an "agency" means a state government entity that receives payments for services or fees and is eligible to enter into a contract for payment services with the Division, and an "agency payment" means a payment that is due directly to an agency and that the agency collects either directly or through a third-party payment processor with whom the Division has a contract. Please contact us with any questions.

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