

**A motion by Utah to amend the Library of Definitions relating to digital products:**

Appendix C  
LIBRARY OF DEFINITIONS

**Part II.** Product definitions. Terms included in this Part are used to exempt items from sales and use taxes or to impose tax ~~on items by narrowing an exemption that otherwise includes these items.~~

**NOTE: The amendment would become effective immediately upon adoption.**

**PART II**

**Product Definitions**

**NEW DEFINITION**

**DIGITAL PRODUCTS DEFINITIONS**

- A. **“Digital Code”** means a code, which provides a purchaser with a right to obtain one or more specified digital product(s) within a single specific specified digital product category under either Section B(i), (ii) or (iii), below. A digital code may be obtained by any means, including email or by tangible means regardless of its designation as “song code”, “video code”, or “book code”.
- B. **“Specified digital products”** means:
- i. **“Digital Audio-Visual Works”** which means a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any, that are transferred electronically and sold to an end user with the right of permanent use granted by the seller which is not conditioned upon continued payment from the purchaser;
  - ii. **“Digital Audio Works”** which means works that result from the fixation of a series of musical, spoken, or other sounds, including ringtones, that are transferred electronically and sold to a an end user with the right of permanent use granted by the seller which is not conditioned upon continued payment from the purchaser; and
  - iii. **“Digital Books”** which means works that are generally recognized in the ordinary and usual sense as “books” that are

transferred electronically and sold to an end user with the right of permanent use granted by the seller which is not conditioned upon continued payment from the purchaser.

- C.** **“End user”** includes any person other than a person who receives by contract a specified digital product for further commercial broadcast, rebroadcast, transmission, retransmission, licensing, relicensing, distribution, redistribution or exhibition of the specified digital product, in whole or in part, to another person or persons.
- D.** **“Ringtones”** means digitized sound files that are downloaded onto a device and that may be used to alert the customer with respect to a communication.
- E.** **“Subscription”** means an agreement with a seller that grants a consumer the right to obtain “specified digital products” from within a single specific specified digital product category under either Section B(i), (ii) or (iii), above, in a fixed quantity or for a fixed period of time, or both.
- F.** **“Transferred electronically”** means obtained by the purchaser by means other than tangible storage media.

**NOTE: The amendment would become effective January 1, 2009.**