

**LOCAL SALES AND USE TAX AMENDMENTS**

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jim Nielson**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill amends provisions related to the sales and use tax under Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act.

**Highlighted Provisions:**

This bill:

- ▶ repeals obsolete language;
- ▶ addresses deposits into the Remote Sales Restricted Account;
- ▶ addresses definitions;
- ▶ modifies the distribution of sales and use taxes under Title 59, Chapter 12, Part 2,

Local Sales and Use Tax Act;

- ▶ creates the Local Sales and Use Tax Distribution Agency Fund and provides for the distribution of revenue deposited into the agency fund; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**35A-8-302**, as last amended by Laws of Utah 2012, Chapter 9 and renumbered and



28 amended by Laws of Utah 2012, Chapter 212  
 29 [59-12-103.2](#), as last amended by Laws of Utah 2013, Chapter 150  
 30 [59-12-204](#), as last amended by Laws of Utah 2012, Chapter 212  
 31 [59-12-205](#), as last amended by Laws of Utah 2012, Chapter 9  
 32 [59-12-302](#), as last amended by Laws of Utah 2011, Chapters 288, 309 and last amended  
 33 by Coordination Clause, Laws of Utah 2011, Chapter 309  
 34 [59-12-354](#), as last amended by Laws of Utah 2011, Chapters 288 and 309  
 35 [59-12-403](#), as last amended by Laws of Utah 2012, Chapter 254  
 36 [59-12-603](#), as last amended by Laws of Utah 2011, Chapter 309  
 37 [59-12-703](#), as last amended by Laws of Utah 2012, Chapter 254  
 38 [59-12-802](#), as last amended by Laws of Utah 2011, Chapter 309  
 39 [59-12-804](#), as last amended by Laws of Utah 2011, Chapter 309  
 40 [59-12-1102](#), as last amended by Laws of Utah 2012, Chapters 212 and 254  
 41 [59-12-1302](#), as last amended by Laws of Utah 2012, Chapter 254  
 42 [59-12-1402](#), as last amended by Laws of Utah 2012, Chapter 254  
 43 [59-12-2103](#), as last amended by Laws of Utah 2012, Chapters 254 and 352  
 44 [59-12-2206](#), as enacted by Laws of Utah 2010, Chapter 263

45 ENACTS:

46 [59-12-205.1](#), Utah Code Annotated 1953



48 *Be it enacted by the Legislature of the state of Utah:*

49 Section 1. Section **35A-8-302** is amended to read:

50 **35A-8-302. Definitions.**

51 As used in this part:

52 (1) "Bonus payments" means that portion of the bonus payments received by the  
 53 United States government under the Leasing Act paid to the state under Section 35 of the  
 54 Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those  
 55 payments.

56 (2) "Impact board" means the Permanent Community Impact Fund Board created under  
 57 Section [35A-8-304](#).

58 (3) "Impact fund" means the Permanent Community Impact Fund established by this

59 chapter.

60 (4) "Interlocal Agency" means a legal or administrative entity created by a subdivision  
61 or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal  
62 Cooperation Act.

63 (5) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et  
64 seq.

65 [~~(6) "Qualifying sales and use tax distribution reduction" means that, for the calendar  
66 year beginning on January 1, 2008, the total sales and use tax distributions a city received  
67 under Section 59-12-205 were reduced by at least 15% from the total sales and use tax  
68 distributions the city received under Section 59-12-205 for the calendar year beginning on  
69 January 1, 2007.~~]

70 [(7)] (6) "Subdivision" means a county, city, town, county service area, special service  
71 district, special improvement district, water conservancy district, water improvement district,  
72 sewer improvement district, housing authority, building authority, school district, or public  
73 postsecondary institution organized under the laws of this state.

74 Section 2. Section 59-12-103.2 is amended to read:

75 **59-12-103.2. Definitions -- Remote Sales Restricted Account -- Creation --**  
76 **Funding for account -- Interest -- Division of Finance accounting.**

77 (1) As used in this section:

78 (a) "Qualified local revenue collected from remote sellers" means the local revenue the  
79 commission collects under Section 59-12-103.1 for a fiscal year from sellers who obtain a  
80 license under Section 59-12-106 for the first time on or after the earlier of:

81 (i) the date a decision described in Subsection 59-12-103.1(1)(a) becomes a final,  
82 unappealable decision; or

83 (ii) the effective date of the action by Congress described in Subsection  
84 59-12-103.1(1)(b).

85 (b) "Qualified state revenue collected from remote sellers" means the state revenue the  
86 commission collects under Section 59-12-103.1 for a fiscal year from sellers who obtain a  
87 license under Section 59-12-106 for the first time on or after the earlier of:

88 (i) the date a decision described in Subsection 59-12-103.1(1)(a) becomes a final,  
89 unappealable decision; or

90 (ii) the effective date of the action by Congress described in Subsection  
91 [59-12-103.1\(1\)\(b\)](#).

92 (2) There is created within the General Fund a restricted account known as the  
93 "Remote Sales Restricted Account."

94 (3) The account shall be funded by:

95 (a) the qualified local revenue collected from remote sellers; and

96 (b) the qualified state revenue collected from remote sellers.

97 (4) (a) The account shall earn interest.

98 (b) The interest described in Subsection (4)(a) shall be deposited into the account.

99 (5) The Division of Finance shall deposit the revenue described in Subsection (3) into  
100 the account.

101 (6) The Division of Finance shall separately account for:

102 (a) (i) the qualified local revenue collected from remote sellers; and

103 (ii) interest earned on the amount described in Subsection (6)(a)(i); and

104 (b) (i) the qualified state revenue collected from remote sellers; and

105 (ii) interest earned on the amount described in Subsection (6)(b)(i).

106 (7) (a) The revenue and interest described in Subsection (6)(a) may be used to lower  
107 local sales and use tax rates as the Legislature may provide by statute.

108 (b) The revenue and interest described in Subsection (6)(b) may be used to lower state  
109 sales and use tax rates as the Legislature may provide by statute.

110 (8) Notwithstanding any other provision of this section, beginning on the first day of  
111 the first fiscal year that begins after the eligible distribution date as defined in Section  
112 [59-12-205](#), the Division of Finance may not deposit qualified local revenue collected from  
113 remote sellers into the Remote Sales Restricted Account.

114 Section 3. Section **59-12-204** is amended to read:

115 **59-12-204. Sales and use tax ordinance provisions -- Tax rate -- Distribution of**  
116 **tax revenues -- Amendments to ordinances -- Commission requirement to retain an**  
117 **amount to be deposited into the Qualified Emergency Food Agencies Fund.**

118 (1) The tax ordinance adopted pursuant to this part shall impose a tax upon those  
119 transactions listed in Subsection [59-12-103\(1\)](#).

120 (2) (a) The tax ordinance under Subsection (1) shall include a provision imposing a tax

121 upon every transaction listed in Subsection 59-12-103(1) made within a county, including areas  
122 contained within the cities and towns located in the county:

123 (i) at the rate of 1% of the purchase price paid or charged; and

124 (ii) if the location of the transaction is within the county as determined under Sections  
125 59-12-211 through 59-12-215.

126 (b) Notwithstanding Subsection (2)(a), a tax ordinance under this Subsection (2) shall  
127 include a provision prohibiting a county, city, or town from imposing a tax under this section  
128 on the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
129 exempt from taxation under Section 59-12-104.

130 (3) Such tax ordinance shall include provisions substantially the same as those  
131 contained in Part 1, Tax Collection, insofar as they relate to sales or use tax, except that the  
132 name of the county as the taxing agency shall be substituted for that of the state where  
133 necessary for the purpose of this part and that an additional license is not required if one has  
134 been or is issued under Section 59-12-106.

135 (4) Such tax ordinance shall include a provision that the county shall contract, prior to  
136 the effective date of the ordinance, with the commission to perform all functions incident to the  
137 administration or operation of the ordinance.

138 (5) Such tax ordinance shall include a provision that the sale, storage, use, or other  
139 consumption of tangible personal property, the purchase price or the cost of which has been  
140 subject to sales or use tax under a sales and use tax ordinance enacted in accordance with this  
141 part by any county, city, or town in any other county in this state, shall be exempt from the tax  
142 due under this ordinance.

143 (6) Such tax ordinance shall include a provision that any person subject to the  
144 provisions of a city or town sales and use tax shall be exempt from the county sales and use tax  
145 if the city or town sales and use tax is levied under an ordinance including provisions in  
146 substance as follows:

147 (a) a provision imposing a tax upon every transaction listed in Subsection 59-12-103(1)  
148 made within the city or town at the rate imposed by the county in which it is situated pursuant  
149 to Subsection (2);

150 (b) notwithstanding Subsection (2)(a), a provision prohibiting the city or town from  
151 imposing a tax under this section on the sales and uses described in Section 59-12-104 to the

152 extent the sales and uses are exempt from taxation under Section 59-12-104;

153 (c) provisions substantially the same as those contained in Part 1, Tax Collection,  
154 insofar as they relate to sales and use taxes, except that the name of the city or town as the  
155 taxing agency shall be substituted for that of the state where necessary for the purposes of this  
156 part;

157 (d) a provision that the city or town shall contract prior to the effective date of the city  
158 or town sales and use tax ordinance with the commission to perform all functions incident to  
159 the administration or operation of the sales and use tax ordinance of the city or town;

160 (e) a provision that the sale, storage, use, or other consumption of tangible personal  
161 property, the gross receipts from the sale of or the cost of which has been subject to sales or use  
162 tax under a sales and use tax ordinance enacted in accordance with this part by any county  
163 other than the county in which the city or town is located, or city or town in this state, shall be  
164 exempt from the tax; and

165 (f) a provision that the amount of any tax paid under Part 1, Tax Collection, shall not  
166 be included as a part of the purchase price paid or charged for a taxable item.

167 (7) If Part 1, Tax Collection, is amended, a county, city, or town shall, within 30 days  
168 after the effective date of the amendment, adopt amendments to the county's, city's, or town's  
169 ordinances as required to conform to the amendments to Part 1, Tax Collection.

170 ~~[(7)]~~ (8) Notwithstanding any other provision of this section, beginning July 1, 2000,  
171 the commission shall:

172 (a) determine and retain the portion of sales and use tax imposed under this section:

173 (i) by each county and by each city and town within that county whose legislative body  
174 consents by resolution to the commission's retaining and depositing sales and use tax revenues  
175 as provided in this Subsection ~~[(7)]~~ (8); and

176 (ii) that is equal to the revenues generated by a 1/64% tax rate;

177 (b) deposit the revenues described in Subsection ~~[(7)]~~ (8)(a) into a special fund of the  
178 county, or a city, town, or other political subdivision of the state located within that county, that  
179 has issued bonds to finance sports or recreational facilities or that is leasing sports or  
180 recreational facilities, in order to repay those bonds or to pay the lease payments; and

181 (c) continue to deposit those revenues into the special fund only as long as the bonds or  
182 leases are outstanding.

183           ~~[(8)]~~ (9) (a) Notwithstanding any other provision of this section, beginning on July 1,  
184 2009, the commission shall calculate and retain a portion of the sales and use tax collected  
185 under this part as provided in this Subsection ~~[(8)]~~ (9).

186           (b) For a city, town, or unincorporated area of a county that imposes a tax under this  
187 part, the commission shall calculate a percentage each month by dividing the sales and use tax  
188 collected under this part for that month within the boundaries of that city, town, or  
189 unincorporated area of a county by the total sales and use tax collected under this part for that  
190 month within the boundaries of all of the cities, towns, and unincorporated areas of the  
191 counties that impose a tax under this part.

192           (c) For a city, town, or unincorporated area of a county that imposes a tax under this  
193 part, the commission shall retain each month an amount equal to the product of:

- 194           (i) the percentage the commission determines for the month under Subsection ~~[(8)]~~  
195 (9)(b) for the city, town, or unincorporated area of a county; and  
196           (ii) \$25,417.

197           (d) The commission shall deposit an amount the commission retains in accordance  
198 with this Subsection ~~[(8)]~~ (9) into the Qualified Emergency Food Agencies Fund created by  
199 Section [35A-8-1009](#).

200           (e) An amount the commission deposits into the Qualified Emergency Food Agencies  
201 Fund shall be expended as provided in Section [35A-8-1009](#).

202           Section 4. Section **59-12-205** is amended to read:

203           **59-12-205. Definitions -- Distribution of tax revenue -- Determination of**  
204 **population.**

205           ~~[(1) A county, city, or town, in order to maintain in effect sales and use tax ordinances~~  
206 ~~adopted pursuant to Section [59-12-204](#), shall, within 30 days of an amendment to an applicable~~  
207 ~~provision of Part 1, Tax Collection, adopt amendments to the county's, city's, or town's sales~~  
208 ~~and use tax ordinances as required to conform to the amendments to Part 1, Tax Collection.]~~

209           (1) As used in this section:

210           (a) "Eligible distribution date" means the date the commission first collects qualified  
211 local sales and use tax revenue from remote sellers in accordance with Section [59-12-103.1](#).

212           (b) "Growth limit factor" means:

213           (i) for the first two fiscal years the commission makes a distribution under this section

214 after the eligible distribution date, the sum of:

215 (A) .05; and

216 (B) the qualified growth factor; or

217 (ii) for a fiscal year after a fiscal year described in Subsection (1)(a)(i), the sum of:

218 (A) the qualified remote sales growth factor; and

219 (B) the qualified growth factor.

220 (c) "Previous fiscal year" means the fiscal year, the last day of which is the June 30

221 immediately preceding the fiscal year for which the commission calculates a distribution under

222 Subsection (6).

223 (d) (i) "Qualified growth" means, to the extent the amount of revenue is greater than

224 \$0, the difference between the amount of revenue the commission collects:

225 (A) for the previous fiscal year from a tax under this part within all of the counties,

226 cities, and towns that impose a tax under this part; and

227 (B) for the second previous fiscal year from a tax under this part within all of the

228 counties, cities, and towns that impose a tax under this part.

229 (ii) "Qualified growth" does not include qualified local sales and use tax revenue from

230 remote sellers.

231 (e) "Qualified growth factor" means a fraction:

232 (i) the numerator of which is qualified growth; and

233 (ii) the denominator of which is the amount of revenue the commission collects for the

234 second previous fiscal year from a tax under this part within all of the counties, cities, and

235 towns that impose a tax under this part, except for qualified local sales and use tax revenue

236 from remote sellers.

237 (f) "Qualified local sales and use tax revenue from remote sellers" means the revenue

238 the commission collects under this part in accordance with Section [59-12-103.1](#) for a fiscal

239 year from sellers who obtain a license under Section [59-12-106](#) for the first time on or after the

240 earlier of:

241 (i) the date a decision described in Subsection [59-12-103.1\(1\)\(a\)](#) becomes a final,

242 unappealable decision; or

243 (ii) the effective date of the action by Congress described in Subsection

244 [59-12-103.1\(1\)\(b\)](#).



245 (g) "Qualified remote sales growth" means, to the extent the amount of qualified local  
246 sales and use tax revenue from remote sellers is greater than \$0, the difference between the  
247 amount of qualified local sales and use tax revenue from remote sellers the commission  
248 collects:

249 (i) for the previous fiscal year from a tax under this part within all of the counties,  
250 cities, and towns that impose a tax under this part; and

251 (ii) for the second previous fiscal year from a tax under this part within all of the  
252 counties, cities, and towns that impose a tax under this part.

253 (h) "Qualified remote sales growth factor" means a fraction:

254 (i) the numerator of which is qualified remote sales growth; and

255 (ii) the denominator of which is the amount of qualified local sales and use tax revenue  
256 from remote sellers the commission collects for the second previous fiscal year from a tax  
257 under this part within all of the counties, cities, and towns that impose a tax under this part.

258 (i) "Second previous fiscal year" means the fiscal year, the last day of which is the June  
259 30 that is the year immediately preceding the previous fiscal year.

260 (j) "Taxable real and personal property" means property that is not exempt from  
261 taxation under:

262 (i) Chapter 2, Property Tax Act;

263 (ii) Chapter 3, Tax Equivalent Property Act; or

264 (iii) Chapter 4, Privilege Tax.

265 (k) "Total growth limit" means the product of:

266 (i) one plus the product of:

267 (A) the growth limit factor; and

268 (B) 1.25; and

269 (ii) the amount of revenue the commission distributed to a county, city, or town for the  
270 previous fiscal year from a tax under this part.

271 (2) Except as provided in Subsections (3) through [~~(5)~~] (6) and subject to Subsection  
272 [~~(6)~~] (7):

273 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall  
274 be distributed to each county, city, and town on the basis of the percentage that the population  
275 of the county, city, or town bears to the total population of all counties, cities, and towns in the

276 state; and

277 (b) (i) except as provided in Subsection (2)(b)(ii), 50% of each dollar collected from  
278 the sales and use tax authorized by this part shall be distributed to each county, city, and town  
279 on the basis of the location of the transaction as determined under Sections 59-12-211 through  
280 59-12-215; and

281 (ii) 50% of each dollar collected from the sales and use tax authorized by this part  
282 within a project area described in a project area plan adopted by the military installation  
283 development authority under Title 63H, Chapter 1, Military Installation Development  
284 Authority Act, shall be distributed to the military installation development authority created in  
285 Section 63H-1-201.

286 (3) (a) Beginning on July 1, 2011, and ending on June 30, 2016, the commission shall  
287 each year distribute to a county, city, or town the distribution required by this Subsection (3) if:

288 (i) the county, city, or town is a:

289 (A) county of the third, fourth, fifth, or sixth class;

290 (B) city of the fifth class; or

291 (C) town;

292 (ii) the county, city, or town received a distribution under this section for the calendar  
293 year beginning on January 1, 2008, that was less than the distribution under this section that the  
294 county, city, or town received for the calendar year beginning on January 1, 2007;

295 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located  
296 within the unincorporated area of the county for one or more days during the calendar year  
297 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,  
298 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North  
299 American Industry Classification System of the federal Executive Office of the President,  
300 Office of Management and Budget; or

301 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection  
302 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during  
303 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry  
304 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the  
305 2002 North American Industry Classification System of the federal Executive Office of the  
306 President, Office of Management and Budget; and

307 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment  
308 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for  
309 one more days during the calendar year beginning on January 1, 2008, was not the holder of a  
310 direct payment permit under Section 59-12-107.1; or

311 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection  
312 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a  
313 city or town for one or more days during the calendar year beginning on January 1, 2008, was  
314 not the holder of a direct payment permit under Section 59-12-107.1.

315 (b) The commission shall make the distribution required by this Subsection (3) to a  
316 county, city, or town described in Subsection (3)(a):

317 (i) from the distribution required by Subsection (2)(a); and

318 (ii) before making any other distribution required by this section.

319 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by  
320 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

321 (ii) For purposes of Subsection (3)(c)(i):

322 (A) the numerator of the fraction is the difference calculated by subtracting the  
323 distribution a county, city, or town described in Subsection (3)(a) received under this section  
324 for the calendar year beginning on January 1, 2008, from the distribution under this section that  
325 the county, city, or town received for the calendar year beginning on January 1, 2007; and

326 (B) the denominator of the fraction is \$333,583.

327 (d) A distribution required by this Subsection (3) is in addition to any other distribution  
328 required by this section.

329 (4) (a) For fiscal years beginning with fiscal year 1983-84 and ending with fiscal year  
330 2005-06, a county, city, or town may not receive a tax revenue distribution less than .75% of  
331 the taxable sales within the boundaries of the county, city, or town.

332 (b) The commission shall proportionally reduce monthly distributions to any county,  
333 city, or town that, but for the reduction, would receive a distribution in excess of 1% of the  
334 sales and use tax revenue collected within the boundaries of the county, city, or town.

335 (5) (a) As used in this Subsection (5):

336 (i) "Eligible county, city, or town" means a county, city, or town that receives \$2,000 or  
337 more in tax revenue distributions in accordance with Subsection (4) for each of the following

338 fiscal years:

339 (A) fiscal year 2002-03;

340 (B) fiscal year 2003-04; and

341 (C) fiscal year 2004-05.

342 (ii) "Minimum tax revenue distribution" means the greater of:

343 (A) the total amount of tax revenue distributions an eligible county, city, or town  
344 receives from a tax imposed in accordance with this part for fiscal year 2000-01; or

345 (B) the total amount of tax revenue distributions an eligible county, city, or town  
346 receives from a tax imposed in accordance with this part for fiscal year 2004-05.

347 (b) (i) Except as provided in Subsection (5)(b)(ii), beginning with fiscal year 2006-07  
348 and ending with fiscal year 2012-13, an eligible county, city, or town shall receive a tax  
349 revenue distribution for a tax imposed in accordance with this part equal to the greater of:

350 (A) the payment required by Subsection (2); or

351 (B) the minimum tax revenue distribution.

352 (ii) If the tax revenue distribution required by Subsection (5)(b)(i) for an eligible  
353 county, city, or town is equal to the amount described in Subsection (5)(b)(i)(A) for three  
354 consecutive fiscal years, for fiscal years beginning with the fiscal year immediately following  
355 that three consecutive fiscal year period, the eligible county, city, or town shall receive the tax  
356 revenue distribution equal to the payment required by Subsection (2).

357 (c) For a fiscal year beginning with fiscal year 2013-14 and ending with fiscal year  
358 2015-16, an eligible county, city, or town shall receive the minimum tax revenue distribution  
359 for that fiscal year if for fiscal year 2012-13 the payment required by Subsection (2) to that  
360 eligible county, city, or town is less than or equal to the product of:

361 (i) the minimum tax revenue distribution; and

362 (ii) .90.

363 (6) (a) Except as provided in Subsections (6)(b) through (e), and beginning on the first  
364 day of the first fiscal year that begins after the eligible distribution date, the commission shall  
365 distribute qualified growth and qualified remote sales growth as follows:

366 (i) 50% of qualified growth and qualified remote sales growth shall be distributed to  
367 each county, city, and town on the basis of the percentage that the population of the county,  
368 city, or town bears to the total population of all counties, cities, and towns in the state;

369 (ii) (A) except as provided in Subsection (6)(a)(ii)(B), 25% of qualified growth and  
370 qualified remote sales growth shall be distributed to each county, city, and town on the basis of  
371 the location of the transaction as determined under Sections 59-12-211 through 59-12-215; and

372 (B) 25% of qualified growth and qualified remote sales growth within a project area  
373 described in a project area plan adopted by the military installation development authority  
374 under Title 63H, Chapter 1, Military Installation Development Authority Act, shall be  
375 distributed to the military installation development authority created in Section 63H-1-201; and

376 (iii) 25% of qualified growth and qualified remote sales growth shall be distributed to  
377 each county, city, and town on the basis of the percentage that the fair market value of the  
378 taxable real and personal property within the county, city, or town bears to the total fair market  
379 value of the taxable real and personal property within the state.

380 (b) If a distribution amount calculated under Subsection (6)(a) for a county, city, or  
381 town exceeds the total growth limit, the county, city, or town shall receive a distribution equal  
382 to the total growth limit.

383 (c) (i) If, but for Subsection (6)(b), a county, city, or town would have otherwise  
384 received a distribution under Subsection (6)(a) that exceeds the total growth limit, the  
385 commission shall calculate the amount by which the distribution under Subsection (6)(a) would  
386 have exceeded the total growth limit.

387 (ii) The commission shall determine the total of all of the amounts calculated under  
388 Subsection (6)(c)(i) for all of the counties, cities, and towns with respect to which the  
389 distribution under Subsection (6)(a) would have exceeded the total growth limit.

390 (iii) The commission shall deposit the total amounts the commission calculates in  
391 accordance with Subsection (6)(c)(ii) into the Local Sales and Use Tax Distribution Agency  
392 Fund created in Section 59-12-205.1.

393 (iv) No later than 30 days after the last day of a fiscal year, the commission shall  
394 calculate a preliminary distribution of the total balance in the Local Sales and Use Tax  
395 Distribution Agency Fund, as of the date the commission makes the calculation, by allocating a  
396 portion of that total to each county, city, and town:

397 (A) that received a distribution under Subsection (6)(a) that is less than the total growth  
398 limit; and

399 (B) using the distribution formula described in Subsection (6)(a).

400 (v) (A) If the sum of the amount a county, city, or town received under Subsection  
401 (6)(a) and the amount of the preliminary distribution for the county, city, or town calculated  
402 under Subsection (6)(c)(iv) is less than the total growth limit, the commission shall distribute  
403 the amount of the preliminary distribution to the county, city, or town.

404 (B) If the sum of the amount a county, city, or town received under Subsection (6)(a)  
405 and the amount of the preliminary distribution for the county, city, or town calculated under  
406 Subsection (6)(c)(iv) is greater than the total growth limit, the commission shall distribute the  
407 amount required so that the county, city, or town will receive a distribution equal to the total  
408 growth limit.

409 (d) (i) If one or more counties, cities, or towns receive a distribution under Subsection  
410 (6)(c)(v)(B), the commission shall distribute the amounts that the counties, cities, or towns  
411 would have otherwise received under Subsection (6)(c)(v)(A), but for the total growth limit, in  
412 the same manner as the commission makes distributions under Subsection (6)(c).

413 (ii) The commission shall repeat the distribution process described in Subsection (6)(c)  
414 until the sooner of:

415 (A) the total balance in the Local Sales and Use Tax Distribution Agency Fund, as of  
416 the date the commission makes the calculation described in Subsection (6)(c)(iv), is distributed  
417 to counties, cities, and towns;

418 (B) there is no remaining qualified growth or qualified remote sales growth to be  
419 distributed to counties, cities, and towns; or

420 (C) the commission distributes the amounts required for each county, city, or town to  
421 receive a distribution equal to the total growth limit.

422 (iii) If, after the commission completes the distribution process described in Subsection  
423 (6)(d)(ii), there is remaining money that has not been distributed, the remaining money shall be  
424 deposited into the Local Sales and Use Tax Distribution Agency Fund for distribution in a  
425 future fiscal year.

426 (e) For purposes of calculating a distribution described in Subsection (6)(a)(iii), the  
427 commission shall use the fair market values published in the most recent statistical annual  
428 report published by the Property Tax Division of the commission.

429 ~~[(6)]~~ (7) (a) Population figures for purposes of this section shall be based on the most  
430 recent official census or census estimate of the United States Census Bureau.

431 (b) If a needed population estimate is not available from the United States Census  
432 Bureau, population figures shall be derived from the estimate from the Utah Population  
433 Estimates Committee created by executive order of the governor.

434 (c) The population of a county for purposes of this section shall be determined only  
435 from the unincorporated area of the county.

436 Section 5. Section **59-12-205.1** is enacted to read:

437 **59-12-205.1. Local Sales and Use Tax Distribution Agency Fund.**

438 (1) There is created an agency fund known as the "Local Sales and Use Tax  
439 Distribution Agency Fund."

440 (2) (a) The agency fund shall earn interest.

441 (b) The interest described in Subsection (2)(a) shall be deposited into the agency fund.

442 (3) The agency fund shall consist of:

443 (a) revenue deposited in accordance with Section [59-12-205](#); and

444 (b) the interest described in Subsection (2)(a).

445 (4) Revenue deposited into the agency fund shall be distributed to counties, cities, and  
446 towns in accordance with Section [59-12-205](#).

447 Section 6. Section **59-12-302** is amended to read:

448 **59-12-302. Collection of tax -- Administrative fee.**

449 (1) Except as provided in Subsection (2) or (3), the tax authorized under this part shall  
450 be administered, collected, and enforced in accordance with:

451 (a) the same procedures used to administer, collect, and enforce the tax under:

452 (i) Part 1, Tax Collection; or

453 (ii) Part 2, Local Sales and Use Tax Act; and

454 (b) Chapter 1, General Taxation Policies.

455 (2) The location of a transaction shall be determined in accordance with Sections  
456 [59-12-211](#) through [59-12-215](#).

457 (3) A tax under this part is not subject to Section [59-12-107.1](#) [~~or~~], [59-12-123](#), or  
458 [~~Subsections [59-12-205\(2\)](#) through (6)~~] [59-12-205](#).

459 (4) The commission:

460 (a) shall distribute the revenues collected from the tax to the county within which the  
461 revenues were collected; and

462 (b) shall retain and deposit an administrative charge in accordance with Section  
463 59-1-306 from revenues the commission collects from a tax under this part.

464 Section 7. Section 59-12-354 is amended to read:

465 **59-12-354. Collection of tax -- Administrative charge.**

466 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part  
467 shall be administered, collected, and enforced in accordance with:

468 (a) the same procedures used to administer, collect, and enforce the tax under:

469 (i) Part 1, Tax Collection; or

470 (ii) Part 2, Local Sales and Use Tax Act; and

471 (b) Chapter 1, General Taxation Policies.

472 (2) (a) The location of a transaction shall be determined in accordance with Sections  
473 59-12-211 through 59-12-215.

474 (b) The commission:

475 (i) except as provided in Subsection (2)(b)(ii), shall distribute the revenues collected  
476 from the tax to the municipality within which the revenues were collected; and

477 (ii) shall retain and deposit an administrative charge in accordance with Section  
478 59-1-306 from the revenues the commission collects from a tax under this part.

479 (3) A tax under this part is not subject to Section 59-12-107.1 [or], 59-12-123, or  
480 [Subsections 59-12-205(2) through (6)] 59-12-205.

481 Section 8. Section 59-12-403 is amended to read:

482 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**

483 **Notice requirements -- Administration, collection, and enforcement of tax --**

484 **Administrative charge.**

485 (1) For purposes of this section:

486 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
487 4, Annexation.

488 (b) "Annexing area" means an area that is annexed into a city or town.

489 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a  
490 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,  
491 repeal, or change shall take effect:

492 (i) on the first day of a calendar quarter; and



493 (ii) after a 90-day period beginning on the date the commission receives notice meeting  
494 the requirements of Subsection (2)(b) from the city or town.

495 (b) The notice described in Subsection (2)(a)(ii) shall state:

496 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this  
497 part;

498 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);

499 (iii) the effective date of the tax described in Subsection (2)(b)(i); and

500 (iv) if the city or town enacts the tax or changes the rate of the tax described in

501 Subsection (2)(b)(i), the rate of the tax.

502 (c) (i) The enactment of a tax or a tax rate increase takes effect on the first day of the  
503 first billing period:

504 (A) that begins on or after the effective date of the enactment of the tax or the tax rate  
505 increase; and

506 (B) if the billing period for the transaction begins before the effective date of the  
507 enactment of the tax or the tax rate increase imposed under:

508 (I) Section 59-12-401; or

509 (II) Section 59-12-402.

510 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
511 statement for the billing period is rendered on or after the effective date of the repeal of the tax  
512 or the tax rate decrease imposed under:

513 (A) Section 59-12-401; or

514 (B) Section 59-12-402.

515 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
516 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
517 a tax described in Subsection (2)(a) takes effect:

518 (A) on the first day of a calendar quarter; and

519 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
520 rate of the tax under Subsection (2)(a).

521 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
522 commission may by rule define the term "catalogue sale."

523 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs

524 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the  
525 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
526 effect:

527 (i) on the first day of a calendar quarter; and  
528 (ii) after a 90-day period beginning on the date the commission receives notice meeting  
529 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

530 (b) The notice described in Subsection (3)(a)(ii) shall state:

531 (i) that the annexation described in Subsection (3)(a) will result in an enactment,  
532 repeal, or change in the rate of a tax under this part for the annexing area;

533 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

534 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

535 (iv) if the city or town enacts the tax or changes the rate of the tax described in  
536 Subsection (3)(b)(i), the rate of the tax.

537 (c) (i) The enactment of a tax or a tax rate increase takes effect on the first day of the  
538 first billing period:

539 (A) that begins on or after the effective date of the enactment of the tax or the tax rate  
540 increase; and

541 (B) if the billing period for the transaction begins before the effective date of the  
542 enactment of the tax or the tax rate increase imposed under:

543 (I) Section 59-12-401; or

544 (II) Section 59-12-402.

545 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
546 statement for the billing period is rendered on or after the effective date of the repeal of the tax  
547 or the tax rate decrease imposed under:

548 (A) Section 59-12-401; or

549 (B) Section 59-12-402.

550 (d) (i) Notwithstanding Subsection (3)(a), if a tax due under this chapter on a catalogue  
551 sale is computed on the basis of sales and use tax rates published in the catalogue, an  
552 enactment, repeal, or change in the rate of a tax described in Subsection (3)(a) takes effect:

553 (A) on the first day of a calendar quarter; and

554 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the

555 rate of the tax under Subsection (3)(a).

556 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
557 commission may by rule define the term "catalogue sale."

558 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be  
559 administered, collected, and enforced in accordance with:

560 (i) the same procedures used to administer, collect, and enforce the tax under:

561 (A) Part 1, Tax Collection; or

562 (B) Part 2, Local Sales and Use Tax Act; and

563 (ii) Chapter 1, General Taxation Policies.

564 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to

565 [~~Subsections 59-12-205(2) through (6)~~] Section 59-12-205.

566 (5) The commission shall retain and deposit an administrative charge in accordance  
567 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

568 Section 9. Section 59-12-603 is amended to read:

569 **59-12-603. County tax -- Bases -- Rates -- Use of revenues -- Adoption of**  
570 **ordinance required -- Advisory board -- Administration -- Collection -- Administrative**  
571 **charge -- Distribution -- Enactment or repeal of tax or tax rate change -- Effective date --**  
572 **Notice requirements.**

573 (1) (a) In addition to any other taxes, a county legislative body may, as provided in this  
574 part, impose a tax as follows:

575 (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%  
576 on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases  
577 and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor  
578 vehicle that is being repaired pursuant to a repair or an insurance agreement; and

579 (B) beginning on or after January 1, 1999, a county legislative body of any county  
580 imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under  
581 Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term leases and rentals  
582 of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made  
583 for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant  
584 to a repair or an insurance agreement;

585 (ii) a county legislative body of any county may impose a tax of not to exceed 1% of all

586 sales of the following that are sold by a restaurant:

- 587 (A) alcoholic beverages;
- 588 (B) food and food ingredients; or
- 589 (C) prepared food; and

590 (iii) a county legislative body of a county of the first class may impose a tax of not to  
591 exceed .5% on charges for the accommodations and services described in Subsection  
592 [59-12-103\(1\)\(i\)](#).

593 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section  
594 [17-31-5.5](#).

595 (2) (a) Subject to Subsection (2)(b), revenue from the imposition of the taxes provided  
596 for in Subsections (1)(a)(i) through (iii) may be used for:

- 597 (i) financing tourism promotion; and
- 598 (ii) the development, operation, and maintenance of:
  - 599 (A) an airport facility;
  - 600 (B) a convention facility;
  - 601 (C) a cultural facility;
  - 602 (D) a recreation facility; or
  - 603 (E) a tourist facility.

604 (b) A county of the first class shall expend at least \$450,000 each year of the revenues  
605 from the imposition of a tax authorized by Subsection (1)(a)(iii) within the county to fund a  
606 marketing and ticketing system designed to:

- 607 (i) promote tourism in ski areas within the county by persons that do not reside within  
608 the state; and
- 609 (ii) combine the sale of:
  - 610 (A) ski lift tickets; and
  - 611 (B) accommodations and services described in Subsection [59-12-103\(1\)\(i\)](#).

612 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other  
613 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local  
614 Government Bonding Act, or a community development and renewal agency under Title 17C,  
615 Chapter 1, Part 5, Agency Bonds, to finance:

- 616 (a) an airport facility;

617 (b) a convention facility;

618 (c) a cultural facility;

619 (d) a recreation facility; or

620 (e) a tourist facility.

621 (4) (a) In order to impose the tax under Subsection (1), each county legislative body  
622 shall adopt an ordinance imposing the tax.

623 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the  
624 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on  
625 those items and sales described in Subsection (1).

626 (c) The name of the county as the taxing agency shall be substituted for that of the state  
627 where necessary, and an additional license is not required if one has been or is issued under  
628 Section [59-12-106](#).

629 (5) In order to maintain in effect its tax ordinance adopted under this part, each county  
630 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,  
631 Tax Collection, adopt amendments to its tax ordinance to conform with the applicable  
632 amendments to Part 1, Tax Collection.

633 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory  
634 board in accordance with Section [17-31-8](#), the county legislative body of the county of the first  
635 class shall create a tax advisory board in accordance with this Subsection (6).

636 (b) The tax advisory board shall be composed of nine members appointed as follows:

637 (i) four members shall be appointed by the county legislative body of the county of the  
638 first class as follows:

639 (A) one member shall be a resident of the unincorporated area of the county;

640 (B) two members shall be residents of the incorporated area of the county; and

641 (C) one member shall be a resident of the unincorporated or incorporated area of the  
642 county; and

643 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or  
644 towns within the county of the first class appointed by an organization representing all mayors  
645 of cities and towns within the county of the first class.

646 (c) Five members of the tax advisory board constitute a quorum.

647 (d) The county legislative body of the county of the first class shall determine:

- 648 (i) terms of the members of the tax advisory board;
- 649 (ii) procedures and requirements for removing a member of the tax advisory board;
- 650 (iii) voting requirements, except that action of the tax advisory board shall be by at
- 651 least a majority vote of a quorum of the tax advisory board;
- 652 (iv) chairs or other officers of the tax advisory board;
- 653 (v) how meetings are to be called and the frequency of meetings; and
- 654 (vi) the compensation, if any, of members of the tax advisory board.

655 (e) The tax advisory board under this Subsection (6) shall advise the county legislative

656 body of the county of the first class on the expenditure of revenues collected within the county

657 of the first class from the taxes described in Subsection (1)(a).

658 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part

659 shall be administered, collected, and enforced in accordance with:

- 660 (A) the same procedures used to administer, collect, and enforce the tax under:
- 661 (I) Part 1, Tax Collection; or
- 662 (II) Part 2, Local Sales and Use Tax Act; and
- 663 (B) Chapter 1, General Taxation Policies.

664 (ii) A tax under this part is not subject to Section [59-12-107.1](#) [~~or~~], [59-12-123](#), or

665 [~~Subsections 59-12-205(2) through (6)~~] [59-12-205](#).

666 (b) Except as provided in Subsection (7)(c):

- 667 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
- 668 commission shall distribute the revenues to the county imposing the tax; and
- 669 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenues
- 670 according to the distribution formula provided in Subsection (8).

671 (c) The commission shall retain and deposit an administrative charge in accordance

672 with Section [59-1-306](#) from the revenues the commission collects from a tax under this part.

673 (8) The commission shall distribute the revenues generated by the tax under Subsection

674 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the

675 following formula:

676 (a) the commission shall distribute 70% of the revenues based on the percentages

677 generated by dividing the revenues collected by each county under Subsection (1)(a)(i)(B) by

678 the total revenues collected by all counties under Subsection (1)(a)(i)(B); and

679 (b) the commission shall distribute 30% of the revenues based on the percentages  
680 generated by dividing the population of each county collecting a tax under Subsection  
681 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

682 (9) (a) For purposes of this Subsection (9):

683 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,  
684 County Annexation.

685 (ii) "Annexing area" means an area that is annexed into a county.

686 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county  
687 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or  
688 change shall take effect:

689 (A) on the first day of a calendar quarter; and

690 (B) after a 90-day period beginning on the date the commission receives notice meeting  
691 the requirements of Subsection (9)(b)(ii) from the county.

692 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

693 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

694 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

695 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

696 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
697 (9)(b)(ii)(A), the rate of the tax.

698 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of  
699 the first billing period:

700 (A) that begins after the effective date of the enactment of the tax or the tax rate  
701 increase; and

702 (B) if the billing period for the transaction begins before the effective date of the  
703 enactment of the tax or the tax rate increase imposed under Subsection (1).

704 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
705 billing period:

706 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
707 and

708 (B) if the billing period for the transaction begins before the effective date of the repeal  
709 of the tax or the tax rate decrease imposed under Subsection (1).

710 (d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or  
711 after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a  
712 tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

713 (A) on the first day of a calendar quarter; and

714 (B) after a 90-day period beginning on the date the commission receives notice meeting  
715 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

716 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

717 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,  
718 repeal, or change in the rate of a tax under this part for the annexing area;

719 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

720 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

721 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
722 (9)(d)(ii)(A), the rate of the tax.

723 (e) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of  
724 the first billing period:

725 (A) that begins after the effective date of the enactment of the tax or the tax rate  
726 increase; and

727 (B) if the billing period for the transaction begins before the effective date of the  
728 enactment of the tax or the tax rate increase imposed under Subsection (1).

729 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
730 billing period:

731 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
732 and

733 (B) if the billing period for the transaction begins before the effective date of the repeal  
734 of the tax or the tax rate decrease imposed under Subsection (1).

735 Section 10. Section **59-12-703** is amended to read:

736 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**  
737 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**  
738 **-- Notice requirements.**

739 (1) (a) Subject to the other provisions of this section, a county legislative body may  
740 submit an opinion question to the residents of that county, by majority vote of all members of



741 the legislative body, so that each resident of the county, except residents in municipalities that  
742 have already imposed a sales and use tax under Part 14, City or Town Option Funding for  
743 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an  
744 opportunity to express the resident's opinion on the imposition of a local sales and use tax of  
745 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

746 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical  
747 organizations, cultural organizations, and zoological organizations, and rural radio stations, in  
748 that county; or

749 (ii) provide funding for a botanical organization, cultural organization, or zoological  
750 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in  
751 furtherance of the botanical organization's, cultural organization's, or zoological organization's  
752 primary purpose.

753 (b) The opinion question required by this section shall state:

754 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and  
755 use tax for (list the purposes for which the revenues collected from the sales and use tax shall  
756 be expended)?"

757 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax  
758 under this section on:

759 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
760 are exempt from taxation under Section 59-12-104;

761 (ii) sales and uses within municipalities that have already imposed a sales and use tax  
762 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and  
763 Zoological Organizations or Facilities; and

764 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and  
765 food ingredients.

766 (d) For purposes of this Subsection (1), the location of a transaction shall be  
767 determined in accordance with Sections 59-12-211 through 59-12-215.

768 (e) A county legislative body imposing a tax under this section shall impose the tax on  
769 amounts paid or charged for food and food ingredients if the food and food ingredients are sold  
770 as part of a bundled transaction attributable to food and food ingredients and tangible personal  
771 property other than food and food ingredients.

772 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local  
773 Government Bonding Act.

774 (2) (a) If the county legislative body determines that a majority of the county's  
775 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
776 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a  
777 majority vote of all members of the legislative body on the transactions:

778 (i) described in Subsection (1); and

779 (ii) within the county, including the cities and towns located in the county, except those  
780 cities and towns that have already imposed a sales and use tax under Part 14, City or Town  
781 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
782 Facilities.

783 (b) A county legislative body may revise county ordinances to reflect statutory changes  
784 to the distribution formula or eligible recipients of revenues generated from a tax imposed  
785 under Subsection (2)(a):

786 (i) after the county legislative body submits an opinion question to residents of the  
787 county in accordance with Subsection (1) giving them the opportunity to express their opinion  
788 on the proposed revisions to county ordinances; and

789 (ii) if the county legislative body determines that a majority of those voting on the  
790 opinion question have voted in favor of the revisions.

791 (3) Subject to Section [59-12-704](#), revenues collected from a tax imposed under  
792 Subsection (2) shall be expended:

793 (a) to fund cultural facilities, recreational facilities, and zoological facilities located  
794 within the county or a city or town located in the county, except a city or town that has already  
795 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,  
796 Cultural, Recreational, and Zoological Organizations or Facilities;

797 (b) to fund ongoing operating expenses of:

798 (i) recreational facilities described in Subsection (3)(a);

799 (ii) botanical organizations, cultural organizations, and zoological organizations within  
800 the county; and

801 (iii) rural radio stations within the county; and

802 (c) as stated in the opinion question described in Subsection (1).

803 (4) (a) A tax authorized under this part shall be:

804 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
805 accordance with:

806 (A) the same procedures used to administer, collect, and enforce the tax under:

807 (I) Part 1, Tax Collection; or

808 (II) Part 2, Local Sales and Use Tax Act; and

809 (B) Chapter 1, General Taxation Policies; and

810 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
811 period in accordance with this section.

812 (b) A tax under this part is not subject to [~~Subsections 59-12-205(2) through (6)~~]

813 Section 59-12-205.

814 (5) (a) For purposes of this Subsection (5):

815 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,  
816 County Annexation.

817 (ii) "Annexing area" means an area that is annexed into a county.

818 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
819 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

820 (A) on the first day of a calendar quarter; and

821 (B) after a 90-day period beginning on the date the commission receives notice meeting  
822 the requirements of Subsection (5)(b)(ii) from the county.

823 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

824 (A) that the county will enact or repeal a tax under this part;

825 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

826 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

827 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the  
828 tax.

829 (c) (i) The enactment of a tax takes effect on the first day of the first billing period:

830 (A) that begins on or after the effective date of the enactment of the tax; and

831 (B) if the billing period for the transaction begins before the effective date of the  
832 enactment of the tax under this section.

833 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing

834 period is rendered on or after the effective date of the repeal of the tax imposed under this  
835 section.

836 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
837 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
838 Subsection (5)(b)(i) takes effect:

839 (A) on the first day of a calendar quarter; and

840 (B) beginning 60 days after the effective date of the enactment or repeal under  
841 Subsection (5)(b)(i).

842 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
843 commission may by rule define the term "catalogue sale."

844 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
845 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
846 part for an annexing area, the enactment or repeal shall take effect:

847 (A) on the first day of a calendar quarter; and

848 (B) after a 90-day period beginning on the date the commission receives notice meeting  
849 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

850 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

851 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
852 repeal of a tax under this part for the annexing area;

853 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

854 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

855 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

856 (f) (i) The enactment of a tax takes effect on the first day of the first billing period:

857 (A) that begins on or after the effective date of the enactment of the tax; and

858 (B) if the billing period for the transaction begins before the effective date of the  
859 enactment of the tax under this section.

860 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
861 period is rendered on or after the effective date of the repeal of the tax imposed under this  
862 section.

863 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
864 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

865 Subsection (5)(e)(i) takes effect:

866 (A) on the first day of a calendar quarter; and

867 (B) beginning 60 days after the effective date of the enactment or repeal under

868 Subsection (5)(e)(i).

869 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
870 commission may by rule define the term "catalogue sale."

871 Section 11. Section **59-12-802** is amended to read:

872 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**  
873 **tax revenues -- Base -- Rate -- Administration, collection, and enforcement of tax --**  
874 **Administrative charge.**

875 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class  
876 may impose a sales and use tax of up to 1%:

877 (i) on the transactions described in Subsection [59-12-103\(1\)](#) located within the county;  
878 and

879 (ii) subject to Subsection (3), to fund:

880 (A) for a county of the third, fourth, or fifth class, rural county health care facilities in  
881 that county; or

882 (B) for a county of the sixth class:

883 (I) emergency medical services in that county;

884 (II) federally qualified health centers in that county;

885 (III) freestanding urgent care centers in that county;

886 (IV) rural county health care facilities in that county;

887 (V) rural health clinics in that county; or

888 (VI) a combination of Subsections (1)(a)(ii)(B)(I) through (V).

889 (b) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a  
890 tax under this section on:

891 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses  
892 are exempt from taxation under Section [59-12-104](#);

893 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in  
894 a city that imposes a tax under Section [59-12-804](#); and

895 (iii) except as provided in Subsection (1)(d), amounts paid or charged for food and

896 food ingredients.

897 (c) For purposes of this Subsection (1), the location of a transaction shall be  
898 determined in accordance with Sections 59-12-211 through 59-12-215.

899 (d) A county legislative body imposing a tax under this section shall impose the tax on  
900 amounts paid or charged for food and food ingredients if the food and food ingredients are sold  
901 as part of a bundled transaction attributable to food and food ingredients and tangible personal  
902 property other than food and food ingredients.

903 (2) (a) Before imposing a tax under Subsection (1)(a), a county legislative body shall  
904 obtain approval to impose the tax from a majority of the:

- 905 (i) members of the county's legislative body; and
- 906 (ii) county's registered voters voting on the imposition of the tax.

907 (b) The county legislative body shall conduct the election according to the procedures  
908 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

909 (3) (a) The money generated by a tax imposed under Subsection (1) by a county  
910 legislative body of a county of the third, fourth, or fifth class may only be used for the  
911 financing of:

- 912 (i) ongoing operating expenses of a rural county health care facility within that county;
- 913 (ii) the acquisition of land for a rural county health care facility within that county; or
- 914 (iii) the design, construction, equipping, or furnishing of a rural county health care  
915 facility within that county.

916 (b) The money generated by a tax imposed under Subsection (1) by a county of the  
917 sixth class may only be used for the financing of:

- 918 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection  
919 (1)(a)(ii)(B) within that county;
- 920 (ii) the acquisition of land for a center, clinic, or facility described in Subsection  
921 (1)(a)(ii)(B) within that county;

922 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility  
923 described in Subsection (1)(a)(ii)(B) within that county; or

924 (iv) the provision of rural emergency medical services within that county.

925 (4) (a) A tax under this section shall be:

- 926 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in

927 accordance with:

928 (A) the same procedures used to administer, collect, and enforce the tax under:

929 (I) Part 1, Tax Collection; or

930 (II) Part 2, Local Sales and Use Tax Act; and

931 (B) Chapter 1, General Taxation Policies; and

932 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
933 period by the county legislative body as provided in Subsection (1).

934 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to

935 [~~Subsections 59-12-205(2) through (6)~~] Section 59-12-205.

936 (5) The commission shall retain and deposit an administrative charge in accordance  
937 with Section 59-1-306 from the revenues the commission collects from a tax under this section.

938 Section 12. Section **59-12-804** is amended to read:

939 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,  
940 collection, and enforcement of tax -- Administrative charge.**

941 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

942 (i) on the transactions described in Subsection 59-12-103(1) located within the city;

943 and

944 (ii) to fund rural city hospitals in that city.

945 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax  
946 under this section on:

947 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
948 are exempt from taxation under Section 59-12-104; and

949 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food  
950 ingredients.

951 (c) For purposes of this Subsection (1), the location of a transaction shall be  
952 determined in accordance with Sections 59-12-211 through 59-12-215.

953 (d) A city legislative body imposing a tax under this section shall impose the tax on  
954 amounts paid or charged for food and food ingredients if the food and food ingredients are sold  
955 as part of a bundled transaction attributable to food and food ingredients and tangible personal  
956 property other than food and food ingredients.

957 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall

958 obtain approval to impose the tax from a majority of the:

959 (i) members of the city legislative body; and

960 (ii) city's registered voters voting on the imposition of the tax.

961 (b) The city legislative body shall conduct the election according to the procedures and  
962 requirements of Title 11, Chapter 14, Local Government Bonding Act.

963 (3) The money generated by a tax imposed under Subsection (1) may only be used for  
964 the financing of:

965 (a) ongoing operating expenses of a rural city hospital;

966 (b) the acquisition of land for a rural city hospital; or

967 (c) the design, construction, equipping, or furnishing of a rural city hospital.

968 (4) (a) A tax under this section shall be:

969 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
970 accordance with:

971 (A) the same procedures used to administer, collect, and enforce the tax under:

972 (I) Part 1, Tax Collection; or

973 (II) Part 2, Local Sales and Use Tax Act; and

974 (B) Chapter 1, General Taxation Policies; and

975 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
976 period by the city legislative body as provided in Subsection (1).

977 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to

978 [~~Subsections 59-12-205(2) through (6)~~] Section 59-12-205.

979 (5) The commission shall retain and deposit an administrative charge in accordance  
980 with Section 59-1-306 from the revenues the commission collects from a tax under this section.

981 Section 13. Section 59-12-1102 is amended to read:

982 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**  
983 **Administration -- Administrative charge -- Commission requirement to retain an amount**  
984 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**  
985 **of tax -- Effective date -- Notice requirements.**

986 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax  
987 authorized by this chapter, a county may impose by ordinance a county option sales and use tax  
988 of .25% upon the transactions described in Subsection 59-12-103(1).



989 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this  
990 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
991 exempt from taxation under Section 59-12-104.

992 (b) For purposes of this Subsection (1), the location of a transaction shall be  
993 determined in accordance with Sections 59-12-211 through 59-12-215.

994 (c) The county option sales and use tax under this section shall be imposed:

995 (i) upon transactions that are located within the county, including transactions that are  
996 located within municipalities in the county; and

997 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of  
998 January:

999 (A) of the next calendar year after adoption of the ordinance imposing the tax if the  
1000 ordinance is adopted on or before May 25; or

1001 (B) of the second calendar year after adoption of the ordinance imposing the tax if the  
1002 ordinance is adopted after May 25.

1003 (d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under  
1004 this section shall be imposed:

1005 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before  
1006 September 4, 1997; or

1007 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997  
1008 but after September 4, 1997.

1009 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a  
1010 county shall hold two public hearings on separate days in geographically diverse locations in  
1011 the county.

1012 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting  
1013 time of no earlier than 6 p.m.

1014 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven  
1015 days after the day the first advertisement required by Subsection (2)(c) is published.

1016 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county  
1017 shall advertise:

1018 (A) its intent to adopt a county option sales and use tax;

1019 (B) the date, time, and location of each public hearing; and

1020 (C) a statement that the purpose of each public hearing is to obtain public comments  
1021 regarding the proposed tax.

1022 (ii) The advertisement shall be published:

1023 (A) in a newspaper of general circulation in the county once each week for the two  
1024 weeks preceding the earlier of the two public hearings; and

1025 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks  
1026 preceding the earlier of the two public hearings.

1027 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8  
1028 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch  
1029 border.

1030 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that  
1031 portion of the newspaper where legal notices and classified advertisements appear.

1032 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

1033 (A) the advertisement shall appear in a newspaper that is published at least five days a  
1034 week, unless the only newspaper in the county is published less than five days a week; and

1035 (B) the newspaper selected shall be one of general interest and readership in the  
1036 community, and not one of limited subject matter.

1037 (d) The adoption of an ordinance imposing a county option sales and use tax is subject  
1038 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part  
1039 6, Local Referenda - Procedures.

1040 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a  
1041 county option sales and use tax under Subsection (1) is less than 75% of the state population,  
1042 the tax levied under Subsection (1) shall be distributed to the county in which the tax was  
1043 collected.

1044 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a  
1045 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state  
1046 population:

1047 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to  
1048 the county in which the tax was collected; and

1049 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection  
1050 (1) in each county shall be distributed proportionately among all counties imposing the tax,

1051 based on the total population of each county.

1052 (c) Except as provided in Subsection (5), the amount to be distributed annually to a  
1053 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county  
1054 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1055 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall  
1056 be increased so that, when combined with the amount distributed to the county under  
1057 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1058 (ii) the amount to be distributed annually to all other counties under Subsection  
1059 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under  
1060 Subsection (3)(c)(i).

1061 (d) The commission shall establish rules to implement the distribution of the tax under  
1062 Subsections (3)(a), (b), and (c).

1063 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part  
1064 shall be administered, collected, and enforced in accordance with:

1065 (i) the same procedures used to administer, collect, and enforce the tax under:

1066 (A) Part 1, Tax Collection; or

1067 (B) Part 2, Local Sales and Use Tax Act; and

1068 (ii) Chapter 1, General Taxation Policies.

1069 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to

1070 [~~Subsections 59-12-205(2) through (6)~~] Section 59-12-205.

1071 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an  
1072 administrative charge in accordance with Section 59-1-306 from the revenues the commission  
1073 collects from a tax under this part.

1074 (ii) Notwithstanding Section 59-1-306, the administrative charge described in  
1075 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of  
1076 the distribution amounts resulting after:

1077 (A) the applicable distribution calculations under Subsection (3) have been made; and

1078 (B) the commission retains the amount required by Subsection (5).

1079 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion  
1080 of the sales and use tax collected under this part as provided in this Subsection (5).

1081 (b) For a county that imposes a tax under this part, the commission shall calculate a

1082 percentage each month by dividing the sales and use tax collected under this part for that  
1083 month within the boundaries of that county by the total sales and use tax collected under this  
1084 part for that month within the boundaries of all of the counties that impose a tax under this part.

1085 (c) For a county that imposes a tax under this part, the commission shall retain each  
1086 month an amount equal to the product of:

1087 (i) the percentage the commission determines for the month under Subsection (5)(b)  
1088 for the county; and

1089 (ii) \$6,354.

1090 (d) The commission shall deposit an amount the commission retains in accordance  
1091 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section  
1092 [35A-8-1009](#).

1093 (e) An amount the commission deposits into the Qualified Emergency Food Agencies  
1094 Fund shall be expended as provided in Section [35A-8-1009](#).

1095 (6) (a) For purposes of this Subsection (6):

1096 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County  
1097 Consolidations and Annexations.

1098 (ii) "Annexing area" means an area that is annexed into a county.

1099 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a  
1100 county enacts or repeals a tax under this part:

1101 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

1102 (II) the repeal shall take effect on the first day of a calendar quarter; and

1103 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1104 the requirements of Subsection (6)(b)(ii) from the county.

1105 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

1106 (A) that the county will enact or repeal a tax under this part;

1107 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

1108 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

1109 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the  
1110 tax.

1111 (c) (i) The enactment of a tax takes effect on the first day of the first billing period:

1112 (A) that begins on or after the effective date of the enactment of the tax; and

1113 (B) if the billing period for the transaction begins before the effective date of the  
1114 enactment of the tax under Subsection (1).

1115 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1116 period is rendered on or after the effective date of the repeal of the tax imposed under  
1117 Subsection (1).

1118 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1119 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1120 Subsection (6)(b)(i) takes effect:

1121 (A) on the first day of a calendar quarter; and

1122 (B) beginning 60 days after the effective date of the enactment or repeal under  
1123 Subsection (6)(b)(i).

1124 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1125 commission may by rule define the term "catalogue sale."

1126 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs  
1127 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
1128 part for an annexing area, the enactment or repeal shall take effect:

1129 (A) on the first day of a calendar quarter; and

1130 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1131 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1132 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1133 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or  
1134 repeal of a tax under this part for the annexing area;

1135 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1136 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1137 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1138 (f) (i) The enactment of a tax takes effect on the first day of the first billing period:

1139 (A) that begins on or after the effective date of the enactment of the tax; and

1140 (B) if the billing period for the transaction begins before the effective date of the  
1141 enactment of the tax under Subsection (1).

1142 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1143 period is rendered on or after the effective date of the repeal of the tax imposed under

1144 Subsection (1).

1145 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1146 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1147 Subsection (6)(e)(i) takes effect:

1148 (A) on the first day of a calendar quarter; and

1149 (B) beginning 60 days after the effective date of the enactment or repeal under  
1150 Subsection (6)(e)(i).

1151 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1152 commission may by rule define the term "catalogue sale."

1153 Section 14. Section **59-12-1302** is amended to read:

1154 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**  
1155 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**  
1156 **enforcement of tax -- Administrative charge.**

1157 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a  
1158 tax as provided in this part in an amount that does not exceed 1%.

1159 (2) A town may impose a tax as provided in this part if the town imposed a license fee  
1160 or tax on businesses based on gross receipts under Section [10-1-203](#) on or before January 1,  
1161 1996.

1162 (3) A town imposing a tax under this section shall:

1163 (a) except as provided in Subsection (4), impose the tax on the transactions described  
1164 in Subsection [59-12-103](#)(1) located within the town; and

1165 (b) provide an effective date for the tax as provided in Subsection (5).

1166 (4) (a) Notwithstanding Subsection (3)(a), a town may not impose a tax under this  
1167 section on:

1168 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses  
1169 are exempt from taxation under Section [59-12-104](#); and

1170 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food  
1171 ingredients.

1172 (b) For purposes of this Subsection (4), the location of a transaction shall be  
1173 determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

1174 (c) A town imposing a tax under this section shall impose the tax on amounts paid or

1175 charged for food and food ingredients if the food and food ingredients are sold as part of a  
1176 bundled transaction attributable to food and food ingredients and tangible personal property  
1177 other than food and food ingredients.

1178 (5) (a) For purposes of this Subsection (5):

1179 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,  
1180 Annexation.

1181 (ii) "Annexing area" means an area that is annexed into a town.

1182 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
1183 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,  
1184 or change shall take effect:

1185 (A) on the first day of a calendar quarter; and

1186 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1187 the requirements of Subsection (5)(b)(ii) from the town.

1188 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1189 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1190 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1191 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1192 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
1193 (5)(b)(ii)(A), the rate of the tax.

1194 (c) (i) The enactment of a tax or a tax rate increase takes effect on the first day of the  
1195 first billing period:

1196 (A) that begins on or after the effective date of the enactment of the tax or the tax rate  
1197 increase; and

1198 (B) if the billing period for the transaction begins before the effective date of the  
1199 enactment of the tax or the tax rate increase imposed under Subsection (1).

1200 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
1201 statement for the billing period is rendered on or after the effective date of the repeal of the tax  
1202 or the tax rate decrease imposed under Subsection (1).

1203 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1204 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
1205 a tax described in Subsection (5)(b)(i) takes effect:

1206 (A) on the first day of a calendar quarter; and  
1207 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1208 rate of the tax under Subsection (5)(b)(i).  
1209 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1210 commission may by rule define the term "catalogue sale."  
1211 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
1212 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the  
1213 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
1214 effect:  
1215 (A) on the first day of a calendar quarter; and  
1216 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1217 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.  
1218 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:  
1219 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,  
1220 repeal, or change in the rate of a tax under this part for the annexing area;  
1221 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);  
1222 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and  
1223 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
1224 (5)(e)(ii)(A), the rate of the tax.  
1225 (f) (i) The enactment of a tax or a tax rate increase takes effect on the first day of the  
1226 first billing period:  
1227 (A) that begins on or after the effective date of the enactment of the tax or the tax rate  
1228 increase; and  
1229 (B) if the billing period for the transaction begins before the effective date of the  
1230 enactment of the tax or the tax rate increase imposed under Subsection (1).  
1231 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
1232 statement for the billing period is rendered on or after the effective date of the repeal of the tax  
1233 or the tax rate decrease imposed under Subsection (1).  
1234 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1235 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
1236 a tax described in Subsection (5)(e)(i) takes effect:



1237 (A) on the first day of a calendar quarter; and  
 1238 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
 1239 rate of the tax under Subsection (5)(e)(i).

1240 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
 1241 commission may by rule define the term "catalogue sale."

1242 (6) The commission shall:

1243 (a) distribute the revenues generated by the tax under this section to the town imposing  
 1244 the tax; and

1245 (b) except as provided in Subsection (8), administer, collect, and enforce the tax  
 1246 authorized under this section in accordance with:

1247 (i) the same procedures used to administer, collect, and enforce the tax under:

1248 (A) Part 1, Tax Collection; or

1249 (B) Part 2, Local Sales and Use Tax Act; and

1250 (ii) Chapter 1, General Taxation Policies.

1251 (7) The commission shall retain and deposit an administrative charge in accordance  
 1252 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1253 (8) Notwithstanding Subsection (6)(b), a tax under this section is not subject to  
 1254 [~~Subsections 59-12-205(2) through (6)~~] Section 59-12-205.

1255 Section 15. Section 59-12-1402 is amended to read:

1256 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**  
 1257 **Expenditure of revenues -- Enactment or repeal of tax -- Effective date -- Notice**  
 1258 **requirements.**

1259 (1) (a) Subject to the other provisions of this section, a city or town legislative body  
 1260 subject to this part may submit an opinion question to the residents of that city or town, by  
 1261 majority vote of all members of the legislative body, so that each resident of the city or town  
 1262 has an opportunity to express the resident's opinion on the imposition of a local sales and use  
 1263 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or  
 1264 town, to:

1265 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical  
 1266 organizations, cultural organizations, and zoological organizations in that city or town; or

1267 (ii) provide funding for a botanical organization, cultural organization, or zoological

1268 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in  
1269 furtherance of the botanical organization's, cultural organization's, or zoological organization's  
1270 primary purpose.

1271 (b) The opinion question required by this section shall state:

1272 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales  
1273 and use tax for (list the purposes for which the revenues collected from the sales and use tax  
1274 shall be expended)?"

1275 (c) Notwithstanding Subsection (1)(a), a city or town legislative body may not impose  
1276 a tax under this section:

1277 (i) if the county in which the city or town is located imposes a tax under Part 7, County  
1278 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
1279 Facilities;

1280 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and  
1281 uses are exempt from taxation under Section 59-12-104; and

1282 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and  
1283 food ingredients.

1284 (d) For purposes of this Subsection (1), the location of a transaction shall be  
1285 determined in accordance with Sections 59-12-211 through 59-12-215.

1286 (e) A city or town legislative body imposing a tax under this section shall impose the  
1287 tax on amounts paid or charged for food and food ingredients if the food and food ingredients  
1288 are sold as part of a bundled transaction attributable to food and food ingredients and tangible  
1289 personal property other than food and food ingredients.

1290 (f) Except as provided in Subsection (6), the election shall be held at a regular general  
1291 election or a municipal general election, as those terms are defined in Section 20A-1-102, and  
1292 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

1293 (2) If the city or town legislative body determines that a majority of the city's or town's  
1294 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
1295 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by  
1296 a majority vote of all members of the legislative body.

1297 (3) Subject to Section 59-12-1403, revenues collected from a tax imposed under  
1298 Subsection (2) shall be expended:

1299 (a) to finance cultural facilities, recreational facilities, and zoological facilities within  
1300 the city or town or within the geographic area of entities that are parties to an interlocal  
1301 agreement, to which the city or town is a party, providing for cultural facilities, recreational  
1302 facilities, or zoological facilities;

1303 (b) to finance ongoing operating expenses of:

1304 (i) recreational facilities described in Subsection (3)(a) within the city or town or  
1305 within the geographic area of entities that are parties to an interlocal agreement, to which the  
1306 city or town is a party, providing for recreational facilities; or

1307 (ii) botanical organizations, cultural organizations, and zoological organizations within  
1308 the city or town or within the geographic area of entities that are parties to an interlocal  
1309 agreement, to which the city or town is a party, providing for the support of botanical  
1310 organizations, cultural organizations, or zoological organizations; and

1311 (c) as stated in the opinion question described in Subsection (1).

1312 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall  
1313 be:

1314 (i) administered, collected, and enforced in accordance with:

1315 (A) the same procedures used to administer, collect, and enforce the tax under:

1316 (I) Part 1, Tax Collection; or

1317 (II) Part 2, Local Sales and Use Tax Act; and

1318 (B) Chapter 1, General Taxation Policies; and

1319 (ii) (A) levied for a period of eight years; and

1320 (B) may be reauthorized at the end of the eight-year period in accordance with this  
1321 section.

1322 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the  
1323 tax shall be levied for a period of 10 years.

1324 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or  
1325 after July 1, 2011, the tax shall be reauthorized for a ten-year period.

1326 (c) A tax under this section is not subject to ~~Subsections 59-12-205(2) through (6)]~~  
1327 Section 59-12-205.

1328 (5) (a) For purposes of this Subsection (5):

1329 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part

1330 4, Annexation.

1331 (ii) "Annexing area" means an area that is annexed into a city or town.

1332 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city  
1333 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

1334 (A) on the first day of a calendar quarter; and

1335 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1336 the requirements of Subsection (5)(b)(ii) from the city or town.

1337 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1338 (A) that the city or town will enact or repeal a tax under this part;

1339 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1340 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1341 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of  
1342 the tax.

1343 (c) (i) The enactment of a tax takes effect on the first day of the first billing period:

1344 (A) that begins on or after the effective date of the enactment of the tax; and

1345 (B) if the billing period for the transaction begins before the effective date of the  
1346 enactment of the tax under this section.

1347 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1348 period is rendered on or after the effective date of the repeal of the tax imposed under this  
1349 section.

1350 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1351 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1352 Subsection (5)(b)(i) takes effect:

1353 (A) on the first day of a calendar quarter; and

1354 (B) beginning 60 days after the effective date of the enactment or repeal under  
1355 Subsection (5)(b)(i).

1356 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1357 commission may by rule define the term "catalogue sale."

1358 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
1359 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
1360 part for an annexing area, the enactment or repeal shall take effect:

- 1361 (A) on the first day of a calendar quarter; and
- 1362 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1363 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.
- 1364 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:
- 1365 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
1366 repeal a tax under this part for the annexing area;
- 1367 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);
- 1368 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and
- 1369 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).
- 1370 (f) (i) The enactment of a tax takes effect on the first day of the first billing period:
- 1371 (A) that begins on or after the effective date of the enactment of the tax; and
- 1372 (B) if the billing period for the transaction begins before the effective date of the  
1373 enactment of the tax under this section.
- 1374 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1375 period is rendered on or after the effective date of the repeal of the tax imposed under this  
1376 section.
- 1377 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1378 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1379 Subsection (5)(e)(i) takes effect:
- 1380 (A) on the first day of a calendar quarter; and
- 1381 (B) beginning 60 days after the effective date of the enactment or repeal under  
1382 Subsection (5)(e)(i).
- 1383 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1384 commission may by rule define the term "catalogue sale."
- 1385 (6) (a) Before a city or town legislative body submits an opinion question to the  
1386 residents of the city or town under Subsection (1), the city or town legislative body shall:
- 1387 (i) submit to the county legislative body in which the city or town is located a written  
1388 notice of the intent to submit the opinion question to the residents of the city or town; and
- 1389 (ii) receive from the county legislative body:
- 1390 (A) a written resolution passed by the county legislative body stating that the county  
1391 legislative body is not seeking to impose a tax under Part 7, County Option Funding for

1392 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

1393 (B) a written statement that in accordance with Subsection (6)(b) the results of a county  
1394 opinion question submitted to the residents of the county under Part 7, County Option Funding  
1395 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city  
1396 or town legislative body to submit the opinion question to the residents of the city or town in  
1397 accordance with this part.

1398 (b) (i) Within 60 days after the day the county legislative body receives from a city or  
1399 town legislative body described in Subsection (6)(a) the notice of the intent to submit an  
1400 opinion question to the residents of the city or town, the county legislative body shall provide  
1401 the city or town legislative body:

1402 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1403 (B) written notice that the county legislative body will submit an opinion question to  
1404 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,  
1405 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under  
1406 that part.

1407 (ii) If the county legislative body provides the city or town legislative body the written  
1408 notice that the county legislative body will submit an opinion question as provided in  
1409 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no  
1410 later than, from the date the county legislative body sends the written notice, the later of:

1411 (A) a 12-month period;

1412 (B) the next regular primary election; or

1413 (C) the next regular general election.

1414 (iii) Within 30 days of the date of the canvass of the election at which the opinion  
1415 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the  
1416 city or town legislative body described in Subsection (6)(a) written results of the opinion  
1417 question submitted by the county legislative body under Part 7, County Option Funding for  
1418 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1419 (A) (I) the city or town legislative body may not impose a tax under this part because a  
1420 majority of the county's registered voters voted in favor of the county imposing the tax and the  
1421 county legislative body by a majority vote approved the imposition of the tax; or

1422 (II) for at least 12 months from the date the written results are submitted to the city or

1423 town legislative body, the city or town legislative body may not submit to the county legislative  
1424 body a written notice of the intent to submit an opinion question under this part because a  
1425 majority of the county's registered voters voted against the county imposing the tax and the  
1426 majority of the registered voters who are residents of the city or town described in Subsection  
1427 (6)(a) voted against the imposition of the county tax; or

1428 (B) the city or town legislative body may submit the opinion question to the residents  
1429 of the city or town in accordance with this part because although a majority of the county's  
1430 registered voters voted against the county imposing the tax, the majority of the registered voters  
1431 who are residents of the city or town voted for the imposition of the county tax.

1432 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may  
1433 provide a city or town legislative body described in Subsection (6)(a) a written resolution  
1434 passed by the county legislative body stating that the county legislative body is not seeking to  
1435 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and  
1436 Zoological Organizations or Facilities, which permits the city or town legislative body to  
1437 submit under Subsection (1) an opinion question to the city's or town's residents.

1438 Section 16. Section **59-12-2103** is amended to read:

1439 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenues collected**  
1440 **from the tax -- Administration, collection, and enforcement of tax by commission --**  
1441 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1442 (1) (a) Subject to the other provisions of this section and except as provided in  
1443 Subsection (2) or (3), beginning on January 1, 2009 and ending on June 30, 2016, if a city or  
1444 town receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the  
1445 city or town would have received a tax revenue distribution of less than .75% of the taxable  
1446 sales within the boundaries of the city or town but for Subsection **59-12-205(4)(a)**, the city or  
1447 town legislative body may impose a sales and use tax of up to .20% on the transactions:

1448 (i) described in Subsection **59-12-103(1)**; and

1449 (ii) within the city or town.

1450 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall  
1451 expend the revenues collected from the tax for the same purposes for which the city or town  
1452 may expend the city's or town's general fund revenues.

1453 (c) For purposes of this Subsection (1), the location of a transaction shall be

1454 determined in accordance with Sections 59-12-211 through 59-12-215.

1455 (2) (a) A city or town legislative body may not impose a tax under this section on:

1456 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1457 are exempt from taxation under Section 59-12-104; and

1458 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food  
1459 ingredients.

1460 (b) A city or town legislative body imposing a tax under this section shall impose the  
1461 tax on amounts paid or charged for food and food ingredients if the food and food ingredients  
1462 are sold as part of a bundled transaction attributable to food and food ingredients and tangible  
1463 personal property other than food and food ingredients.

1464 (3) (a) Beginning on January 1, 2009 and ending on June 30, 2016, to impose a tax  
1465 under this part, a city or town legislative body shall obtain approval from a majority of the  
1466 members of the city or town legislative body.

1467 (b) If, on June 30, 2016, a city or town is not imposing a tax under this part, the city or  
1468 town legislative body may not impose a tax under this part beginning on or after July 1, 2016.

1469 (c) (i) If, on June 30, 2016, a city or town imposes a tax under this part, the city or  
1470 town shall repeal the tax on July 1, 2016, unless, on or after July 1, 2012, but on or before June  
1471 30, 2016, the city or town legislative body obtains approval from a majority vote of the  
1472 members of the city or town legislative body to continue to impose the tax.

1473 (ii) If a city or town obtains approval under Subsection (3)(c)(i) from a majority vote of  
1474 the members of the city or town legislative body to continue to impose a tax under this part on  
1475 or after July 1, 2016, the city or town may impose the tax until no later than June 30, 2030.

1476 (4) The commission shall transmit revenues collected within a city or town from a tax  
1477 under this part:

1478 (a) to the city or town legislative body;

1479 (b) monthly; and

1480 (c) by electronic funds transfer.

1481 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,  
1482 collect, and enforce a tax under this part in accordance with:

1483 (i) the same procedures used to administer, collect, and enforce the tax under:

1484 (A) Part 1, Tax Collection; or



- 1485 (B) Part 2, Local Sales and Use Tax Act; and  
1486 (ii) Chapter 1, General Taxation Policies.  
1487 (b) A tax under this part is not subject to [~~Subsections 59-12-205(2) through (6)~~]  
1488 Section 59-12-205.  
1489 (6) The commission shall retain and deposit an administrative charge in accordance  
1490 with Section 59-1-306 from the revenues the commission collects from a tax under this part.  
1491 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,  
1492 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,  
1493 repeal, or change shall take effect:  
1494 (A) on the first day of a calendar quarter; and  
1495 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1496 the requirements of Subsection (7)(a)(i) from the city or town.  
1497 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:  
1498 (A) that the city or town will enact or repeal a tax or change the rate of the tax under  
1499 this part;  
1500 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);  
1501 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and  
1502 (D) if the city or town enacts the tax or changes the rate of the tax described in  
1503 Subsection (7)(a)(ii)(A), the rate of the tax.  
1504 (b) (i) If the billing period for a transaction begins before the enactment of the tax or  
1505 the tax rate increase under Subsection (1), the enactment of a tax or a tax rate increase takes  
1506 effect on the first day of the first billing period that begins on or after the effective date of the  
1507 enactment of the tax or the tax rate increase.  
1508 (ii) If the billing period for a transaction begins before the effective date of the repeal  
1509 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate  
1510 decrease applies to a billing period if the billing statement for the billing period is rendered on  
1511 or after the effective date of the repeal of the tax or the tax rate decrease.  
1512 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
1513 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
1514 described in Subsection (7)(a)(i) takes effect:  
1515 (A) on the first day of a calendar quarter; and

1516 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1517 rate of the tax under Subsection (7)(a)(i).

1518 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1519 commission may by rule define the term "catalogue sale."

1520 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs  
1521 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the  
1522 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
1523 effect:

1524 (A) on the first day of a calendar quarter; and

1525 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1526 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1527 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1528 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the  
1529 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1530 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1531 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1532 (D) if the city or town enacts the tax or changes the rate of the tax described in  
1533 Subsection (7)(d)(ii)(A), the rate of the tax.

1534 (e) (i) If the billing period for a transaction begins before the effective date of the  
1535 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax  
1536 rate increase takes effect on the first day of the first billing period that begins on or after the  
1537 effective date of the enactment of the tax or the tax rate increase.

1538 (ii) If the billing period for a transaction begins before the effective date of the repeal  
1539 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate  
1540 decrease applies to a billing period if the billing statement for the billing period is rendered on  
1541 or after the effective date of the repeal of the tax or the tax rate decrease.

1542 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
1543 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
1544 described in Subsection (7)(d)(i) takes effect:

1545 (A) on the first day of a calendar quarter; and

1546 (B) beginning 60 days after the effective date of the enactment, repeal, or change under

1547 Subsection (7)(d)(i).

1548 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1549 commission may by rule define the term "catalogue sale".

1550 Section 17. Section **59-12-2206** is amended to read:

1551 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**  
1552 **under this part -- Transmission of revenues monthly by electronic funds transfer --**  
1553 **Transfer of revenues to a public transit district.**

1554 (1) Except as provided in Subsection (2), the commission shall administer, collect, and  
1555 enforce a sales and use tax imposed under this part.

1556 (2) The commission shall administer, collect, and enforce a sales and use tax imposed  
1557 under this part in accordance with:

1558 (a) the same procedures used to administer, collect, and enforce a tax under:

1559 (i) Part 1, Tax Collection; or

1560 (ii) Part 2, Local Sales and Use Tax Act; and

1561 (b) Chapter 1, General Taxation Policies.

1562 (3) A sales and use tax under this part is not subject to [~~Subsections 59-12-205(2)~~  
1563 ~~through (6)~~] Section 59-12-205.

1564 (4) Subject to Section 59-12-2207 and except as provided in Subsection (5) or another  
1565 provision of this part, the state treasurer shall transmit revenues collected within a county, city,  
1566 or town from a sales and use tax under this part to the county, city, or town legislative body  
1567 monthly by electronic funds transfer.

1568 (5) Subject to Section 59-12-2207, the state treasurer shall transfer revenues collected  
1569 within a county, city, or town from a sales and use tax under this part directly to a public transit  
1570 district organized under Title 17B, Chapter 2a, Part 8, Public Transit District Act, if the county,  
1571 city, or town legislative body:

1572 (a) provides written notice to the state treasurer requesting the transfer; and

1573 (b) designates the public transit district to which the county, city, or town legislative  
1574 body requests the state treasurer to transfer the revenues.

**Legislative Review Note**  
**as of 2-27-14 4:37 PM**

**Office of Legislative Research and General Counsel**