

SALES AND USE TAX ACT REVISIONS

2012 GENERAL SESSION

STATE OF UTAH

LONG TITLE**General Description:**

This bill amends provisions related to the sales and use taxation of a transaction for a billing period if the transaction is reported on a billing statement.

Highlighted Provisions:

This bill:

- ▶ addresses the effective date of a sales and use tax enactment or increase for purposes of a transaction for a billing period if the transaction is reported on a billing statement;
- ▶ addresses the application of a tax rate repeal or decrease for purposes of a transaction for a billing period if the transaction is reported on a billing statement;
- and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on July 1, 2012.

Utah Code Sections Affected:

AMENDS:

59-12-103, as last amended by Laws of Utah 2011, Chapters 285, 303, 342, and 441

59-12-208.1, as last amended by Laws of Utah 2008, Chapters 382 and 384

59-12-403, as last amended by Laws of Utah 2011, Chapter 309

59-12-703, as last amended by Laws of Utah 2011, Chapter 416

59-12-806, as last amended by Laws of Utah 2008, Chapters 382 and 384

59-12-1102, as last amended by Laws of Utah 2011, Chapter 309

59-12-1302, as last amended by Laws of Utah 2011, Chapter 309

59-12-1402, as last amended by Laws of Utah 2011, Chapter 416

59-12-1803, as last amended by Laws of Utah 2008, Chapters 382 and 384

33 **59-12-2004**, as last amended by Laws of Utah 2011, Chapter 309

34 **59-12-2103**, as last amended by Laws of Utah 2011, Chapters 198 and 309

35 **59-12-2209**, as enacted by Laws of Utah 2010, Chapter 263

36

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

38 Section 1. Section **59-12-103** is amended to read:

39 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
40 **tax revenues.**

41 (1) A tax is imposed on the purchaser as provided in this part for amounts paid or
42 charged for the following transactions:

43 (a) retail sales of tangible personal property made within the state;

44 (b) amounts paid for:

45 (i) telecommunications service, other than mobile telecommunications service, that
46 originates and terminates within the boundaries of this state;

47 (ii) mobile telecommunications service that originates and terminates within the
48 boundaries of one state only to the extent permitted by the Mobile Telecommunications
49 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

50 (iii) an ancillary service associated with a:

51 (A) telecommunications service described in Subsection (1)(b)(i); or

52 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

53 (c) sales of the following for commercial use:

54 (i) gas;

55 (ii) electricity;

56 (iii) heat;

57 (iv) coal;

58 (v) fuel oil; or

59 (vi) other fuels;

60 (d) sales of the following for residential use:

61 (i) gas;

62 (ii) electricity;

63 (iii) heat;

- 64 (iv) coal;
- 65 (v) fuel oil; or
- 66 (vi) other fuels;
- 67 (e) sales of prepared food;
- 68 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 69 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
- 70 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
- 71 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
- 72 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
- 73 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
- 74 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
- 75 horseback rides, sports activities, or any other amusement, entertainment, recreation,
- 76 exhibition, cultural, or athletic activity;
- 77 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 78 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
- 79 (i) the tangible personal property; and
- 80 (ii) parts used in the repairs or renovations of the tangible personal property described
- 81 in Subsection (1)(g)(i), whether or not any parts are actually used in the repairs or renovations
- 82 of that tangible personal property;
- 83 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
- 84 assisted cleaning or washing of tangible personal property;
- 85 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 86 accommodations and services that are regularly rented for less than 30 consecutive days;
- 87 (j) amounts paid or charged for laundry or dry cleaning services;
- 88 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 89 this state the tangible personal property is:
- 90 (i) stored;
- 91 (ii) used; or
- 92 (iii) otherwise consumed;
- 93 (l) amounts paid or charged for tangible personal property if within this state the
- 94 tangible personal property is:

- 95 (i) stored;
- 96 (ii) used; or
- 97 (iii) consumed; and
- 98 (m) amounts paid or charged for a sale:
- 99 (i) (A) of a product transferred electronically; or
- 100 (B) of a repair or renovation of a product transferred electronically; and
- 101 (ii) regardless of whether the sale provides:
- 102 (A) a right of permanent use of the product; or
- 103 (B) a right to use the product that is less than a permanent use, including a right:
- 104 (I) for a definite or specified length of time; and
- 105 (II) that terminates upon the occurrence of a condition.
- 106 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax
- 107 is imposed on a transaction described in Subsection (1) equal to the sum of:
- 108 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 109 (A) 4.70%; and
- 110 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
- 111 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
- 112 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
- 113 State Sales and Use Tax Act; and
- 114 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
- 115 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
- 116 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
- 117 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- 118 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 119 transaction under this chapter other than this part.
- 120 (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed
- 121 on a transaction described in Subsection (1)(d) equal to the sum of:
- 122 (i) a state tax imposed on the transaction at a tax rate of 2%; and
- 123 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 124 transaction under this chapter other than this part.
- 125 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed

126 on amounts paid or charged for food and food ingredients equal to the sum of:

127 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
128 a tax rate of 1.75%; and

129 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
130 amounts paid or charged for food and food ingredients under this chapter other than this part.

131 (d) (i) For a bundled transaction that is attributable to food and food ingredients and
132 tangible personal property other than food and food ingredients, a state tax and a local tax is
133 imposed on the entire bundled transaction equal to the sum of:

134 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

135 (I) the tax rate described in Subsection (2)(a)(i)(A); and

136 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
137 Sales and Use Tax Act, if the location of the transaction as determined under Sections
138 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
139 Additional State Sales and Use Tax Act; and

140 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
141 Sales and Use Tax Act, if the location of the transaction as determined under Sections
142 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
143 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

144 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
145 described in Subsection (2)(a)(ii).

146 (ii) Subject to Subsection (2)(d)(iii), for a bundled transaction other than a bundled
147 transaction described in Subsection (2)(d)(i):

148 (A) if the sales price of the bundled transaction is attributable to tangible personal
149 property, a product, or a service that is subject to taxation under this chapter and tangible
150 personal property, a product, or service that is not subject to taxation under this chapter, the
151 entire bundled transaction is subject to taxation under this chapter unless:

152 (I) the seller is able to identify by reasonable and verifiable standards the tangible
153 personal property, product, or service that is not subject to taxation under this chapter from the
154 books and records the seller keeps in the seller's regular course of business; or

155 (II) state or federal law provides otherwise; or

156 (B) if the sales price of a bundled transaction is attributable to two or more items of

157 tangible personal property, products, or services that are subject to taxation under this chapter
158 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
159 higher tax rate unless:

160 (I) the seller is able to identify by reasonable and verifiable standards the tangible
161 personal property, product, or service that is subject to taxation under this chapter at the lower
162 tax rate from the books and records the seller keeps in the seller's regular course of business; or

163 (II) state or federal law provides otherwise.

164 (iii) For purposes of Subsection (2)(d)(ii), books and records that a seller keeps in the
165 seller's regular course of business includes books and records the seller keeps in the regular
166 course of business for nontax purposes.

167 (e) Subject to Subsections (2)(f) and (g), a tax rate repeal or tax rate change for a tax
168 rate imposed under the following shall take effect on the first day of a calendar quarter:

169 (i) Subsection (2)(a)(i)(A);

170 (ii) Subsection (2)(b)(i);

171 (iii) Subsection (2)(c)(i); or

172 (iv) Subsection (2)(d)(i)(A)(I).

173 (f) (i) A tax rate increase [~~shall take~~] takes effect on the first day of the first billing
174 period that begins on or after the effective date of the tax rate increase if the billing period for
175 the transaction begins before the effective date of a tax rate increase imposed under:

176 (A) Subsection (2)(a)(i)(A);

177 (B) Subsection (2)(b)(i);

178 (C) Subsection (2)(c)(i); or

179 (D) Subsection (2)(d)(i)(A)(I).

180 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
181 ~~billing period that began before the effective date of the repeal of the tax or the tax rate~~
182 ~~decrease if the billing period for the transaction begins before~~] applies to a billing period if the
183 billing statement for the billing period is rendered on or after the effective date of the repeal of
184 the tax or the tax rate decrease imposed under:

185 (A) Subsection (2)(a)(i)(A);

186 (B) Subsection (2)(b)(i);

187 (C) Subsection (2)(c)(i); or

188 (D) Subsection (2)(d)(i)(A)(I).

189 (g) (i) For a tax rate described in Subsection (2)(g)(ii), if a tax due on a catalogue sale
190 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
191 or change in a tax rate takes effect:

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

193 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

194 (ii) Subsection (2)(g)(i) applies to the tax rates described in the following:

195 (A) Subsection (2)(a)(i)(A);

196 (B) Subsection (2)(b)(i);

197 (C) Subsection (2)(c)(i); or

198 (D) Subsection (2)(d)(i)(A)(I).

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

201 (3) (a) The following state taxes shall be deposited into the General Fund:

202 (i) the tax imposed by Subsection (2)(a)(i)(A);

203 (ii) the tax imposed by Subsection (2)(b)(i);

204 (iii) the tax imposed by Subsection (2)(c)(i); or

205 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

206 (b) The following local taxes shall be distributed to a county, city, or town as provided
207 in this chapter:

208 (i) the tax imposed by Subsection (2)(a)(ii);

209 (ii) the tax imposed by Subsection (2)(b)(ii);

210 (iii) the tax imposed by Subsection (2)(c)(ii); and

211 (iv) the tax imposed by Subsection (2)(d)(i)(B).

212 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
213 2003, the lesser of the following amounts shall be used as provided in Subsections (4)(b)
214 through (g):

215 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

216 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and

217 (B) for the fiscal year; or

218 (ii) \$17,500,000.

219 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
220 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the
221 Department of Natural Resources to:

222 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
223 protect sensitive plant and animal species; or

224 (B) award grants, up to the amount authorized by the Legislature in an appropriations
225 act, to political subdivisions of the state to implement the measures described in Subsections
226 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

227 (ii) Money transferred to the Department of Natural Resources under Subsection
228 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
229 person to list or attempt to have listed a species as threatened or endangered under the
230 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

231 (iii) At the end of each fiscal year:

232 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
233 Conservation and Development Fund created in Section 73-10-24;

234 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
235 Program Subaccount created in Section 73-10c-5; and

236 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
237 Program Subaccount created in Section 73-10c-5.

238 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
239 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
240 created in Section 4-18-6.

241 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
242 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water
243 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of
244 water rights.

245 (ii) At the end of each fiscal year:

246 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
247 Conservation and Development Fund created in Section 73-10-24;

248 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
249 Program Subaccount created in Section 73-10c-5; and

250 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
251 Program Subaccount created in Section 73-10c-5.

252 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
253 in Subsection (4)(a) shall be deposited in the Water Resources Conservation and Development
254 Fund created in Section 73-10-24 for use by the Division of Water Resources.

255 (ii) In addition to the uses allowed of the Water Resources Conservation and
256 Development Fund under Section 73-10-24, the Water Resources Conservation and
257 Development Fund may also be used to:

258 (A) conduct hydrologic and geotechnical investigations by the Division of Water
259 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
260 quantifying surface and ground water resources and describing the hydrologic systems of an
261 area in sufficient detail so as to enable local and state resource managers to plan for and
262 accommodate growth in water use without jeopardizing the resource;

263 (B) fund state required dam safety improvements; and

264 (C) protect the state's interest in interstate water compact allocations, including the
265 hiring of technical and legal staff.

266 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
267 in Subsection (4)(a) shall be deposited in the Utah Wastewater Loan Program Subaccount
268 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

269 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
270 in Subsection (4)(a) shall be deposited in the Drinking Water Loan Program Subaccount
271 created in Section 73-10c-5 for use by the Division of Drinking Water to:

272 (i) provide for the installation and repair of collection, treatment, storage, and
273 distribution facilities for any public water system, as defined in Section 19-4-102;

274 (ii) develop underground sources of water, including springs and wells; and

275 (iii) develop surface water sources.

276 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
277 2006, the difference between the following amounts shall be expended as provided in this
278 Subsection (5), if that difference is greater than \$1:

279 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
280 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

281 (ii) \$17,500,000.

282 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

283 (A) transferred each fiscal year to the Department of Natural Resources as dedicated
284 credits; and

285 (B) expended by the Department of Natural Resources for watershed rehabilitation or
286 restoration.

287 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
288 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund
289 created in Section 73-10-24.

290 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
291 remaining difference described in Subsection (5)(a) shall be:

292 (A) transferred each fiscal year to the Division of Water Resources as dedicated
293 credits; and

294 (B) expended by the Division of Water Resources for cloud-seeding projects
295 authorized by Title 73, Chapter 15, Modification of Weather.

296 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
297 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund
298 created in Section 73-10-24.

299 (d) After making the transfers required by Subsections (5)(b) and (c), 94% of the
300 remaining difference described in Subsection (5)(a) shall be deposited into the Water
301 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
302 Division of Water Resources for:

303 (i) preconstruction costs:

304 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
305 26, Bear River Development Act; and

306 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
307 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

308 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
309 Chapter 26, Bear River Development Act;

310 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
311 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

312 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, 73-10-30, and
313 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

314 (e) After making the transfers required by Subsections (5)(b) and (c) and subject to
315 Subsection (5)(f), 6% of the remaining difference described in Subsection (5)(a) shall be
316 transferred each year as dedicated credits to the Division of Water Rights to cover the costs
317 incurred for employing additional technical staff for the administration of water rights.

318 (f) At the end of each fiscal year, any unexpended dedicated credits described in
319 Subsection (5)(e) over \$150,000 lapse to the Water Resources Conservation and Development
320 Fund created in Section 73-10-24.

321 (6) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
322 2003, and for taxes listed under Subsection (3)(a), the amount of revenue generated by a 1/16%
323 tax rate on the transactions described in Subsection (1) for the fiscal year shall be deposited in
324 the Transportation Fund created by Section 72-2-102.

325 (7) (a) Notwithstanding Subsection (3)(a) and until Subsection (7)(b) applies,
326 beginning on January 1, 2000, the Division of Finance shall deposit into the Centennial
327 Highway Fund Restricted Account created in Section 72-2-118 a portion of the taxes listed
328 under Subsection (3)(a) equal to the revenues generated by a 1/64% tax rate on the taxable
329 transactions under Subsection (1).

330 (b) Notwithstanding Subsection (3)(a), when the highway general obligation bonds
331 have been paid off and the highway projects completed that are intended to be paid from
332 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the
333 Executive Appropriations Committee under Subsection 72-2-118(6)(d), the Division of
334 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section
335 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to the revenues generated
336 by a 1/64% tax rate on the taxable transactions under Subsection (1).

337 (8) (a) Notwithstanding Subsection (3)(a) and in addition to the amount deposited in
338 Subsection (7)(a), for the 2010-11 fiscal year only, the Division of Finance shall deposit into
339 the Centennial Highway Fund Restricted Account created by Section 72-2-118 a portion of the
340 taxes listed under Subsection (3)(a) equal to 1.93% of the revenues collected from the
341 following taxes, which represents a portion of the approximately 17% of sales and use tax
342 revenues generated annually by the sales and use tax on vehicles and vehicle-related products:

- 343 (i) the tax imposed by Subsection (2)(a)(i)(A);
344 (ii) the tax imposed by Subsection (2)(b)(i);
345 (iii) the tax imposed by Subsection (2)(c)(i); and
346 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
- 347 (b) Notwithstanding Subsection (3)(a), in addition to the amount deposited in
348 Subsection (7)(a), and until Subsection (8)(c) applies, for the 2011-12 fiscal year only, the
349 Division of Finance shall deposit into the Centennial Highway Fund Restricted Account
350 created by Section 72-2-118 a portion of the taxes listed under Subsection (3)(a) equal to 8.3%
351 of the revenues collected from the following taxes, which represents a portion of the
352 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
353 on vehicles and vehicle-related products:
- 354 (i) the tax imposed by Subsection (2)(a)(i)(A);
355 (ii) the tax imposed by Subsection (2)(b)(i);
356 (iii) the tax imposed by Subsection (2)(c)(i); and
357 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
- 358 (c) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
359 Subsection (7)(b), and until Subsection (8)(d) or (e) applies, when the highway general
360 obligation bonds have been paid off and the highway projects completed that are intended to be
361 paid from revenues deposited in the Centennial Highway Fund Restricted Account as
362 determined by the Executive Appropriations Committee under Subsection 72-2-118(6)(d), the
363 Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by
364 Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to 8.3% of the
365 revenues collected from the following taxes, which represents a portion of the approximately
366 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and
367 vehicle-related products:
- 368 (i) the tax imposed by Subsection (2)(a)(i)(A);
369 (ii) the tax imposed by Subsection (2)(b)(i);
370 (iii) the tax imposed by Subsection (2)(c)(i); and
371 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
- 372 (d) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
373 Subsection (7)(a), until Subsection (8)(e) applies, and subject to Subsection (8)(f), for a fiscal

374 year beginning on or after July 1, 2012, the Division of Finance shall deposit into the
375 Centennial Highway Fund Restricted Account created by Section 72-2-118:

376 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
377 the revenues collected from the following taxes, which represents a portion of the
378 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
379 on vehicles and vehicle-related products:

380 (A) the tax imposed by Subsection (2)(a)(i)(A);

381 (B) the tax imposed by Subsection (2)(b)(i);

382 (C) the tax imposed by Subsection (2)(c)(i); and

383 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

384 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
385 current fiscal year from the sales and use taxes described in Subsections (8)(d)(i)(A) through
386 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
387 (8)(d)(i)(A) through (D) in the 2010-11 fiscal year.

388 (e) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
389 Subsection (7)(b), and subject to Subsection (8)(f), when the highway general obligation bonds
390 have been paid off and the highway projects completed that are intended to be paid from
391 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the
392 Executive Appropriations Committee under Subsection 72-2-118(6)(d), for a fiscal year
393 beginning on or after July 1, 2012, the Division of Finance shall deposit into the Transportation
394 Investment Fund of 2005 created by Section 72-2-124:

395 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
396 the revenues collected from the following taxes, which represents a portion of the
397 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
398 on vehicles and vehicle-related products:

399 (A) the tax imposed by Subsection (2)(a)(i)(A);

400 (B) the tax imposed by Subsection (2)(b)(i);

401 (C) the tax imposed by Subsection (2)(c)(i); and

402 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

403 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
404 current fiscal year from the sales and use taxes described in Subsections (8)(e)(i)(A) through

405 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
406 (8)(e)(i)(A) through (D) in the 2010-11 fiscal year.

407 (f) (i) Subject to Subsections (8)(f)(ii) and (iii), in any fiscal year that the portion of the
408 sales and use taxes deposited under Subsection (8)(d) or (e) represents an amount that is a total
409 lower percentage of the sales and use taxes described in Subsections (8)(e)(i)(A) through (D)
410 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
411 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
412 (8)(d) or (e) equal to the product of:

413 (A) the total percentage of sales and use taxes deposited under Subsection (8)(d) or (e)
414 in the previous fiscal year; and

415 (B) the total sales and use tax revenue generated by the taxes described in Subsections
416 (8)(e)(i)(A) through (D) in the current fiscal year.

417 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
418 Subsection (8)(d) or (e) would exceed 17% of the revenues collected from the sales and use
419 taxes described in Subsections (8)(e)(i)(A) through (D) in the current fiscal year, the Division
420 of Finance shall deposit 17% of the revenues collected from the sales and use taxes described
421 in Subsections (8)(e)(i)(A) through (D) for the current fiscal year under Subsection (8)(d) or
422 (e).

423 (iii) In all subsequent fiscal years after a year in which 17% of the revenues collected
424 from the sales and use taxes described in Subsections (8)(e)(i)(A) through (D) was deposited
425 under Subsection (8)(d) or (e), the Division of Finance shall annually deposit 17% of the
426 revenues collected from the sales and use taxes described in Subsections (8)(e)(i)(A) through
427 (D) in the current fiscal year under Subsection (8)(d) or (e).

428 (9) (a) Notwithstanding Subsection (3)(a) and for the fiscal year 2008-09 only, the
429 Division of Finance shall deposit \$55,000,000 of the revenues generated by the taxes listed
430 under Subsection (3)(a) into the Critical Highway Needs Fund created by Section 72-2-125.

431 (b) Notwithstanding Subsection (3)(a) and until Subsection (9)(c) applies, for a fiscal
432 year beginning on or after July 1, 2009, the Division of Finance shall annually deposit
433 \$90,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the
434 Critical Highway Needs Fund created by Section 72-2-125.

435 (c) Notwithstanding Subsection (3)(a) and in addition to any amounts deposited under

436 Subsections (7) and (8), when the general obligation bonds authorized by Section 63B-16-101
437 have been paid off and the highway projects completed that are included in the prioritized
438 project list under Subsection 72-2-125(4) as determined in accordance with Subsection
439 72-2-125(6), the Division of Finance shall annually deposit \$90,000,000 of the revenues
440 generated by the taxes listed under Subsection (3)(a) into the Transportation Investment Fund
441 of 2005 created by Section 72-2-124.

442 (10) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
443 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
444 created by Section 9-4-1409 and expended as provided in Section 9-4-1409.

445 (11) (a) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection
446 (11)(a)(ii), and until Subsection (11)(b) applies, beginning on January 1, 2009, the Division of
447 Finance shall deposit into the Critical Highway Needs Fund created by Section 72-2-125 the
448 amount of tax revenue generated by a .025% tax rate on the transactions described in
449 Subsection (1).

450 (ii) For purposes of Subsection (11)(a)(i), the Division of Finance may not deposit into
451 the Critical Highway Needs Fund any tax revenue generated by amounts paid or charged for
452 food and food ingredients, except for tax revenue generated by a bundled transaction
453 attributable to food and food ingredients and tangible personal property other than food and
454 food ingredients described in Subsection (2)(e).

455 (b) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection (11)(b)(ii),
456 and in addition to any amounts deposited under Subsections (7), (9), and (10), when the general
457 obligation bonds authorized by Section 63B-16-101 have been paid off and the highway
458 projects completed that are included in the prioritized project list under Subsection 72-2-125(4)
459 as determined in accordance with Subsection 72-2-125(6), the Division of Finance shall
460 deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the
461 amount of tax revenue generated by a .025% tax rate on the transactions described in
462 Subsection (1).

463 (ii) For purposes of Subsection (11)(b)(i), the Division of Finance may not deposit into
464 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or
465 charged for food and food ingredients, except for tax revenue generated by a bundled
466 transaction attributable to food and food ingredients and tangible personal property other than

467 food and food ingredients described in Subsection (2)(e).

468 (12) (a) Notwithstanding Subsection (3)(a), and except as provided in Subsection
469 (12)(b), beginning on January 1, 2009, the Division of Finance shall deposit into the
470 Transportation Fund created by Section 72-2-102 the amount of tax revenue generated by a
471 .025% tax rate on the transactions described in Subsection (1) to be expended to address
472 chokepoints in construction management.

473 (b) For purposes of Subsection (12)(a), the Division of Finance may not deposit into
474 the Transportation Fund any tax revenue generated by amounts paid or charged for food and
475 food ingredients, except for tax revenue generated by a bundled transaction attributable to food
476 and food ingredients and tangible personal property other than food and food ingredients
477 described in Subsection (2)(e).

478 Section 2. Section **59-12-208.1** is amended to read:

479 **59-12-208.1. Enactment or repeal of tax -- Effective date -- Notice requirements.**

480 (1) For purposes of this section:

481 (a) "Annexation" means an annexation to:

482 (i) a county under Title 17, Chapter 2, Annexation to County; or

483 (ii) a city or town under Title 10, Chapter 2, Part 4, Annexation.

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

485 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after July 1, 2004, a
486 county, city, or town enacts or repeals a tax under this part, the enactment or repeal shall take
487 effect:

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

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

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

492 (i) that the county, city, or town will enact or repeal a tax under this part;

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

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

495 (iv) if the county, city, or town enacts the tax described in Subsection (2)(b)(i), the rate
496 of the tax.

497 (c) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing

498 period:

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

500 (B) if the billing period for the transaction begins before the effective date of the
501 enactment of the tax under Section 59-12-204.

502 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period;~~(A)
503 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
504 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing
505 period is rendered on or after the effective date of the repeal of the tax imposed under Section
506 59-12-204.

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

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

511 (B) beginning 60 days after the effective date of the enactment or repeal under
512 Subsection (2)(a).

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

515 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
516 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
517 part for an annexing area, the enactment or repeal shall take effect:

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

519 (ii) after a 90-day period beginning on the date the commission receives notice meeting
520 the requirements of Subsection (3)(b) from the county, city, or town that annexes the annexing
521 area.

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

523 (i) that the annexation described in Subsection (3)(a) will result in an enactment or
524 repeal of a tax under this part for the annexing area;

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

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

527 (iv) the rate of the tax described in Subsection (3)(b)(i).

528 (c) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing

529 period:

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

531 (B) if the billing period for the transaction begins before the effective date of the
532 enactment of the tax under Section 59-12-204.

533 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period;(A)~~
534 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
535 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing
536 period is rendered on or after the effective date of the repeal of the tax imposed under Section
537 59-12-204.

538 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
539 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
540 Subsection (3)(a) takes effect:

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

542 (B) beginning 60 days after the effective date of the enactment or repeal under
543 Subsection (3)(a).

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

546 Section 3. Section **59-12-403** is amended to read:

547 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**
548 **Notice requirements -- Administration, collection, and enforcement of tax --**
549 **Administrative charge.**

550 (1) For purposes of this section:

551 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
552 4, Annexation.

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

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

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

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

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

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

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

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

565 (iv) if the city or town enacts the tax or changes the rate of the tax described in
566 Subsection (2)(b)(i), the rate of the tax.

567 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
568 day of the first billing period:

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

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

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

574 (II) Section 59-12-402.

575 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
576 ~~billing period. (A) that began before the effective date of the repeal of the tax or the tax rate~~
577 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
578 period if the billing statement for the billing period is rendered on or after the effective date of
579 the repeal of the tax or the tax rate decrease imposed under:

580 [~~(A)~~] (A) Section 59-12-401; or

581 [~~(B)~~] (B) Section 59-12-402.

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

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

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

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

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

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

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

595 (ii) after a 90-day period beginning on the date the commission receives notice meeting
596 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

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

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

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

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

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

604 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
605 day of the first billing period:

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

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

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

611 (II) Section 59-12-402.

612 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
613 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
614 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
615 period if the billing statement for the billing period is rendered on or after the effective date of
616 the repeal of the tax or the tax rate decrease imposed under:

617 ~~(A)~~ (A) Section 59-12-401; or

618 ~~(B)~~ (B) Section 59-12-402.

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

622 (A) on the first day of a calendar quarter; and
 623 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
 624 rate of the tax under Subsection (3)(a).

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

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

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

630 (A) Part 1, Tax Collection; or

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

632 (ii) Chapter 1, General Taxation Policies.

633 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
 634 Subsections 59-12-205(2) through (6).

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

637 Section 4. Section **59-12-703** is amended to read:

638 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**
 639 **Expenditure of revenues -- Enactment or repeal of tax -- Effective date -- Notice**
 640 **requirements.**

641 (1) (a) Subject to the other provisions of this section, a county legislative body may
 642 submit an opinion question to the residents of that county, by majority vote of all members of
 643 the legislative body, so that each resident of the county, except residents in municipalities that
 644 have already imposed a sales and use tax under Part 14, City or Town Option Funding For
 645 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an
 646 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
 647 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

648 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
 649 organizations, cultural organizations, and zoological organizations, and rural radio stations, in
 650 that county; or

651 (ii) provide funding for a botanical organization, cultural organization, or zoological
 652 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in

653 furtherance of the botanical organization's, cultural organization's, or zoological organization's
654 primary purpose.

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

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

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

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

663 (ii) sales and uses within municipalities that have already imposed a sales and use tax
664 under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and
665 Zoological Organizations or Facilities; and

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

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

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

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

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

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

681 (ii) within the county, including the cities and towns located in the county, except those
682 cities and towns that have already imposed a sales and use tax under Part 14, City or Town
683 Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or

684 Facilities.

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

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

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

693 (3) Subject to Section 59-12-704, revenues collected from a tax imposed under
694 Subsection (2) shall be expended:

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

699 (b) to fund ongoing operating expenses of:

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

701 (ii) botanical organizations, cultural organizations, and zoological organizations within
702 the county; and

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

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

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

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

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

709 (I) Part 1, Tax Collection; or

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

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

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

714 (b) A tax under this part is not subject to Subsections 59-12-205(2) through (6).

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

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

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

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

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

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

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

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

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

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

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

730 (c) (i) The enactment of a tax [~~shall take~~ takes effect on the first day of the first billing
731 period:

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

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

735 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period; (A)~~
736 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
737 ~~transaction begins before] applies to a billing period if the billing statement for the billing
738 period is rendered on or after the effective date of the repeal of the tax imposed under this
739 section.~~

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

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

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

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

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

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

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

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

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

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

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

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

760 (f) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
761 period:

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

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

765 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period: (A)~~
766 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
767 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing
768 period is rendered on or after the effective date of the repeal of the tax imposed under this
769 section.

770 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
771 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
772 Subsection (5)(e)(i) takes effect:

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

774 (B) beginning 60 days after the effective date of the enactment or repeal under
775 Subsection (5)(e)(i).

776 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

777 commission may by rule define the term "catalogue sale."

778 Section 5. Section **59-12-806** is amended to read:

779 **59-12-806. Enactment or repeal of tax -- Tax rate change -- Effective date --**

780 **Notice requirements.**

781 (1) For purposes of this section:

782 (a) "Annexation" means an annexation to:

783 (i) a county under Title 17, Chapter 2, Annexation to County; or

784 (ii) a city under Title 10, Chapter 2, Part 4, Annexation.

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

786 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after July 1, 2004, a
787 county or city enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
788 repeal, or change shall take effect:

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

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

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

793 (i) that the county or city will enact or repeal a tax or change the rate of a tax under this
794 part;

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

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

797 (iv) if the county or city enacts the tax or changes the rate of the tax described in
798 Subsection (2)(b)(i), the rate of the tax.

799 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
800 day of the first billing period:

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

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

805 (I) Section 59-12-802; or

806 (II) Section 59-12-804.

807 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~

808 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
809 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
810 period if the billing statement for the billing period is rendered on or after the effective date of
811 the repeal of the tax or the tax rate decrease imposed under:

812 ~~[(H)]~~ (A) Section 59-12-802; or

813 ~~[(H)]~~ (B) Section 59-12-804.

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

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

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

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

822 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
823 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
824 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
825 effect:

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

827 (ii) after a 90-day period beginning on the date the commission receives notice meeting
828 the requirements of Subsection (3)(b) from the county or city that annexes the annexing area.

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

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

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

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

834 (iv) if the county or city enacts the tax or changes the rate of the tax described in
835 Subsection (3)(b)(i), the rate of the tax.

836 (c) (i) The enactment of a tax or a tax rate increase ~~[shall take]~~ takes effect on the first
837 day of the first billing period:

838 (A) that begins on or after the effective date of the enactment of the tax or the tax rate

839 increase; and

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

842 (I) Section 59-12-802; or

843 (II) Section 59-12-804.

844 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
845 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
846 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
847 period if the billing statement for the billing period is rendered on or after the effective date of
848 the repeal of the tax or the tax rate decrease imposed under:

849 ~~(A)~~ (A) Section 59-12-802; or

850 ~~(B)~~ (B) Section 59-12-804.

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

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

855 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
856 rate of a tax under Subsection (3)(a).

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

859 Section 6. Section **59-12-1102** is amended to read:

860 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
861 **Administration -- Administrative charge -- Commission requirement to retain an amount**
862 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
863 **of tax -- Effective date -- Notice requirements.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

900 (ii) The advertisement shall be published:

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

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

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

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

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

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

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

915 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
916 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
917 6, Local Referenda - Procedures.

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

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

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

927 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
928 (1) in each county shall be distributed proportionately among all counties imposing the tax,
929 based on the total population of each county.

930 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
931 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county

932 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

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

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

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

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

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

944 (A) Part 1, Tax Collection; or

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

946 (ii) Chapter 1, General Taxation Policies.

947 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
948 Subsections 59-12-205(2) through (6).

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

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

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

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

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

959 (b) For a county that imposes a tax under this part, the commission shall calculate a
960 percentage each month by dividing the sales and use tax collected under this part for that
961 month within the boundaries of that county by the total sales and use tax collected under this
962 part for that month within the boundaries of all of the counties that impose a tax under this part.

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

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

967 (ii) \$6,354.

968 (d) The commission shall deposit an amount the commission retains in accordance
969 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
970 9-4-1409.

971 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
972 Fund shall be expended as provided in Section 9-4-1409.

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

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

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

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

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

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

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

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

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

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

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

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

989 (c) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
990 period:

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

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

994 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period: (A)~~
995 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
996 ~~transaction begins before~~] applies to a billing period if the billing statement for the billing
997 period is rendered on or after the effective date of the repeal of the tax imposed under
998 Subsection (1).

999 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1000 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1001 Subsection (6)(b)(i) takes effect:

1002 (A) on the first day of a calendar quarter; and

1003 (B) beginning 60 days after the effective date of the enactment or repeal under
1004 Subsection (6)(b)(i).

1005 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1006 commission may by rule define the term "catalogue sale."

1007 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
1008 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1009 part for an annexing area, the enactment or repeal shall take effect:

1010 (A) on the first day of a calendar quarter; and

1011 (B) after a 90-day period beginning on the date the commission receives notice meeting
1012 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1013 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1014 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
1015 repeal of a tax under this part for the annexing area;

1016 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1017 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1018 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1019 (f) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
1020 period:

1021 (A) that begins on or after the effective date of the enactment of the tax; and

1022 (B) if the billing period for the transaction begins before the effective date of the
1023 enactment of the tax under Subsection (1).

1024 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period: (A)~~

1025 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
1026 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing
1027 period is rendered on or after the effective date of the repeal of the tax imposed under
1028 Subsection (1).

1029 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1030 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1031 Subsection (6)(e)(i) takes effect:

1032 (A) on the first day of a calendar quarter; and

1033 (B) beginning 60 days after the effective date of the enactment or repeal under
1034 Subsection (6)(e)(i).

1035 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1036 commission may by rule define the term "catalogue sale."

1037 Section 7. Section **59-12-1302** is amended to read:

1038 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
1039 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
1040 **enforcement of tax -- Administrative charge.**

1041 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
1042 tax as provided in this part in an amount that does not exceed 1%.

1043 (2) A town may impose a tax as provided in this part if the town imposed a license fee
1044 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,
1045 1996.

1046 (3) A town imposing a tax under this section shall:

1047 (a) except as provided in Subsection (4), impose the tax on the transactions described
1048 in Subsection 59-12-103(1) located within the town; and

1049 (b) provide an effective date for the tax as provided in Subsection (5).

1050 (4) (a) Notwithstanding Subsection (3)(a), a town may not impose a tax under this
1051 section on:

1052 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1053 are exempt from taxation under Section 59-12-104; and

1054 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
1055 ingredients.

1056 (b) For purposes of this Subsection (4), the location of a transaction shall be
1057 determined in accordance with Sections 59-12-211 through 59-12-215.

1058 (c) A town imposing a tax under this section shall impose the tax on amounts paid or
1059 charged for food and food ingredients if the food and food ingredients are sold as part of a
1060 bundled transaction attributable to food and food ingredients and tangible personal property
1061 other than food and food ingredients.

1062 (5) (a) For purposes of this Subsection (5):

1063 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
1064 Annexation.

1065 (ii) "Annexing area" means an area that is annexed into a town.

1066 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1067 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,
1068 or change shall take effect:

1069 (A) on the first day of a calendar quarter; and

1070 (B) after a 90-day period beginning on the date the commission receives notice meeting
1071 the requirements of Subsection (5)(b)(ii) from the town.

1072 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1073 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1074 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1075 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1076 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1077 (5)(b)(ii)(A), the rate of the tax.

1078 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
1079 day of the first billing period:

1080 (A) that begins on or after the effective date of the enactment of the tax or the tax rate
1081 increase; and

1082 (B) if the billing period for the transaction begins before the effective date of the
1083 enactment of the tax or the tax rate increase imposed under Subsection (1).

1084 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
1085 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
1086 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing

1087 period if the billing statement for the billing period is rendered on or after the effective date of
1088 the repeal of the tax or the tax rate decrease imposed under Subsection (1).

1089 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1090 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1091 a tax described in Subsection (5)(b)(i) takes effect:

1092 (A) on the first day of a calendar quarter; and

1093 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1094 rate of the tax under Subsection (5)(b)(i).

1095 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1096 commission may by rule define the term "catalogue sale."

1097 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1098 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
1099 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1100 effect:

1101 (A) on the first day of a calendar quarter; and

1102 (B) after a 90-day period beginning on the date the commission receives notice meeting
1103 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1104 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1105 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,
1106 repeal, or change in the rate of a tax under this part for the annexing area;

1107 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1108 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1109 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1110 (5)(e)(ii)(A), the rate of the tax.

1111 (f) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
1112 day of the first billing period:

1113 (A) that begins on or after the effective date of the enactment of the tax or the tax rate
1114 increase; and

1115 (B) if the billing period for the transaction begins before the effective date of the
1116 enactment of the tax or the tax rate increase imposed under Subsection (1).

1117 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~

1118 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
 1119 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
 1120 period if the billing statement for the billing period is rendered on or after the effective date of
 1121 the repeal of the tax or the tax rate decrease imposed under Subsection (1).

1122 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
 1123 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
 1124 a tax described in Subsection (5)(e)(i) takes effect:

1125 (A) on the first day of a calendar quarter; and

1126 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
 1127 rate of the tax under Subsection (5)(e)(i).

1128 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 1129 commission may by rule define the term "catalogue sale."

1130 (6) The commission shall:

1131 (a) distribute the revenues generated by the tax under this section to the town imposing
 1132 the tax; and

1133 (b) except as provided in Subsection (8), administer, collect, and enforce the tax
 1134 authorized under this section in accordance with:

1135 (i) the same procedures used to administer, collect, and enforce the tax under:

1136 (A) Part 1, Tax Collection; or

1137 (B) Part 2, Local Sales and Use Tax Act; and

1138 (ii) Chapter 1, General Taxation Policies.

1139 (7) The commission shall retain and deposit an administrative charge in accordance
 1140 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1141 (8) Notwithstanding Subsection (6)(b), a tax under this section is not subject to
 1142 Subsections 59-12-205(2) through (6).

1143 Section 8. Section **59-12-1402** is amended to read:

1144 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**
 1145 **Expenditure of revenues -- Enactment or repeal of tax -- Effective date -- Notice**
 1146 **requirements.**

1147 (1) (a) Subject to the other provisions of this section, a city or town legislative body
 1148 subject to this part may submit an opinion question to the residents of that city or town, by

1149 majority vote of all members of the legislative body, so that each resident of the city or town
1150 has an opportunity to express the resident's opinion on the imposition of a local sales and use
1151 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or
1152 town, to:

1153 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical
1154 organizations, cultural organizations, and zoological organizations in that city or town; or

1155 (ii) provide funding for a botanical organization, cultural organization, or zoological
1156 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
1157 furtherance of the botanical organization's, cultural organization's, or zoological organization's
1158 primary purpose.

1159 (b) The opinion question required by this section shall state:

1160 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
1161 and use tax for (list the purposes for which the revenues collected from the sales and use tax
1162 shall be expended)?"

1163 (c) Notwithstanding Subsection (1)(a), a city or town legislative body may not impose
1164 a tax under this section:

1165 (i) if the county in which the city or town is located imposes a tax under Part 7, County
1166 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
1167 Facilities;

1168 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
1169 uses are exempt from taxation under Section 59-12-104; and

1170 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
1171 food ingredients.

1172 (d) For purposes of this Subsection (1), the location of a transaction shall be
1173 determined in accordance with Sections 59-12-211 through 59-12-215.

1174 (e) A city or town legislative body imposing a tax under this section shall impose the
1175 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
1176 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1177 personal property other than food and food ingredients.

1178 (f) Except as provided in Subsection (6), the election shall be held at a regular general
1179 election or a municipal general election, as those terms are defined in Section 20A-1-102, and

1180 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

1181 (2) If the city or town legislative body determines that a majority of the city's or town's
1182 registered voters voting on the imposition of the tax have voted in favor of the imposition of
1183 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by
1184 a majority vote of all members of the legislative body.

1185 (3) Subject to Section 59-12-1403, revenues collected from a tax imposed under
1186 Subsection (2) shall be expended:

1187 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
1188 the city or town or within the geographic area of entities that are parties to an interlocal
1189 agreement, to which the city or town is a party, providing for cultural facilities, recreational
1190 facilities, or zoological facilities;

1191 (b) to finance ongoing operating expenses of:

1192 (i) recreational facilities described in Subsection (3)(a) within the city or town or
1193 within the geographic area of entities that are parties to an interlocal agreement, to which the
1194 city or town is a party, providing for recreational facilities; or

1195 (ii) botanical organizations, cultural organizations, and zoological organizations within
1196 the city or town or within the geographic area of entities that are parties to an interlocal
1197 agreement, to which the city or town is a party, providing for the support of botanical
1198 organizations, cultural organizations, or zoological organizations; and

1199 (c) as stated in the opinion question described in Subsection (1).

1200 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall
1201 be:

1202 (i) administered, collected, and enforced in accordance with:

1203 (A) the same procedures used to administer, collect, and enforce the tax under:

1204 (I) Part 1, Tax Collection; or

1205 (II) Part 2, Local Sales and Use Tax Act; and

1206 (B) Chapter 1, General Taxation Policies; and

1207 (ii) (A) levied for a period of eight years; and

1208 (B) may be reauthorized at the end of the eight-year period in accordance with this

1209 section.

1210 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the

1211 tax shall be levied for a period of 10 years.

1212 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
1213 after July 1, 2011, the tax shall be reauthorized for a ten-year period.

1214 (c) A tax under this section is not subject to Subsections 59-12-205(2) through (6).

1215 (5) (a) For purposes of this Subsection (5):

1216 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
1217 4, Annexation.

1218 (ii) "Annexing area" means an area that is annexed into a city or town.

1219 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
1220 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

1221 (A) on the first day of a calendar quarter; and

1222 (B) after a 90-day period beginning on the date the commission receives notice meeting
1223 the requirements of Subsection (5)(b)(ii) from the city or town.

1224 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1225 (A) that the city or town will enact or repeal a tax under this part;

1226 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1227 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1228 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of
1229 the tax.

1230 (c) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
1231 period:

1232 (A) that begins on or after the effective date of the enactment of the tax; and

1233 (B) if the billing period for the transaction begins before the effective date of the
1234 enactment of the tax under this section.

1235 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period; (A)~~
1236 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
1237 ~~transaction begins before~~] applies to a billing period if the billing statement for the billing
1238 period is rendered on or after the effective date of the repeal of the tax imposed under this
1239 section.

1240 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1241 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

1242 Subsection (5)(b)(i) takes effect:

1243 (A) on the first day of a calendar quarter; and

1244 (B) beginning 60 days after the effective date of the enactment or repeal under

1245 Subsection (5)(b)(i).

1246 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1247 commission may by rule define the term "catalogue sale."

1248 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1249 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1250 part for an annexing area, the enactment or repeal shall take effect:

1251 (A) on the first day of a calendar quarter; and

1252 (B) after a 90-day period beginning on the date the commission receives notice meeting
1253 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1254 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1255 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1256 repeal a tax under this part for the annexing area;

1257 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1258 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1259 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1260 (f) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
1261 period:

1262 (A) that begins on or after the effective date of the enactment of the tax; and

1263 (B) if the billing period for the transaction begins before the effective date of the
1264 enactment of the tax under this section.

1265 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period: (A)~~
1266 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
1267 ~~transaction begins before~~] applies to a billing period if the billing statement for the billing
1268 period is rendered on or after the effective date of the repeal of the tax imposed under this
1269 section.

1270 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1271 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1272 Subsection (5)(e)(i) takes effect:

1273 (A) on the first day of a calendar quarter; and
1274 (B) beginning 60 days after the effective date of the enactment or repeal under
1275 Subsection (5)(e)(i).

1276 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1277 commission may by rule define the term "catalogue sale."

1278 (6) (a) Before a city or town legislative body submits an opinion question to the
1279 residents of the city or town under Subsection (1), the city or town legislative body shall:

1280 (i) submit to the county legislative body in which the city or town is located a written
1281 notice of the intent to submit the opinion question to the residents of the city or town; and
1282 (ii) receive from the county legislative body:

1283 (A) a written resolution passed by the county legislative body stating that the county
1284 legislative body is not seeking to impose a tax under Part 7, County Option Funding for
1285 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or
1286 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
1287 opinion question submitted to the residents of the county under Part 7, County Option Funding
1288 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
1289 or town legislative body to submit the opinion question to the residents of the city or town in
1290 accordance with this part.

1291 (b) (i) Within 60 days after the day the county legislative body receives from a city or
1292 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
1293 opinion question to the residents of the city or town, the county legislative body shall provide
1294 the city or town legislative body:

1295 (A) the written resolution described in Subsection (6)(a)(ii)(A); or
1296 (B) written notice that the county legislative body will submit an opinion question to
1297 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
1298 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under
1299 that part.

1300 (ii) If the county legislative body provides the city or town legislative body the written
1301 notice that the county legislative body will submit an opinion question as provided in
1302 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no
1303 later than, from the date the county legislative body sends the written notice, the later of:

1304 (A) a 12-month period;

1305 (B) the next regular primary election; or

1306 (C) the next regular general election.

1307 (iii) Within 30 days of the date of the canvass of the election at which the opinion
1308 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
1309 city or town legislative body described in Subsection (6)(a) written results of the opinion
1310 question submitted by the county legislative body under Part 7, County Option Funding for
1311 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1312 (A) (I) the city or town legislative body may not impose a tax under this part because a
1313 majority of the county's registered voters voted in favor of the county imposing the tax and the
1314 county legislative body by a majority vote approved the imposition of the tax; or

1315 (II) for at least 12 months from the date the written results are submitted to the city or
1316 town legislative body, the city or town legislative body may not submit to the county legislative
1317 body a written notice of the intent to submit an opinion question under this part because a
1318 majority of the county's registered voters voted against the county imposing the tax and the
1319 majority of the registered voters who are residents of the city or town described in Subsection
1320 (6)(a) voted against the imposition of the county tax; or

1321 (B) the city or town legislative body may submit the opinion question to the residents
1322 of the city or town in accordance with this part because although a majority of the county's
1323 registered voters voted against the county imposing the tax, the majority of the registered voters
1324 who are residents of the city or town voted for the imposition of the county tax.

1325 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
1326 provide a city or town legislative body described in Subsection (6)(a) a written resolution
1327 passed by the county legislative body stating that the county legislative body is not seeking to
1328 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
1329 Zoological Organizations or Facilities, which permits the city or town legislative body to
1330 submit under Subsection (1) an opinion question to the city's or town's residents.

1331 Section 9. Section **59-12-1803** is amended to read:

1332 **59-12-1803. Enactment or repeal of tax -- Effective date -- Administration,**
1333 **collection, and enforcement of tax.**

1334 (1) Subject to Subsections (2) and (3), a tax rate repeal or a tax rate change for a tax

1335 imposed under this part shall take effect on the first day of a calendar quarter.

1336 (2) (a) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
1337 period that begins on or after the effective date of the enactment of the tax if the billing period
1338 for the transaction begins before the effective date of the tax under this part.

1339 (b) The repeal of a tax [~~shall take effect on the first day of the last billing period that~~
1340 ~~began before the effective date of the repeal of the tax if the billing period for the transaction~~
1341 ~~begins before~~] applies to a billing period if the billing statement for the billing period is
1342 rendered on or after the effective date of the repeal of the tax imposed under this part.

1343 (3) (a) If a tax due under this part on a catalogue sale is computed on the basis of sales
1344 and use tax rates published in the catalogue, an enactment or repeal of a tax under this part
1345 takes effect:

1346 (i) on the first day of a calendar quarter; and

1347 (ii) beginning 60 days after the effective date of the enactment or repeal of the tax
1348 under this part.

1349 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1350 commission may by rule define the term "catalogue sale."

1351 (4) A tax imposed by this part shall be administered, collected, and enforced in
1352 accordance with:

1353 (a) the same procedures used to administer, collect, and enforce the tax under Part 1,
1354 Tax Collection; and

1355 (b) Chapter 1, General Taxation Policies.

1356 Section 10. Section **59-12-2004** is amended to read:

1357 **59-12-2004. Enactment or repeal of tax -- Effective date -- Administration,**
1358 **collection, and enforcement of tax -- Administrative charge.**

1359 (1) Subject to Subsections (2) and (3), a tax rate repeal or a tax rate change for a tax
1360 imposed under this part shall take effect on the first day of a calendar quarter.

1361 (2) (a) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
1362 day of the first billing period that begins on or after the effective date of the enactment of the
1363 tax or the tax rate increase if the billing period for the transaction begins before the effective
1364 date of the enactment of the tax or the tax rate increase under this part.

1365 (b) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~

1366 ~~billing period that began before the effective date of the repeal of the tax or the tax rate~~
1367 ~~decrease if the billing period for the transaction begins before]~~ applies to a billing period if the
1368 billing statement for the billing period is rendered on or after the effective date of the repeal of
1369 the tax or the tax rate decrease imposed under this part.

1370 (3) (a) If a tax due under this part on a catalogue sale is computed on the basis of sales
1371 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1372 under this part takes effect:

1373 (i) on the first day of a calendar quarter; and

1374 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the
1375 rate of the tax under this part.

1376 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1377 commission may by rule define the term "catalogue sale."

1378 (4) The commission shall administer, collect, and enforce a tax under this part in
1379 accordance with:

1380 (a) the same procedures used to administer, collect, and enforce the tax under Part 1,
1381 Tax Collection;

1382 (b) Chapter 1, General Taxation Policies; and

1383 (c) Section 59-12-210.1.

1384 (5) The commission shall retain and deposit an administrative charge in accordance
1385 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1386 Section 11. Section **59-12-2103** is amended to read:

1387 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenues collected**
1388 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1389 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1390 (1) (a) Subject to the other provisions of this section and except as provided in
1391 Subsection (2), beginning on January 1, 2009 and ending on June 30, 2016, if a city or town
1392 receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the city or
1393 town would have received a tax revenue distribution of less than .75% of the taxable sales
1394 within the boundaries of the city or town but for Subsection 59-12-205(4)(a), the city or town
1395 legislative body may impose a sales and use tax of up to .20% on the transactions:

1396 (i) described in Subsection 59-12-103(1); and

1397 (ii) within the city or town.

1398 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall
1399 expend the revenues collected from the tax for the same purposes for which the city or town
1400 may expend the city's or town's general fund revenues.

1401 (c) For purposes of this Subsection (1), the location of a transaction shall be
1402 determined in accordance with Sections 59-12-211 through 59-12-215.

1403 (2) (a) A city or town legislative body may not impose a tax under this section on:

1404 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1405 are exempt from taxation under Section 59-12-104; and

1406 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
1407 ingredients.

1408 (b) A city or town legislative body imposing a tax under this section shall impose the
1409 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
1410 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1411 personal property other than food and food ingredients.

1412 (3) To impose a tax under this part, a city or town legislative body shall obtain
1413 approval from a majority of the members of the city or town legislative body.

1414 (4) The commission shall transmit revenues collected within a city or town from a tax
1415 under this part:

1416 (a) to the city or town legislative body;

1417 (b) monthly; and

1418 (c) by electronic funds transfer.

1419 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
1420 collect, and enforce a tax under this part in accordance with:

1421 (i) the same procedures used to administer, collect, and enforce the tax under:

1422 (A) Part 1, Tax Collection; or

1423 (B) Part 2, Local Sales and Use Tax Act; and

1424 (ii) Chapter 1, General Taxation Policies.

1425 (b) A tax under this part is not subject to Subsections 59-12-205(2) through (6).

1426 (6) The commission shall retain and deposit an administrative charge in accordance
1427 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1428 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
1429 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
1430 repeal, or change shall take effect:

1431 (A) on the first day of a calendar quarter; and

1432 (B) after a 90-day period beginning on the date the commission receives notice meeting
1433 the requirements of Subsection (7)(a)(i) from the city or town.

1434 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1435 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
1436 this part;

1437 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1438 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1439 (D) if the city or town enacts the tax or changes the rate of the tax described in
1440 Subsection (7)(a)(ii)(A), the rate of the tax.

1441 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
1442 the tax rate increase under Subsection (1), the enactment of a tax or a tax rate increase [~~shall~~
1443 ~~take~~] takes effect on the first day of the first billing period that begins on or after the effective
1444 date of the enactment of the tax or the tax rate increase.

1445 (ii) If the billing period for a transaction begins before the effective date of the repeal
1446 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate
1447 decrease [~~shall take effect on the first day of the last billing period that began before~~] applies to
1448 a billing period if the billing statement for the billing period is rendered on or after the effective
1449 date of the repeal of the tax or the tax rate decrease.

1450 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1451 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1452 described in Subsection (7)(a)(i) takes effect:

1453 (A) on the first day of a calendar quarter; and

1454 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1455 rate of the tax under Subsection (7)(a)(i).

1456 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1457 commission may by rule define the term "catalogue sale."

1458 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs

1459 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
1460 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1461 effect:

1462 (A) on the first day of a calendar quarter; and

1463 (B) after a 90-day period beginning on the date the commission receives notice meeting
1464 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1465 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1466 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
1467 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1468 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1469 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1470 (D) if the city or town enacts the tax or changes the rate of the tax described in
1471 Subsection (7)(d)(ii)(A), the rate of the tax.

1472 (e) (i) If the billing period for a transaction begins before the effective date of the
1473 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
1474 rate increase ~~[shall take]~~ takes effect on the first day of the first billing period that begins on or
1475 after the effective date of the enactment of the tax or the tax rate increase.

1476 (ii) If the billing period for a transaction begins before the effective date of the repeal
1477 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate
1478 decrease ~~[shall take effect on the first day of the last billing period that began before]~~ applies to
1479 a billing period if the billing statement for the billing period is rendered on or after the effective
1480 date of the repeal of the tax or the tax rate decrease.

1481 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1482 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1483 described in Subsection (7)(d)(i) takes effect:

1484 (A) on the first day of a calendar quarter; and

1485 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1486 Subsection (7)(d)(i).

1487 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1488 commission may by rule define the term "catalogue sale".

1489 Section 12. Section **59-12-2209** is amended to read:

1490 **59-12-2209. Enactment, repeal, or change in the rate of a sales and use tax under**
1491 **this part -- Annexation -- Notice.**

1492 (1) Except as provided in Subsection (3) or (4), if a county, city, or town enacts or
1493 repeals a sales and use tax or changes the rate of a sales and use tax under this part, the
1494 enactment, repeal, or change shall take effect:

1495 (a) on the first day of a calendar quarter; and

1496 (b) after a 90-day period beginning on the date the commission receives notice meeting
1497 the requirements of Subsection (2) from the county, city, or town.

1498 (2) The notice described in Subsection (1)(b) shall state:

1499 (a) that the county, city, or town will enact, repeal, or change the rate of a sales and use
1500 tax under this part;

1501 (b) the statutory authority for the sales and use tax described in Subsection (2)(a);

1502 (c) the date the enactment, repeal, or change will take effect; and

1503 (d) if the county, city, or town enacts the sales and use tax or changes the rate of the
1504 sales and use tax described in Subsection (2)(a), the rate of the sales and use tax.

1505 (3) (a) If the billing period for a transaction begins before the effective date of the
1506 enactment of a sales and use tax or a tax rate increase under this part, the enactment of the sales
1507 and use tax or the tax rate increase [~~shall take~~ takes effect on the first day of the first billing
1508 period that begins on or after the effective date of the enactment of the sales and use tax or the
1509 tax rate increase.

1510 (b) If the billing period for a transaction begins before the effective date of the repeal of
1511 a sales and use tax or a tax rate decrease under this part, the repeal of the sales and use tax or
1512 the tax rate decrease [~~shall take effect on the first day of the last billing period that began~~
1513 ~~before~~] applies to a billing period if the billing statement for the billing period is rendered on or
1514 after the effective date of the repeal of the sales and use tax or the tax rate decrease.

1515 (4) (a) If a sales and use tax due under this part on a catalogue sale is computed on the
1516 basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in
1517 the rate of a sales and use tax described in Subsection (1) takes effect:

1518 (i) on the first day of a calendar quarter; and

1519 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the
1520 rate of the sales and use tax under Subsection (1).

1521 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1522 commission may by rule define the term "catalogue sale."

1523 (5) Except as provided in Subsection (7) or (8), if an annexation will result in the
1524 enactment, repeal, or change in the rate of a sales and use tax under this part for an annexing
1525 area, the enactment, repeal, or change shall take effect:

1526 (a) on the first day of a calendar quarter; and

1527 (b) after a 90-day period beginning on the date the commission receives notice meeting
1528 the requirements of Subsection (6) from the county, city, or town that annexes the annexing
1529 area.

1530 (6) The notice described in Subsection (5) shall state:

1531 (a) that the annexation described in Subsection (5) will result in an enactment, repeal,
1532 or change in the rate of a sales and use tax under this part for the annexing area;

1533 (b) the statutory authority for the sales and use tax described in Subsection (6)(a);

1534 (c) the date the enactment, repeal, or change will take effect; and

1535 (d) if the annexation will result in the enactment or change in the rate of the sales and
1536 use tax described in Subsection (6)(a), the rate of the sales and use tax.

1537 (7) (a) If the billing period for a transaction begins before the effective date of the
1538 enactment of a sales and use tax or a tax rate increase under this part, the enactment of the sales
1539 and use tax or the tax rate increase [~~shall take~~] takes effect on the first day of the first billing
1540 period that begins on or after the effective date of the enactment of the sales and use tax or the
1541 tax rate increase.

1542 (b) If the billing period for a transaction begins before the effective date of the repeal of
1543 a sales and use tax or a tax rate decrease under this part, the repeal of the sales and use tax or
1544 the tax rate decrease [~~shall take effect on the first day of the last billing period that began~~
1545 ~~before~~] applies to a billing period if the billing statement for the billing period is rendered on or
1546 after the effective date of the repeal of the sales and use tax or the tax rate decrease.

1547 (8) (a) If a sales and use tax due under this part on a catalogue sale is computed on the
1548 basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in
1549 the rate of a sales and use tax described in Subsection (6) takes effect:

1550 (i) on the first day of a calendar quarter; and

1551 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the

1552 rate of the sales and use tax under Subsection (6).

1553 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

1554 commission may by rule define the term "catalogue sale."

1555 Section 13. **Effective date.**

1556 This bill takes effect on July 1, 2012.