

## **Issue Brief: Culture-Related Sales Tax Options**

### **CURRENT Local Option for Arts, Parks, Recreation and Zoos .10% sales tax**

- 19 Utah counties, cities and towns already have a .10% sales tax for arts parks, recreation and zoos.
- These levies were authorized by a vote of the citizens in these jurisdictions under authority granted by the Legislature.
- The distribution of tax revenues collected from ZAP (Salt Lake County) is specified in UCA 59-12-704.
- Elected officials in counties, cities and towns determine the allocation distribution within their municipal jurisdiction.

### **Summary of PROPOSED State Cultural and Arts Tax .15% sales tax**

- Will be placed on the general election ballot as a "Opinion Question" in November, 2012.
- Is a non-binding opinion question asking voters if they favor an increase of .15% in sales tax for arts and cultural institutions.
- Action to implement the tax will need to be taken by the state legislature.
- Proposed legislation would ensure that counties, cities and towns that have enacted the ZAP-like tax keep that revenue and are not affected by this legislation.
- Proposes distribution of .10% of the .15% increase to counties, cities and towns where a taxable transaction occurs if those counties, cities or towns have not enacted the ZAP-like tax.
- One proposal suggests dividing the incremental .05% increase so that half goes to 10 designated cultural facilities and museums that contribute to the cultural environment and economic development of the state; a quarter goes to the maintenance of those facilities; and a quarter goes to cultural organizations to develop their respective arts and to encourage economic development.
- The distribution of the additional increment would need to be specified in the authorizing legislation.
- The legislature is not bound to take any action on an "Opinion Question."