

Effective 5/10/2016

59-12-2219 County option sales and use tax for highways and public transit -- Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant existing budgeted transportation revenue.

- (1) As used in this section:
 - (a) "Class B road" means the same as that term is defined in Section 72-3-103.
 - (b) "Class C road" means the same as that term is defined in Section 72-3-104.
 - (c) "Eligible political subdivision" means a political subdivision that:
 - (i)
 - (A) on May 12, 2015, provides public transit services; or
 - (B) after May 12, 2015, provides written notice to the commission in accordance with Subsection (10)(b) that it intends to provide public transit service within a county;
 - (ii) is not a public transit district; and
 - (iii) is not annexed into a public transit district.
 - (d) "Public transit district" means a public transit district organized under Title 17B, Chapter 2a, Part 8, Public Transit District Act.
- (2) Subject to the other provisions of this part, a county legislative body may impose a sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) within the county, including the cities and towns within the county.
- (3) The commission shall distribute sales and use tax revenue collected under this section as provided in Subsections (4) through (10).
- (4) If the entire boundary of a county that imposes a sales and use tax under this section is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within the county as follows:
 - (a) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
 - (b) .10% shall be distributed as provided in Subsection (8); and
 - (c) .05% shall be distributed to the county legislative body.
- (5) If the entire boundary of a county that imposes a sales and use tax under this section is not annexed into a single public transit district, but a city or town within the county is annexed into a single public transit district that also has a county of the first class annexed into the same public transit district, the commission shall distribute the sales and use tax revenue collected within the county as follows:
 - (a) for a city or town within the county that is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within that city or town as follows:
 - (i) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (8); and
 - (iii) .05% shall be distributed to the county legislative body;
 - (b) for an eligible political subdivision within the county, the commission shall distribute the sales and use tax revenue collected within that eligible political subdivision as follows:
 - (i) .10% shall be transferred to the eligible political subdivision in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (8); and
 - (iii) .05% shall be distributed to the county legislative body; and
 - (c) the commission shall distribute the sales and use tax revenue, except for the sales and use tax revenue described in Subsections (5)(a) and (b), as follows:
 - (i) .10% shall be distributed as provided in Subsection (8); and
 - (ii) .15% shall be distributed to the county legislative body.

- (6) For a county not described in Subsection (4) or (5), if the entire boundary of a county of the first or second class that imposes a sales and use tax under this section is not annexed into a single public transit district, or if there is not a public transit district within the county, the commission shall distribute the sales and use tax revenue collected within the county as follows:
 - (a) for a city or town within the county that is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within that city or town as follows:
 - (i) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (8); and
 - (iii) .05% shall be distributed to the county legislative body;
 - (b) for an eligible political subdivision within the county, the commission shall distribute the sales and use tax revenue collected within that eligible political subdivision as follows:
 - (i) .10% shall be transferred to the eligible political subdivision in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (8); and
 - (iii) .05% shall be distributed to the county legislative body; and
 - (c) the commission shall distribute the sales and use tax revenue, except for the sales and use tax revenue described in Subsections (6)(a) and (b), as follows:
 - (i) .10% shall be distributed as provided in Subsection (8); and
 - (ii) .15% shall be distributed to the county legislative body.
- (7) For a county not described in Subsection (4) or (5), if the entire boundary of a county of the third, fourth, fifth, or sixth class that imposes a sales and use tax under this section is not annexed into a single public transit district, or if there is not a public transit district within the county, the commission shall distribute the sales and use tax revenue collected within the county as follows:
 - (a) for a city or town within the county that is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within that city or town as follows:
 - (i) .10% shall be distributed as provided in Subsection (8);
 - (ii) .10% shall be distributed as provided in Subsection (9); and
 - (iii) .05% shall be distributed to the county legislative body;
 - (b) for an eligible political subdivision within the county, the commission shall distribute the sales and use tax revenue collected within that eligible political subdivision as follows:
 - (i) .10% shall be distributed as provided in Subsection (8);
 - (ii) .10% shall be distributed as provided in Subsection (9); and
 - (iii) .05% shall be distributed to the county legislative body; and
 - (c) the commission shall distribute the sales and use tax revenue, except for the sales and use tax revenue described in Subsections (7)(a) and (b), as follows:
 - (i) .10% shall be distributed as provided in Subsection (8); and
 - (ii) .15% shall be distributed to the county legislative body.
- (8)
 - (a) Subject to Subsection (8)(b), the commission shall make the distributions required by Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i) , (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) as follows:
 - (i) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i) , (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) within the counties that impose a tax under this section shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the percentage that the population of each

unincorporated area, city, or town bears to the total population of all of the counties that impose a tax under this section; and

- (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) within the counties that impose a tax under this section shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215.
- (b)
- (i) Population for purposes of this Subsection (8) shall be determined on the basis of the most recent official census or census estimate of the United States Census Bureau.
 - (ii) If a needed population estimate is not available from the United States Census Bureau, population figures shall be derived from an estimate from the Utah Population Estimates Committee created by executive order of the governor.
- (9)
- (a)
- (i) Subject to the requirements in Subsections (9)(b) and (c), a county legislative body:
 - (A) for a county that obtained approval from a majority of the county's registered voters voting on the imposition of a sales and use tax under this section prior to May 10, 2016, may, in consultation with any cities, towns, or eligible political subdivisions within the county, and in compliance with the requirements for changing an allocation under Subsection (9)(e), allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) by adopting a resolution specifying the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision; or
 - (B) for a county that obtains approval from a majority of the county's registered voters voting on the imposition of a sales and use tax under this section on or after May 10, 2016, shall, in consultation with any cities, towns, or eligible political subdivisions within the county, allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) by adopting a resolution specifying the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision.
 - (ii) If a county described in Subsection (9)(a)(i)(A) does not allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) in accordance with Subsection (9)(a)(i)(A), the commission shall distribute 100% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to:
 - (A) a public transit district for a city or town within the county that is annexed into a single public transit district; or
 - (B) an eligible political subdivision within the county.
- (b) If a county legislative body allocates the revenue as described in Subsection (9)(a)(i), the county legislative body shall allocate not less than 25% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to:
- (i) a public transit district for a city or town within the county that is annexed into a single public transit district; or
 - (ii) an eligible political subdivision within the county.
- (c) Notwithstanding Section 59-12-2208, the opinion question required by Section 59-12-2208 shall state the allocations the county legislative body makes in accordance with this Subsection (9).
- (d) The commission shall make the distributions required by Subsection (7)(a)(ii) or (7)(b)(ii) as follows:

- (i) the percentage specified by a county legislative body shall be distributed in accordance with a resolution adopted by a county legislative body under Subsection (9)(a) to an eligible political subdivision or a public transit district within the county; and
- (ii) except as provided in Subsection (9)(a)(ii), if a county legislative body allocates less than 100% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to a public transit district or an eligible political subdivision, the remainder of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) not allocated by a county legislative body through a resolution under Subsection (9)(a) shall be distributed as follows:
 - (A) 50% of the revenue as provided in Subsection (8); and
 - (B) 50% of the revenue to the county legislative body.
- (e) If a county legislative body seeks to change an allocation specified in a resolution under Subsection (9)(a), the county legislative body may change the allocation by:
 - (i) adopting a resolution in accordance with Subsection (9)(a) specifying the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision;
 - (ii) obtaining approval to change the allocation of the sales and use tax by a majority of all the members of the county legislative body; and
 - (iii) subject to Subsection (9)(f):
 - (A) in accordance with Section 59-12-2208, submitting an opinion question to the county's registered voters voting on changing the allocation so that each registered voter has the opportunity to express the registered voter's opinion on whether the allocation should be changed; and
 - (B) in accordance with Section 59-12-2208, obtaining approval to change the allocation from a majority of the county's registered voters voting on changing the allocation.
- (f) Notwithstanding Section 59-12-2208, the opinion question required by Subsection (9)(e)(iii)(A) shall state the allocations specified in the resolution adopted in accordance with Subsection (9)(e) and approved by the county legislative body in accordance with Subsection (9)(e)(ii).
- (g)
 - (i) If a county makes an allocation by adopting a resolution under Subsection (9)(a) or changes an allocation by adopting a resolution under Subsection (9)(e), the allocation shall take effect on the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice meeting the requirements of Subsection (9)(g)(ii) from the county.
 - (ii) The notice described in Subsection (9)(g)(i) shall state:
 - (A) that the county will make or change the percentage of an allocation under Subsection (9)(a) or (e); and
 - (B) the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision.
- (10)
 - (a) If a public transit district is organized after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the public transit district of the organization of the public transit district.
 - (b) If an eligible political subdivision intends to provide public transit service within a county after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the

commission receives written notice from the eligible political subdivision stating that the eligible political subdivision intends to provide public transit service within the county.

- (11) A county, city, or town may expend revenue collected from a tax under this section, except for revenue the commission distributes in accordance with Subsection (4)(a), (5)(a)(i), (5)(b)(i), or (9)(d)(i) for:
- (a) a class B road;
 - (b) a class C road;
 - (c) traffic and pedestrian safety, including for a class B road or class C road, for:
 - (i) a sidewalk;
 - (ii) curb and gutter;
 - (iii) a safety feature;
 - (iv) a traffic sign;
 - (v) a traffic signal;
 - (vi) street lighting; or
 - (vii) a combination of Subsections (11)(c)(i) through (vi);
 - (d) the construction, maintenance, or operation of an active transportation facility that is for nonmotorized vehicles and multimodal transportation and connects an origin with a destination;
 - (e) public transit system services; or
 - (f) a combination of Subsections (11)(a) through (e).
- (12) A public transit district or an eligible political subdivision may expend revenue the commission distributes in accordance with Subsection (4)(a), (5)(a)(i), (5)(b)(i), or (9)(d)(i) for capital expenses and service delivery expenses of the public transit district or eligible political subdivision.
- (13)
- (a) Revenue collected from a sales and use tax under this section may not be used to supplant existing general fund appropriations that a county, city, or town has budgeted for transportation as of the date the tax becomes effective for a county, city, or town.
 - (b) The limitation under Subsection (13)(a) does not apply to a designated transportation capital or reserve account a county, city, or town may have established prior to the date the tax becomes effective.

Amended by Chapter 373, 2016 General Session