

**DISTRIBUTION OF SALES AND USE TAX REVENUES -
BOTANICAL, CULTURAL, RECREATIONAL, AND
ZOOLOGICAL ORGANIZATIONS OR FACILITIES**

2000 GENERAL SESSION

STATE OF UTAH

Sponsor: Bradley T. Johnson

AN ACT RELATING TO THE SALES AND USE TAX ACT; MODIFYING THE DISTRIBUTION OF REVENUES PROVISIONS FOR THE TAX USED FOR BOTANICAL, CULTURAL, RECREATIONAL, OR ZOOLOGICAL ORGANIZATIONS OR FACILITIES; AND MAKING TECHNICAL CHANGES.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

59-12-704, as last amended by Chapters 193 and 209, Laws of Utah 1998

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

Section 1. Section **59-12-704** is amended to read:

59-12-704. Distribution of revenues -- Advisory board creation -- Determining operating expenses.

(1) Except as provided in Subsections (3)(b) and (5), and subject to the requirements of this section, any revenues collected by a county of the first class under this part shall be distributed annually by the county legislative body to support recreational and zoological facilities and botanical, cultural, and zoological organizations within that first class county as follows:

(a) 30% of the revenue collected by the county under this section shall be distributed by the county legislative body to support recreational facilities located within the county;

(b) (i) 12.5% of the revenue collected by the county under this section shall be distributed by the county legislative body to support zoological facilities and organizations located within the county; and

(ii) the county legislative body shall determine how the monies shall be distributed among the zoological organizations;

(c) (i) 52.5% of the revenue collected by the county under this section shall be distributed

to botanical and cultural organizations with average annual operating expenses of more than \$250,000 as determined under Subsection (3);

(ii) subject to Subsection (1)(c)(iii), the county legislative body shall distribute the monies described in Subsection (1)(c)(i) among the organizations and in proportion to their average annual operating expenses as determined under Subsection (3); and

(iii) the amount distributed to any organization described in Subsection (1)(c)(i) may not exceed 35% of the organization's budget; and

(d) (i) 5% of the revenue collected by the county under this section shall be distributed to botanical and cultural organizations with average annual operating expenses of less than \$250,000 as determined under Subsection (3); and

(ii) the county legislative body shall determine how the monies shall be distributed among the organizations described in Subsection (1)(d)(i).

(2)(a) The county legislative body of each county of the first class shall create an advisory board to advise the county legislative body on disbursement of funds to botanical and cultural organizations under Subsection (1)(c)(i).

(b) (i) The advisory board under Subsection (2)(a) shall consist of seven members appointed by the county legislative body.

(ii) Two of the seven members of the advisory board under Subsection (2)(a) shall be appointed from the Utah Arts Council.

(3) (a) Except as provided in Subsection (3)(b), to be eligible to receive monies collected by the county under this part, a botanical, cultural, and zoological organization located within a county of the first class shall, every three years:

(i) calculate their average annual expenses based upon audited expenses for three preceding fiscal years; and

(ii) submit to the appropriate county legislative body:

(A) a verified audit of annual expenses for each of those three preceding fiscal years; and

(B) the average annual expenses as calculated under Subsection (3)(a)(i).

(b) Notwithstanding Subsection (3)(a), the county legislative body may waive the expense

reporting requirements under Subsection (3)(a) for organizations described in Subsection (1)(d)(i).

(4) When calculating average annual expenses as described in Subsection (3), each botanical, cultural, and zoological organization shall use the same three-year fiscal period as determined by the county legislative body.

(5) (a) By July 1 of each year, the county legislative body of a first class county may index the threshold amount in Subsections (1)~~[(a), (b),]~~ (c) and (d).

(b) Any change under Subsection (5)(a) shall be rounded off to the nearest \$100.

(6) ~~[In all other counties;]~~ Beginning on July 1, 2000, in a county except for a county of the first class, the county legislative body shall [distribute] by ordinance provide for the distribution of 100% of the revenues generated by the tax imposed by this section as follows:

~~(a) [30% of the revenues collected by the county as a result of a tax imposed under this section]~~ the county legislative body shall in the ordinance providing for the distribution of the revenues generated by a tax imposed by this section specify a percentage of revenues:

(i) that is not less than 30% but that does not exceed 45%; and

(ii) to be distributed to support recreational facilities within the county; and

~~(b) [70% of the revenues to botanical, cultural, and zoological facilities and organizations within the county as determined by]~~ after specifying the percentage of revenues to be distributed to support recreational facilities under Subsection (6)(a), the county legislative body shall provide in the ordinance providing for the distribution of the revenues generated by a tax imposed by this section that the remainder of the revenues shall be distributed to support the following:

(i) one or more botanical organizations;

(ii) one or more cultural organizations;

(iii) one or more zoological organizations;

(iv) one or more zoological facilities; or

(v) a combination of Subsections (6)(b)(i) through (iv).

(7) The commission may retain an amount not to exceed 1-1/2% of the county option funding collected under this part for the cost of administering this part.