

1 **SALES AND USE TAXATION OF**
2 **ADMISSIONS OR USER FEES - OLYMPIC**
3 **WINTER GAMES OF 2002**

4 2000 GENERAL SESSION

5 STATE OF UTAH

6 **Sponsor: John L. Valentine**

7 AN ACT RELATING TO THE SALES AND USE TAX ACT; ADDRESSING WHEN
8 AMOUNTS PAID OR CHARGED AS ADMISSION OR USER FEES RELATING TO THE
9 OLYMPIC WINTER GAMES OF 2002 ARE CONSIDERED TO BE PAID OR CHARGED;
10 EXEMPTING FROM SALES AND USE TAXES FOR A ONE-YEAR PERIOD CERTAIN
11 SALES OF ADMISSIONS OR USER FEES RELATING TO THE OLYMPIC WINTER GAMES
12 OF 2002; REQUIRING THE STATE OLYMPIC OFFICER AND THE SALT LAKE
13 ORGANIZING COMMITTEE FOR THE OLYMPIC WINTER GAMES OF 2002 TO MAKE
14 CERTAIN REPORTS TO THE OLYMPIC COORDINATION COMMITTEE AND THE
15 REVENUE AND TAXATION INTERIM COMMITTEE; AND MAKING TECHNICAL
16 CHANGES.

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

18 AMENDS:

19 **59-12-103**, as last amended by Chapter 133, Laws of Utah 1999

20 **59-12-104**, as last amended by Chapters 63, 155, 195, 306, 313 and 362, Laws of Utah
21 1999

22 **59-12-902**, as enacted by Chapter 264, Laws of Utah 1997

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

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

25 **59-12-103. Sales and use tax base -- Rate -- Use of sales and use tax revenues.**

26 (1) There is levied a tax on the purchaser for the amount paid or charged for the following:

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

28 (b) amount paid to common carriers or to telephone or telegraph corporations, whether the
29 corporations are municipally or privately owned, for:

30 (i) all transportation;

31 (ii) intrastate telephone service; or

32 (iii) telegraph service;

33 (c) gas, electricity, heat, coal, fuel oil, or other fuels sold for commercial use;

34 (d) gas, electricity, heat, coal, fuel oil, or other fuels sold for residential use;

35 (e) meals sold;

36 (f) admission or user fees for theaters, movies, operas, museums, planetariums, shows of
37 any type or nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
38 menageries, fairs, races, contests, sporting events, dances, boxing and wrestling matches, closed
39 circuit television broadcasts, billiard or pool parlors, bowling lanes, golf and miniature golf, golf
40 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails, tennis
41 courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises, horseback
42 rides, sports activities, or any other amusement, entertainment, recreation, exhibition, cultural, or
43 athletic activity;

44 (g) services for repairs or renovations of tangible personal property or services to install
45 tangible personal property in connection with other tangible personal property;

46 (h) except as provided in Subsection 59-12-104(7), cleaning or washing of tangible
47 personal property;

48 (i) tourist home, hotel, motel, or trailer court accommodations and services for less than
49 30 consecutive days;

50 (j) laundry and dry cleaning services;

51 (k) leases and rentals of tangible personal property if the property situs is in this state, if
52 the lessee took possession in this state, or if the property is stored, used, or otherwise consumed
53 in this state;

54 (l) tangible personal property stored, used, or consumed in this state; and

55 (m) prepaid telephone calling cards.

56 (2) (a) Except for Subsection (1)(d), the rates of the tax levied under Subsection (1) shall
57 be:

58 [~~(a)~~] (i) 5% through June 30, 1994;

59 [(b)] (ii) 4.875% beginning on July 1, 1994 through June 30, 1997; and

60 [(c)] (iii) 4.75% beginning on July 1, 1997.

61 [(3)] (b) The rates of the tax levied under Subsection (1)(d) shall be 2% from and after
62 January 1, 1990.

63 (3) (a) For purposes of amounts paid or charged as admission or user fees relating to the
64 Olympic Winter Games of 2002, the amounts are considered to be paid or charged on the day on
65 which the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 or a person
66 designated by the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 sends
67 a purchaser confirmation of the purchase of an admission or user fee described in Subsection
68 (1)(f).

69 (b) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
70 commission shall make rules defining what constitutes sending a purchaser confirmation under
71 Subsection (3)(a).

72 (4) (a) There shall be deposited in an Olympics special revenue fund or funds as determined
73 by the Division of Finance under Section 51-5-4, for the use of the Utah Sports Authority created
74 under Title 63A, Chapter 7, Utah Sports Authority Act:

75 (i) from January 1, 1990, through December 31, 1999, the amount of sales and use tax
76 generated by a 1/64% tax rate on the taxable items and services under Subsection (1);

77 (ii) from January 1, 1990, through June 30, 1999, the amount of revenue generated by a
78 1/64% tax rate under Section 59-12-204 or Section 59-12-205 on the taxable items and services
79 under Subsection (1); and

80 (iii) interest earned on the amounts under Subsections (4)(a)(i) and (ii).

81 (b) These funds shall be used:

82 (i) by the Utah Sports Authority as follows:

83 (A) to the extent funds are available, to transfer directly to a debt service fund or to
84 otherwise reimburse to the state any amount expended on debt service or any other cost of any
85 bonds issued by the state to construct any public sports facility as defined in Section 63A-7-103;

86 (B) to pay for the actual and necessary operating, administrative, legal, and other expenses
87 of the Utah Sports Authority, but not including protocol expenses for seeking and obtaining the
88 right to host the Winter Olympic Games; and

89 (C) unless the Legislature appropriates additional funds from the Olympics Special

90 Revenue Fund to the Utah Sports Authority, the Utah Sports Authority may not expend, loan, or
91 pledge in the aggregate more than:

92 (I) \$59,000,000 of sales and use tax deposited into the Olympics special revenue fund
93 under Subsection (4)(a);

94 (II) the interest earned on the amount described in Subsection (4)(b)(i)(C)(I); and

95 (III) the revenues deposited into the Olympics Special Revenue Fund that are not sales and
96 use taxes deposited under Subsection (4)(a) or interest on the sales and use taxes;

97 (ii) to pay salary, benefits, or administrative costs associated with the State Olympic
98 Officer under Subsection 63A-10-103(3), except that the salary, benefits, or administrative costs
99 may not be paid from the sales and tax revenues generated by municipalities or counties and
100 deposited under Subsection (4)(a)(ii).

101 (c) A payment of salary, benefits, or administrative costs under Subsection 63A-10-103(3)
102 is not considered an expenditure of the Utah Sports Authority.

103 (d) If the Legislature appropriates additional funds under Subsection (4)(b)(i)(C), the
104 authority may not expend, loan, pledge, or enter into any agreement to expend, loan, or pledge the
105 appropriated funds unless the authority:

106 (i) contracts in writing for the full reimbursement of the monies to the Olympics special
107 revenue fund by a public sports entity or other person benefitting from the expenditure; and

108 (ii) obtains a security interest that secures payment or performance of the obligation to
109 reimburse.

110 (e) A contract or agreement entered into in violation of Subsection (4)(d) is void.

111 (5) (a) From July 1, 1997, the annual amount of sales and use tax generated by a 1/8% tax
112 rate on the taxable items and services under Subsection (1) shall be used as follows:

113 (i) 50% shall be used for water and wastewater projects as provided in Subsections (5)(b)
114 through (f); and

115 (ii) 50% shall be used for transportation projects as provided in Subsections (5)(g) through
116 (h).

117 (b) Five hundred thousand dollars each year shall be transferred to the Agriculture
118 Resource Development Fund created in Section 4-18-6.

119 (c) Fifty percent of the remaining amount generated by 50% of the 1/8% tax rate shall be
120 transferred to the Water Resources Conservation and Development Fund created in Section

121 73-10-24 for use by the Division of Water Resources. In addition to the uses allowed of the fund
122 under Section 73-10-24, the fund may also be used to:

123 (i) provide a portion of the local cost share, not to exceed in any fiscal year 50% of the
124 funds made available to the Division of Water Resources under this section, of potential project
125 features of the Central Utah Project;

126 (ii) conduct hydrologic and geotechnical investigations by the Department of Natural
127 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
128 quantifying surface and ground water resources and describing the hydrologic systems of an area
129 in sufficient detail so as to enable local and state resource managers to plan for and accommodate
130 growth in water use without jeopardizing the resource;

131 (iii) fund state required dam safety improvements; and

132 (iv) protect the state's interest in interstate water compact allocations, including the hiring
133 of technical and legal staff.

134 (d) Twenty-five percent of the remaining amount generated by 50% of the 1/8% tax rate
135 shall be transferred to the Utah Wastewater Loan Program subaccount created in Section 73-10c-5
136 for use by the Water Quality Board to fund wastewater projects as defined in Section 73-10b-2.

137 (e) Twenty-five percent of the remaining amount generated by 50% of the 1/8% tax rate
138 shall be transferred to the Drinking Water Loan Program subaccount created in Section 73-10c-5
139 for use by the Division of Drinking Water to:

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

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

143 (iii) develop surface water sources.

144 (f) Notwithstanding Subsections (5)(b), (c), (d), and (e), \$100,000 of the remaining amount
145 generated by 50% of the 1/8% tax rate each year shall be transferred as dedicated credits to the
146 Division of Water Rights to cover the costs incurred in hiring legal and other technical staff for the
147 adjudication of water rights. Any remaining balance at the end of each fiscal year shall lapse back
148 to the contributing funds on a prorated basis.

149 (g) Fifty percent of the 1/8% tax rate shall be transferred to the class B and class C roads
150 account to be expended as provided in Title 72, Chapter 2, Transportation Finances Act, for the
151 use of class B and C road funds except as provided in Subsection (5)(h).

152 (h) (i) If H.B. 53, "Transportation Corridor Preservation," passes in the 1996 General
153 Session, \$500,000 each year shall be transferred to the Transportation Corridor Preservation
154 Revolving Loan Fund, and if H.B. 121, "State Park Access Roads," passes in the 1996 General
155 Session, from July 1, 1997, through June 30, 2006, \$500,000 shall be transferred to the Department
156 of Transportation for the State Park Access Highways Improvement Program. The remaining
157 amount generated by 50% of the 1/8% tax rate shall be transferred to the class B and class C roads
158 account.

159 (ii) At least 50% of the money transferred to the Transportation Corridor Preservation
160 Revolving Loan Fund under Subsection (5)(h)(i) shall be used to fund loan applications made by
161 the Department of Transportation at the request of local governments.

162 (6) (a) Beginning on January 1, 2000, the Division of Finance shall deposit into the
163 Centennial Highway Fund created in Section 72-2-118 a portion of the state sales and use tax
164 under Subsections (2) and (3) equal to the revenues generated by a 1/64% tax rate on the taxable
165 items and services under Subsection (1).

166 (b) Except for sales and use taxes deposited under Subsection (7), beginning on July 1,
167 1999, the revenues generated by the 1/64% tax rate:

168 (i) retained under Subsection 59-12-204(7)(a) shall be retained by the counties, cities, or
169 towns as provided in Section 59-12-204; and

170 (ii) retained under Subsection 59-12-205(4)(a) shall be distributed to each county, city, and
171 town as provided in Section 59-12-205.

172 (7) Beginning on July 1, 1999, the commission shall deposit into the Airport to University
173 of Utah Light Rail Restricted Account created in Section 17A-2-1064 the portion of the sales and
174 use tax under Sections 59-12-204 and 59-12-205 that is:

175 (a) generated by a city or town that will have constructed within its boundaries the Airport
176 to University of Utah Light Rail described in the Transportation Equity Act for the 21st Century,
177 Pub. L. No. 105-178, Sec. 3030(c)(2)(B)(i)(II), 112 Stat. 107; and

178 (b) equal to the revenues generated by a 1/64% tax rate on the taxable items and services
179 under Subsection (1).

180 Section 2. Section **59-12-104** is amended to read:

181 **59-12-104. Exemptions.**

182 The following sales and uses are exempt from the taxes imposed by this chapter:

183 (1) sales of aviation fuel, motor fuel, and special fuel subject to a Utah state excise tax
184 under Title 59, Chapter 13, Motor and Special Fuel Tax Act;

185 (2) sales to the state, its institutions, and its political subdivisions; however, this exemption
186 does not apply to sales of construction materials except:

187 (a) construction materials purchased by or on behalf of institutions of the public education
188 system as defined in Utah Constitution Article X, Section 2, provided the construction materials
189 are clearly identified and segregated and installed or converted to real property which is owned by
190 institutions of the public education system; and

191 (b) construction materials purchased by the state, its institutions, or its political
192 subdivisions which are installed or converted to real property by employees of the state, its
193 institutions, or its political subdivisions;

194 (3) sales of food, beverage, and dairy products from vending machines in which the
195 proceeds of each sale do not exceed \$1 if the vendor or operator of the vending machine reports
196 an amount equal to 150% of the cost of items as goods consumed;

197 (4) sales of food, beverage, dairy products, similar confections, and related services to
198 commercial airline carriers for in-flight consumption;

199 (5) sales of parts and equipment installed in aircraft operated by common carriers in
200 interstate or foreign commerce;

201 (6) sales of commercials, motion picture films, prerecorded audio program tapes or
202 records, and prerecorded video tapes by a producer, distributor, or studio to a motion picture
203 exhibitor, distributor, or commercial television or radio broadcaster;

204 (7) sales of cleaning or washing of tangible personal property by a coin-operated laundry
205 or dry cleaning machine;

206 (8) (a) except as provided in Subsection (8)(b), sales made to or by religious or charitable
207 institutions in the conduct of their regular religious or charitable functions and activities, if the
208 requirements of Section 59-12-104.1 are fulfilled;

209 (b) the exemption provided for in Subsection (8)(a) does not apply to the following sales,
210 uses, leases, or rentals relating to the Olympic Winter Games of 2002 made to or by an
211 organization exempt from federal income taxation under Section 501(c)(3), Internal Revenue
212 Code:

213 (i) retail sales of Olympic merchandise;

214 (ii) except as provided in Subsection (51), admissions or user fees described in Subsection
215 59-12-103(1)(f);

216 (iii) sales of accommodations and services as provided in Subsection 59-12-103(1)(i),
217 except for accommodations and services:

218 (A) paid for in full by the Salt Lake Organizing Committee for the Olympic Winter Games
219 of 2002;

220 (B) exclusively used by:

221 (I) an officer, a trustee, or an employee of the Salt Lake Organizing Committee for the
222 Olympic Winter Games of 2002; or

223 (II) a volunteer supervised by the Salt Lake Organizing Committee for the Olympic Winter
224 Games of 2002; and

225 (C) for which the Salt Lake Organizing Committee for the Olympic Winter Games of 2002
226 does not receive reimbursement; or

227 (iv) a lease or rental of a vehicle as defined in Section 41-1a-102, except for a lease or
228 rental of a vehicle:

229 (A) paid for in full by the Salt Lake Organizing Committee for the Olympic Winter Games
230 of 2002;

231 (B) exclusively used by:

232 (I) an officer, a trustee, or an employee of the Salt Lake Organizing Committee for the
233 Olympic Winter Games of 2002; or

234 (II) a volunteer supervised by the Salt Lake Organizing Committee for the Olympic Winter
235 Games of 2002; and

236 (C) for which the Salt Lake Organizing Committee for the Olympic Winter Games of 2002
237 does not receive reimbursement;

238 (9) sales of vehicles of a type required to be registered under the motor vehicle laws of this
239 state which are made to bona fide nonresidents of this state and are not afterwards registered or
240 used in this state except as necessary to transport them to the borders of this state;

241 (10) sales of medicine;

242 (11) sales or use of property, materials, or services used in the construction of or
243 incorporated in pollution control facilities allowed by Sections 19-2-123 through 19-2-127;

244 (12) sales of meals served by:

245 (a) churches, charitable institutions, and institutions of higher education, if the meals are
246 not available to the general public; and

247 (b) inpatient meals provided at medical or nursing facilities;

248 (13) isolated or occasional sales by persons not regularly engaged in business, except the
249 sale of vehicles or vessels required to be titled or registered under the laws of this state in which
250 case the tax is based upon:

251 (a) the bill of sale or other written evidence of value of the vehicle or vessel being sold;
252 or

253 (b) in the absence of a bill of sale or other written evidence of value, the then existing fair
254 market value of the vehicle or vessel being sold as determined by the commission;

255 (14) (a) the following purchases or leases by a manufacturer on or after July 1, 1995:

256 (i) machinery and equipment:

257 (A) used in the manufacturing process;

258 (B) having an economic life of three or more years; and

259 (C) used:

260 (I) to manufacture an item sold as tangible personal property; and

261 (II) in new or expanding operations in a manufacturing facility in the state; and

262 (ii) subject to the provisions of Subsection (14)(b), normal operating replacements that:

263 (A) have an economic life of three or more years;

264 (B) are used in the manufacturing process in a manufacturing facility in the state;

265 (C) are used to replace or adapt an existing machine to extend the normal estimated useful
266 life of the machine; and

267 (D) do not include repairs and maintenance;

268 (b) the rates for the exemption under Subsection (14)(a)(ii) are as follows:

269 (i) beginning July 1, 1996, through June 30, 1997, 30% of the sale or lease described in
270 Subsection (14)(a)(ii) is exempt;

271 (ii) beginning July 1, 1997, through June 30, 1998, 60% of the sale or lease described in
272 Subsection (14)(a)(ii) is exempt; and

273 (iii) beginning July 1, 1998, 100% of the sale or lease described in Subsection (14)(a)(ii)
274 is exempt;

275 (c) for purposes of this Subsection (14), the commission shall by rule define the terms

276 "new or expanding operations" and "establishment"; and

277 (d) on or before October 1, 1991, and every five years after October 1, 1991, the
278 commission shall:

279 (i) review the exemptions described in Subsection (14)(a) and make recommendations to
280 the Revenue and Taxation Interim Committee concerning whether the exemptions should be
281 continued, modified, or repealed; and

282 (ii) include in its report:

283 (A) the cost of the exemptions;

284 (B) the purpose and effectiveness of the exemptions; and

285 (C) the benefits of the exemptions to the state;

286 (15) sales of tooling, special tooling, support equipment, and special test equipment used
287 or consumed exclusively in the performance of any aerospace or electronics industry contract with
288 the United States government or any subcontract under that contract, but only if, under the terms
289 of that contract or subcontract, title to the tooling and equipment is vested in the United States
290 government as evidenced by a government identification tag placed on the tooling and equipment
291 or by listing on a government-approved property record if a tag is impractical;

292 (16) intrastate movements of:

293 (a) freight by common carriers; and

294 (b) passengers:

295 (i) by taxicabs as described in SIC Code 4121 of the 1987 Standard Industrial
296 Classification Manual of the federal Executive Office of the President, Office of Management and
297 Budget; or

298 (ii) transported by an establishment described in SIC Code 4111 of the 1987 Standard
299 Industrial Classification Manual of the federal Executive Office of the President, Office of
300 Management and Budget, if the transportation originates and terminates within a county of the
301 first, second, or third class;

302 (17) sales of newspapers or newspaper subscriptions;

303 (18) tangible personal property, other than money, traded in as full or part payment of the
304 purchase price, except that for purposes of calculating sales or use tax upon vehicles not sold by
305 a vehicle dealer, trade-ins are limited to other vehicles only, and the tax is based upon:

306 (a) the bill of sale or other written evidence of value of the vehicle being sold and the

307 vehicle being traded in; or

308 (b) in the absence of a bill of sale or other written evidence of value, the then existing fair
309 market value of the vehicle being sold and the vehicle being traded in, as determined by the
310 commission;

311 (19) sprays and insecticides used to control insects, diseases, and weeds for commercial
312 production of fruits, vegetables, feeds, seeds, and animal products, but not those sprays and
313 insecticides used in the processing of the products;

314 (20) (a) sales of tangible personal property used or consumed primarily and directly in
315 farming operations, including sales of irrigation equipment and supplies used for agricultural
316 production purposes, whether or not they become part of real estate and whether or not installed
317 by farmer, contractor, or subcontractor, but not sales of:

318 (i) machinery, equipment, materials, and supplies used in a manner that is incidental to
319 farming, such as hand tools with a unit purchase price not in excess of \$250, and maintenance and
320 janitorial equipment and supplies;

321 (ii) tangible personal property used in any activities other than farming, such as office
322 equipment and supplies, equipment and supplies used in sales or distribution of farm products, in
323 research, or in transportation; or

324 (iii) any vehicle required to be registered by the laws of this state, without regard to the use
325 to which the vehicle is put;

326 (b) sales of hay;

327 (21) exclusive sale of locally grown seasonal crops, seedling plants, or garden, farm, or
328 other agricultural produce if sold by a producer during the harvest season;

329 (22) purchases of food as defined in 7 U.S.C. Sec. 2012(g) under the Food Stamp Program,
330 7 U.S.C. Sec. 2011 et seq.;

331 (23) sales of nonreturnable containers, nonreturnable labels, nonreturnable bags,
332 nonreturnable shipping cases, and nonreturnable casings to a manufacturer, processor, wholesaler,
333 or retailer for use in packaging tangible personal property to be sold by that manufacturer,
334 processor, wholesaler, or retailer;

335 (24) property stored in the state for resale;

336 (25) property brought into the state by a nonresident for his or her own personal use or
337 enjoyment while within the state, except property purchased for use in Utah by a nonresident living

338 and working in Utah at the time of purchase;

339 (26) property purchased for resale in this state, in the regular course of business, either in
340 its original form or as an ingredient or component part of a manufactured or compounded product;

341 (27) property upon which a sales or use tax was paid to some other state, or one of its
342 subdivisions, except that the state shall be paid any difference between the tax paid and the tax
343 imposed by this part and Part 2, and no adjustment is allowed if the tax paid was greater than the
344 tax imposed by this part and Part 2;

345 (28) any sale of a service described in Subsections 59-12-103(1)(b), (c), and (d) to a person
346 for use in compounding a service taxable under the subsections;

347 (29) purchases of supplemental foods as defined in 42 U.S.C. Sec. 1786(b)(14) under the
348 special supplemental nutrition program for women, infants, and children established in 42 U.S.C.
349 Sec. 1786;

350 (30) beginning on July 1, 1999, through June 30, 2004, sales or leases of rolls, rollers,
351 refractory brick, electric motors, or other replacement parts used in the furnaces, mills, or ovens
352 of a steel mill described in SIC Code 3312 of the 1987 Standard Industrial Classification Manual
353 of the federal Executive Office of the President, Office of Management and Budget;

354 (31) sales of boats of a type required to be registered under Title 73, Chapter 18, State
355 Boating Act, boat trailers, and outboard motors which are made to bona fide nonresidents of this
356 state and are not thereafter registered or used in this state except as necessary to transport them to
357 the borders of this state;

358 (32) sales of tangible personal property to persons within this state that is subsequently
359 shipped outside the state and incorporated pursuant to contract into and becomes a part of real
360 property located outside of this state, except to the extent that the other state or political entity
361 imposes a sales, use, gross receipts, or other similar transaction excise tax on it against which the
362 other state or political entity allows a credit for taxes imposed by this chapter;

363 (33) sales of aircraft manufactured in Utah if sold for delivery and use outside Utah where
364 a sales or use tax is not imposed, even if the title is passed in Utah;

365 (34) amounts paid for the purchase of telephone service for purposes of providing
366 telephone service;

367 (35) fares charged to persons transported directly by a public transit district created under
368 the authority of Title 17A, Chapter 2, Part 10, Utah Public Transit District Act;

- 369 (36) sales or leases of vehicles to, or use of vehicles by an authorized carrier;
- 370 (37) (a) 45% of the sales price of any new manufactured home; and
- 371 (b) 100% of the sales price of any used manufactured home;
- 372 (38) sales relating to schools and fundraising sales;
- 373 (39) sales or rentals of home medical equipment and supplies;
- 374 (40) (a) sales to a ski resort of electricity to operate a passenger ropeway as defined in
- 375 Section 72-11-102; and
- 376 (b) the commission shall by rule determine the method for calculating sales exempt under
- 377 Subsection (40)(a) that are not separately metered and accounted for in utility billings;
- 378 (41) sales to a ski resort of:
- 379 (a) snowmaking equipment;
- 380 (b) ski slope grooming equipment; and
- 381 (c) passenger ropeways as defined in Section 72-11-102;
- 382 (42) sales of natural gas, electricity, heat, coal, fuel oil, or other fuels for industrial use;
- 383 (43) sales or rentals of the right to use or operate for amusement, entertainment, or
- 384 recreation a coin-operated amusement device as defined in Section 59-12-102;
- 385 (44) sales of cleaning or washing of tangible personal property by a coin-operated car wash
- 386 machine;
- 387 (45) sales by the state or a political subdivision of the state, except state institutions of
- 388 higher education as defined in Section 53B-3-102, of:
- 389 (a) photocopies; or
- 390 (b) other copies of records held or maintained by the state or a political subdivision of the
- 391 state; and
- 392 (46) (a) amounts paid:
- 393 (i) to a person providing intrastate transportation to an employer's employee to or from the
- 394 employee's primary place of employment;
- 395 (ii) by an:
- 396 (A) employee; or
- 397 (B) employer; and
- 398 (iii) pursuant to a written contract between:
- 399 (A) the employer; and

400 (B) (I) the employee; or
401 (II) a person providing transportation to the employer's employee; and
402 (b) in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
403 commission may for purposes of Subsection (46)(a) make rules defining what constitutes an
404 employee's primary place of employment;

405 (47) amounts paid for admission to an athletic event at an institution of higher education
406 that is subject to the provisions of Title IX of the Education Amendments of 1972, 20 U.S.C. Sec.
407 1681 et seq.;

408 (48) sales of telephone service charged to a prepaid telephone calling card;

409 (49) (a) sales of hearing aids; and
410 (b) sales of hearing aid accessories; [and]

411 (50) (a) sales made to or by:
412 (i) an area agency on aging; or
413 (ii) a senior citizen center owned by a county, city, or town; or
414 (b) sales made by a senior citizen center that contracts with an area agency on aging[-]; and

415 (51) (a) beginning on July 1, 2000, through April 30, 2001, amounts paid or charged as
416 admissions or user fees described in Subsection 59-12-103(1)(f) relating to the Olympic Winter
417 Games of 2002; and

418 (b) the State Olympic Officer and the Salt Lake Organizing Committee for the Olympic
419 Winter Games of 2002 shall make at least two reports during the 2000 interim:

420 (i) to the:
421 (A) Olympic Coordination Committee; and
422 (B) Revenue and Taxation Interim Committee; and
423 (ii) regarding the status of:
424 (A) agreements relating to the funding of public safety services for the Olympic Winter
425 Games of 2002;
426 (B) agreements relating to the funding of services, other than public safety services, for
427 the Olympic Winter Games of 2002;
428 (C) other agreements relating to the Olympic Winter Games of 2002 as requested by the
429 Olympic Coordination Committee or the Revenue and Taxation Interim Committee;
430 (D) other issues as requested by the Olympic Coordination Committee or the Revenue and

431 Taxation Interim Committee; or

432 (E) a combination of Subsections (51)(b)(i)(A) through (D).

433 Section 3. Section **59-12-902** is amended to read:

434 **59-12-902. Sales tax refund for qualified emergency food agencies -- Administration**
435 **-- Rulemaking authority.**

436 (1) Beginning on January 1, 1998, a qualified emergency food agency may claim a sales
437 tax refund as provided in this section on the pounds of food donated to the qualified emergency
438 food agency.

439 (2) (a) Subject to the adjustments provided for in Subsection (2)(b), a qualified emergency
440 food agency may claim a refund in an amount equal to the pounds of food donated to the qualified
441 emergency food agency multiplied by:

442 (i) \$1.70; and

443 (ii) the lowest percentage of combined state and local sales and use taxes collected by a
444 municipality in the state under this chapter, except that the lowest percentage of combined state
445 and local sales and use taxes does not include the levy under Subsection 59-12-103[~~(3)~~](2)(b).

446 (b) Beginning on January 1, 1999, the commission shall annually adjust on or before the
447 second Monday of February the \$1.70 provided in Subsection (2)(a)(i) by a percentage equal to
448 the percentage difference between the food at home category of the Consumer Price Index for:

449 (i) the preceding calendar year; and

450 (ii) calendar year 1997.

451 (3) To claim a sales tax refund under this section, a qualified emergency food agency shall
452 file an application with the commission.

453 (4) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
454 commission may make rules providing procedures for implementing the sales tax refund under this
455 section, including:

456 (a) procedures for an organization to apply for recognition as a qualified emergency food
457 agency;

458 (b) standards for determining and verifying the amount of the sales tax refund; and

459 (c) procedures for a qualified emergency food agency to apply for a sales tax refund,
460 including the frequency with which a qualified emergency food agency may apply for a sales tax
461 refund.

462 (5) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
463 Division of Community Development may establish rules providing for the certification of
464 emergency food agencies to claim a refund under this part.

Legislative Review Note
as of 2-22-00 10:23 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel