

Representative Greg J. Curtis proposes the following substitute bill:

SALES AND USE TAX AMENDMENTS

2002 SIXTH SPECIAL SESSION

STATE OF UTAH

Sponsor: Greg J. Curtis

This act amends the Sales and Use Tax Act to modify the amount of state sales and use tax revenue that is allocated to certain entities. The act repeals obsolete language and makes technical changes. This act has an immediate effective date.

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

AMENDS:

59-12-103, as last amended by Chapters 77, 117, 320 and 329, Laws of Utah 2002

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

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

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

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

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

(b) amounts paid:

(i) (A) to a common carrier; or

(B) whether the following are municipally or privately owned, to a:

(I) telephone service provider; or

(II) telegraph corporation as defined in Section 54-2-1; and

(ii) for:

(A) all transportation;

(B) telephone service, other than mobile telecommunications service, that originates and terminates within the boundaries of this state;



- 26 (C) mobile telecommunications service that originates and terminates within the
27 boundaries of one state only to the extent permitted by the Mobile Telecommunications
28 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
- 29 (D) telegraph service;
- 30 (c) sales of the following for commercial use:
- 31 (i) gas;
- 32 (ii) electricity;
- 33 (iii) heat;
- 34 (iv) coal;
- 35 (v) fuel oil; or
- 36 (vi) other fuels;
- 37 (d) sales of the following for residential use:
- 38 (i) gas;
- 39 (ii) electricity;
- 40 (iii) heat;
- 41 (iv) coal;
- 42 (v) fuel oil; or
- 43 (vi) other fuels;
- 44 (e) sales of meals;
- 45 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
46 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
47 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
48 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
49 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
50 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
51 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
52 horseback rides, sports activities, or any other amusement, entertainment, recreation,
53 exhibition, cultural, or athletic activity;
- 54 (g) amounts paid or charged for services:
- 55 (i) for repairs or renovations of tangible personal property, unless Section 59-12-104
56 provides for an exemption from sales and use tax for:

- 57 (A) the tangible personal property; and
- 58 (B) parts used in the repairs or renovations of the tangible personal property described
59 in Subsection (1)(g)(i)(A), whether or not any parts are actually used in the repairs or
60 renovations of that tangible personal property; or
- 61 (ii) to install tangible personal property in connection with other tangible personal
62 property, unless the tangible personal property being installed is exempt from sales and use tax
63 under Section 59-12-104;
- 64 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
65 cleaning or washing of tangible personal property;
- 66 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
67 accommodations and services that are regularly rented for less than 30 consecutive days;
- 68 (j) amounts paid or charged for laundry or dry cleaning services;
- 69 (k) amounts paid or charged for leases or rentals of tangible personal property if:
- 70 (i) the tangible personal property's situs is in this state;
- 71 (ii) the lessee took possession of the tangible personal property in this state; or
- 72 (iii) within this state the tangible personal property is:
- 73 (A) stored;
- 74 (B) used; or
- 75 (C) otherwise consumed;
- 76 (l) amounts paid or charged for tangible personal property if within this state the
77 tangible personal property is:
- 78 (i) stored;
- 79 (ii) used; or
- 80 (iii) consumed; and
- 81 (m) amounts paid or charged for prepaid telephone calling cards.
- 82 (2) (a) Except as provided in Subsections (2)(b) and (c), beginning on July 1, 2001, a
83 state tax and a local tax is imposed on a transaction described in Subsection (1) equal to the
84 sum of:
- 85 (i) a state tax imposed on the transaction at a rate of 4.75%; and
- 86 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
87 transaction under this chapter other than this part.

88 (b) Notwithstanding Subsection (2)(a), beginning on July 1, 2001, a state tax and a
89 local tax is imposed on a transaction described in Subsection (1)(d) equal to the sum of:

90 (i) a state tax imposed on the transaction at a rate of 2%; and

91 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
92 transaction under this chapter other than this part.

93 (c) Notwithstanding Subsections (2)(a) and (b), beginning on July 1, 2001, if a vendor
94 collects a tax under Subsection 59-12-107(1)(b) on a transaction described in Subsection (1), a
95 state tax and a local tax is imposed on the transaction equal to the sum of:

96 (i) a state tax imposed on the transaction at a rate of:

97 (A) 4.75% for a transaction other than a transaction described in Subsection (1)(d); or

98 (B) 2% for a transaction described in Subsection (1)(d); and

99 (ii) except as provided in Subsection (2)(d), a local tax imposed on the transaction at a
100 rate equal to the sum of the following tax rates:

101 (A) (I) the lowest tax rate imposed by a county, city, or town under Section 59-12-204,
102 but only if all of the counties, cities, and towns in the state impose the tax under Section
103 59-12-204; or

104 (II) the lowest tax rate imposed by a county, city, or town under Section 59-12-205, but
105 only if all of the counties, cities, and towns in the state impose the tax under Section
106 59-12-205; and

107 (B) the tax rate authorized by Section 59-12-1102, but only if all of the counties in the
108 state impose the tax under Section 59-12-1102.

109 (d) Tax rates authorized under the following do not apply to Subsection (2)(c)(ii):

110 (i) Subsection (2)(a)(i);

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

112 (iii) Subsection (2)(c)(i);

113 (iv) Section 59-12-301;

114 (v) Section 59-12-352;

115 (vi) Section 59-12-353;

116 (vii) Section 59-12-401;

117 (viii) Section 59-12-402;

118 (ix) Section 59-12-501;

- 119 (x) Section 59-12-502;
120 (xi) Section 59-12-603;
121 (xii) Section 59-12-703;
122 (xiii) Section 59-12-802;
123 (xiv) Section 59-12-804;
124 (xv) Section 59-12-1001;
125 (xvi) Section 59-12-1201; or
126 (xvii) Section 59-12-1302.

127 (3) (a) Except as provided in Subsections (4) through (9), the following state taxes
128 [~~described in Subsections (2)(a)(i), (2)(b)(i), and (2)(c)(i)~~] shall be deposited into the General
129 Fund[-];

- 130 (i) the tax imposed by Subsection (2)(a)(i);
131 (ii) the tax imposed by Subsection (2)(b)(i); and
132 (iii) the tax imposed by Subsection (2)(c)(i).

133 (b) The local taxes described in Subsections (2)(a)(ii) and (2)(b)(ii) shall be distributed
134 to a county, city, or town as provided in this chapter.

135 (c) (i) Notwithstanding any provision of this chapter, each county, city, or town in the
136 state shall receive the county's, city's, or town's proportionate share of the revenues generated
137 by the local tax described in Subsection (2)(c)(ii) as provided in Subsection (3)(c)(ii).

138 (ii) The commission shall determine a county's, city's, or town's proportionate share of
139 the revenues under Subsection (3)(c)(i) by:

140 (A) calculating an amount equal to:

141 (I) the population of the county, city, or town; divided by

142 (II) the total population of the state; and

143 (B) multiplying the amount determined under Subsection (3)(c)(ii)(A) by the total
144 amount of revenues generated by the local tax under Subsection (2)(c)(ii) for all counties,
145 cities, and towns.

146 (iii) (A) Except as provided in Subsection (3)(c)(iii)(B), population figures for
147 purposes of this section shall be derived from the most recent official census or census estimate
148 of the United States Census Bureau.

149 (B) Notwithstanding Subsection (3)(c)(iii)(A), if a needed population estimate is not

150 available from the United States Census Bureau, population figures shall be derived from the
151 estimate from the Utah Population Estimates Committee created by executive order of the
152 governor.

153 (C) For purposes of this section, the population of a county may only include the
154 population of the unincorporated areas of the county.

155 (4) (a) Notwithstanding Subsection (3)(a), there shall be deposited in an Olympics
156 special revenue fund or funds as determined by the Division of Finance under Section 51-5-4,
157 for the use of the Utah Sports Authority created under Title 63A, Chapter 7, Utah Sports
158 Authority Act:

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

161 (ii) from January 1, 1990, through June 30, 1999, the amount of revenue generated by a
162 1/64% tax rate under Section 59-12-204 or Section 59-12-205 on the taxable transactions under
163 Subsection (1); and

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

165 (b) These funds shall be used:

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

167 (A) to the extent funds are available, to transfer directly to a debt service fund or to
168 otherwise reimburse to the state any amount expended on debt service or any other cost of any
169 bonds issued by the state to construct any public sports facility as defined in Section
170 63A-7-103;

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

174 (C) as otherwise appropriated by the Legislature; and

175 (D) unless the Legislature appropriates additional funds from the Olympics Special
176 Revenue Fund to the Utah Sports Authority, the Utah Sports Authority may not expend, loan,
177 or pledge in the aggregate more than:

178 (I) \$59,000,000 of sales and use tax deposited into the Olympics Special Revenue Fund
179 under Subsection (4)(a);

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

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

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

187 (c) A payment of salary, benefits, or administrative costs under Subsection
188 63A-10-103(3) is not considered an expenditure of the Utah Sports Authority.

189 (d) If the Legislature appropriates additional funds under Subsection (4)(b)(i)(D), the
190 authority may not expend, loan, pledge, or enter into any agreement to expend, loan, or pledge
191 the appropriated funds unless the authority:

192 (i) contracts in writing for the full reimbursement of the monies to the Olympics
193 Special Revenue Fund by a public sports entity or other person benefitting from the
194 expenditure; and

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

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

198 (5) (a) (i) Notwithstanding Subsection (3)(a) and except as provided in Subsection
199 (11), ~~[beginning on July 1, 2001, the amount of sales and use tax generated annually by a~~
200 ~~1/16% tax rate on the taxable transactions under Subsection (1)] for fiscal year 2002-03 only,~~
201 the lesser of the following amounts shall be [used] transferred or deposited as provided in
202 Subsections (5)~~(b)~~ (a)(ii) through ~~(g)~~ (vii):

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

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

205 (II) for fiscal year 2002-03; or

206 (B) \$18,743,000.

207 ~~(b)(i)~~ (ii) (A) [Beginning on July 1, 2001] For fiscal year 2002-03 only, \$2,300,000
208 [each year] of the amount described in Subsection (5)(a)(i) shall be transferred as dedicated
209 credits to the Department of Natural Resources to:

210 ~~(A)~~ (I) implement the measures described in Subsections 63-34-14(4)(a) through (d)
211 to protect sensitive plant and animal species; or

212 ~~[(B)]~~ (II) award grants, up to the amount authorized by the Legislature in an
213 appropriations act, to political subdivisions of the state to implement the measures described in
214 Subsections 63-34-14(4)(a) through (d) to protect sensitive plant and animal species.

215 ~~[(ii)]~~ (B) Money transferred to the Department of Natural Resources under Subsection
216 (5)~~[(b)(i)]~~ (a)(ii)(A) may not be used to assist the United States Fish and Wildlife Service or
217 any other person to list or attempt to have listed a species as threatened or endangered under
218 the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

219 ~~[(iii)]~~ (C) At the end of ~~[each]~~ fiscal year 2002-03:

220 ~~[(A)]~~ (I) 50% of any unexpended dedicated credits shall lapse to the Water Resources
221 Conservation and Development Fund created in Section 73-10-24;

222 ~~[(B)]~~ (II) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater
223 Loan Program Subaccount created in Section 73-10c-5; and

224 ~~[(C)]~~ (III) 25% of any unexpended dedicated credits shall lapse to the Drinking Water
225 Loan Program Subaccount created in Section 73-10c-5.

226 ~~[(e)]~~ (iii) ~~[Five hundred thousand dollars each year]~~ For fiscal year 2002-03 only,
227 \$500,000 of the amount described in Subsection (5)(a)(i) shall be deposited in the Agriculture
228 Resource Development Fund created in Section 4-18-6.

229 ~~[(d)(i)]~~ (iv) (A) ~~[One hundred thousand dollars each year]~~ For fiscal year 2002-03
230 only, \$100,000 of the amount described in Subsection (5)(a)(i) shall be transferred as dedicated
231 credits to the Division of Water Rights to cover the costs incurred in hiring legal and technical
232 staff for the adjudication of water rights.

233 ~~[(ii)]~~ (B) At the end of ~~[each]~~ fiscal year 2002-03:

234 ~~[(A)]~~ (I) 50% of any unexpended dedicated credits shall lapse to the Water Resources
235 Conservation and Development Fund created in Section 73-10-24;

236 ~~[(B)]~~ (II) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater
237 Loan Program Subaccount created in Section 73-10c-5; and

238 ~~[(C)]~~ (III) 25% of any unexpended dedicated credits shall lapse to the Drinking Water
239 Loan Program Subaccount created in Section 73-10c-5.

240 ~~[(e)]~~ (v) (A) ~~[Fifty percent]~~ For fiscal year 2002-03 only, 50% of the [remaining]
241 amount [generated by the 1/16% tax rate] described in Subsection (5)(a)(i) that remains after
242 making the transfers and deposits required by Subsections (5)(a)(ii) through (iv) shall be

243 deposited in the Water Resources Conservation and Development Fund created in Section
244 73-10-24 for use by the Division of Water Resources.

245 (B) In addition to the uses allowed of the ~~[fund]~~ Water Resources Conservation and
246 Development Fund under Section 73-10-24, the ~~[fund]~~ Water Resources Conservation and
247 Development Fund may also be used to:

248 ~~[(i)]~~ (I) provide a portion of the local cost share, not to exceed in ~~[any]~~ fiscal year
249 2002-03 50% of the funds made available to the Division of Water Resources under this
250 section, of potential project features of the Central Utah Project;

251 ~~[(ii)]~~ (II) conduct hydrologic and geotechnical investigations by the Department of
252 Natural Resources in a cooperative effort with other state, federal, or local entities, for the
253 purpose of quantifying surface and ground water resources and describing the hydrologic
254 systems of an area in sufficient detail so as to enable local and state resource managers to plan
255 for and accommodate growth in water use without jeopardizing the resource;

256 ~~[(iii)]~~ (III) fund state required dam safety improvements; and

257 ~~[(iv)]~~ (IV) protect the state's interest in interstate water compact allocations, including
258 the hiring of technical and legal staff.

259 ~~[(f)]~~ (vi) ~~[Twenty-five percent]~~ For fiscal year 2002-03 only, 25% of the ~~[remaining]~~
260 amount ~~[generated by the 1/16% tax rate]~~ described in Subsection (5)(a)(i) that remains after
261 making the transfers and deposits required by Subsections (5)(a)(ii) through (iv) shall be
262 deposited in the Utah Wastewater Loan Program Subaccount created in Section 73-10c-5 for
263 use by the Water Quality Board to fund wastewater projects.

264 ~~[(g)]~~ (vii) ~~[Twenty-five percent]~~ For fiscal year 2002-03 only, 25% of the ~~[remaining]~~
265 amount ~~[generated by the 1/16% tax rate]~~ described in Subsection (5)(a)(i) that remains after
266 making the transfers and deposits required by Subsections (5)(a)(ii) through (iv) shall be
267 deposited in the Drinking Water Loan Program Subaccount created in Section 73-10c-5 for use
268 by the Division of Drinking Water to:

269 ~~[(i)]~~ (A) provide for the installation and repair of collection, treatment, storage, and
270 distribution facilities for any public water system, as defined in Section 19-4-102;

271 ~~[(ii)]~~ (B) develop underground sources of water, including springs and wells; and

272 ~~[(iii)]~~ (C) develop surface water sources.

273 (b) (i) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,

274 2003, the lesser of the following amounts shall be used as provided in Subsections (5)(b)(ii)
275 through (vii):

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

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

278 (II) for the fiscal year; or

279 (B) \$17,500,000.

280 (ii) (A) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
281 described in Subsection (5)(b)(i) shall be transferred each year as dedicated credits to the

282 Department of Natural Resources to:

283 (I) implement the measures described in Subsections 63-34-14(4)(a) through (d) to
284 protect sensitive plant and animal species; or

285 (II) award grants, up to the amount authorized by the Legislature in an appropriations
286 act, to political subdivisions of the state to implement the measures described in Subsections
287 63-34-14(4)(a) through (d) to protect sensitive plant and animal species.

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

292 (C) At the end of each fiscal year:

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

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

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

299 (iii) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
300 Subsection (5)(b)(i) shall be deposited each year in the Agriculture Resource Development
301 Fund created in Section 4-18-6.

302 (iv) (A) For a fiscal year beginning on or after July 1, 2003, 1% of the amount
303 described in Subsection (5)(b)(i) shall be transferred each year as dedicated credits to the
304 Division of Water Rights to cover the costs incurred in hiring legal and technical staff for the

305 adjudication of water rights.

306 (B) At the end of each fiscal year:

307 (I) 50% of any unexpended dedicated credits shall lapse to the Water Resources

308 Conservation and Development Fund created in Section 73-10-24;

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

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

313 (v) (A) For a fiscal year beginning on or after July 1, 2003, 41% of the amount
314 described in Subsection (5)(b)(i) shall be deposited in the Water Resources Conservation and
315 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

316 (B) In addition to the uses allowed of the Water Resources Conservation and
317 Development Fund under Section 73-10-24, the Water Resources Conservation and
318 Development Fund may also be used to:

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

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

327 (III) fund state required dam safety improvements; and

328 (IV) protect the state's interest in interstate water compact allocations, including the
329 hiring of technical and legal staff.

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

333 (vii) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount
334 described in Subsection (5)(b)(i) shall be deposited in the Drinking Water Loan Program
335 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:

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

338 (B) develop underground sources of water, including springs and wells; and

339 (C) develop surface water sources.

340 (6) (a) (i) Notwithstanding Subsection (3)(a), [~~beginning on July 1, 2001, the amount~~
341 ~~of sales and use tax generated annually by a 1/16% tax rate on the taxable transactions under~~
342 ~~Subsection (1)] for fiscal year 2002-03 only, the lesser of the following amounts shall be [used]
343 transferred or deposited as provided in Subsections (6)(~~b~~) (a)(ii) through [~~d~~]: (iv):~~

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

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

346 (II) for the fiscal year; or

347 (B) \$18,743,000.

348 [~~b~~](i) (ii) (A) [~~Five hundred thousand dollars each year~~] For fiscal year 2002-03
349 only, \$500,000 of the amount described in Subsection (6)(a)(i) shall be deposited in the
350 Transportation Corridor Preservation Revolving Loan Fund created in Section 72-2-117.

351 [~~ti~~] (B) At least 50% of the money deposited in the Transportation Corridor
352 Preservation Revolving Loan Fund under Subsection (6)(~~b~~)(i) (a)(ii)(A) shall be used to fund
353 loan applications made by the Department of Transportation at the request of local
354 governments.

355 [~~e~~] (iii) [~~From July 1, 1997, through June 30, 2006, \$500,000 each year~~] For fiscal
356 year 2002-03 only, \$500,000 of the amount described in Subsection (6)(a)(i) shall be
357 transferred as nonlapsing dedicated credits to the Department of Transportation for the State
358 Park Access Highways Improvement Program created in Section 72-3-207.

359 [~~d~~] (iv) [~~The remaining~~] For fiscal year 2002-03 only, the amount [generated by the
360 1/16% tax rate] described in Subsection (6)(a)(i) that remains after making the transfers and
361 deposits required by Subsections (6)(a)(ii) and (iii) shall be deposited in the class B and class C
362 roads account to be expended as provided in Title 72, Chapter 2, Transportation Finances Act,
363 for the use of class B and C roads.

364 (b) (i) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
365 2003, the lesser of the following amounts shall be used as provided in Subsections (6)(b)(ii)
366 through (iv):

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

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

369 (II) for the fiscal year; or

370 (B) \$18,743,000.

371 (ii) (A) For a fiscal year beginning on or after July 1, 2003, 3% of the amount

372 described in Subsection (6)(b)(i) shall be deposited each year in the Transportation Corridor

373 Preservation Revolving Loan Fund created in Section 72-2-117.

374 (B) At least 50% of the money deposited in the Transportation Corridor Preservation

375 Revolving Loan Fund under Subsection (6)(b)(ii)(A) shall be used to fund loan applications

376 made by the Department of Transportation at the request of local governments.

377 (iii) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in

378 Subsection (6)(b)(i) shall be transferred each year as nonlapsing dedicated credits to the

379 Department of Transportation for the State Park Access Highways Improvement Program

380 created in Section 72-3-207.

381 (iv) For a fiscal year beginning on or after July 1, 2003, 94% of the amount described

382 in Subsection (6)(b)(i) shall be deposited in the class B and class C roads account to be

383 expended as provided in Title 72, Chapter 2, Transportation Finances Act, for the use of class

384 B and C roads.

385 (7) (a) Notwithstanding Subsection (3)(a), beginning on January 1, 2000, the Division

386 of Finance shall deposit into the Centennial Highway Fund created in Section 72-2-118 a

387 portion of the [~~state sales and use tax~~] taxes listed under Subsection [~~(2)~~] (3)(a) equal to the

388 revenues generated by a 1/64% tax rate on the taxable transactions under Subsection (1).

389 (b) Except for sales and use taxes deposited under Subsection (8), beginning on July 1,

390 1999, the revenues generated by the 1/64% tax rate:

391 (i) retained under Subsection 59-12-204(7)(a) shall be retained by the counties, cities,

392 or towns as provided in Section 59-12-204; and

393 (ii) retained under Subsection 59-12-205(4)(a) shall be distributed to each county, city,

394 and town as provided in Section 59-12-205.

395 (8) Notwithstanding Subsection (3)(a), beginning on July 1, 1999, the commission

396 shall deposit into the Airport to University of Utah Light Rail Restricted Account created in

397 Section 17A-2-1064 the portion of the sales and use tax under Sections 59-12-204 and

398 59-12-205 that is:

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

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

404 (9) (a) Notwithstanding Subsection (3)(a), for fiscal years beginning on or after fiscal
405 year 2002-03, the commission shall on or before September 30 of each year deposit the
406 difference described in Subsection (9)(b) into the Remote Sales Restricted Account created in
407 Section 59-12-103.2 if that difference is greater than \$0.

408 (b) The difference described in Subsection (9)(a) is equal to the difference between:

409 (i) the total amount of revenues under Subsection (2)(c)(i) the commission received
410 from vendors collecting a tax under Subsection 59-12-107(1)(b) for the fiscal year immediately
411 preceding the September 30 described in Subsection (9)(a); and

412 (ii) the total amount of revenues under Subsection (2)(c)(i) the commission estimates
413 that the commission received from vendors described in Subsection 59-12-107(1)(b) for fiscal
414 year 2000-01.

415 (10) (a) For purposes of amounts paid or charged as admission or user fees relating to
416 the Olympic Winter Games of 2002, the amounts are considered to be paid or charged on the
417 day on which the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 or a
418 person designated by the Salt Lake Organizing Committee for the Olympic Winter Games of
419 2002 sends a purchaser confirmation of the purchase of an admission or user fee described in
420 Subsection (1)(f).

421 (b) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
422 commission shall make rules defining what constitutes sending a purchaser confirmation under
423 Subsection (10)(a).

424 ~~[(11) (a) For fiscal year 2001-02 only, the commission shall subtract the following~~
425 ~~amounts from the total amount required to be deposited in accordance with Subsection (5):]~~

426 ~~[(i) \$250,000 shall be subtracted from the total amount required to be deposited into~~
427 ~~the Drinking Water Loan Program Subaccount in accordance with Subsection (5)(g); and]~~

428 ~~[(ii) \$250,000 shall be subtracted from the total amount required to be deposited into~~

429 ~~the Utah Wastewater Loan Program Subaccount in accordance with Subsection (5)(f).]~~

430 ~~(b)~~ (11) (a) For fiscal year 2002-03 only, the following amounts shall be subtracted
431 from the total amount required to be deposited or transferred in accordance with Subsection
432 (5):

433 (i) \$25,000 shall be subtracted from the total amount required to be transferred to the
434 Division of Water Rights in accordance with Subsection (5)(a)(iv);

435 ~~(i)~~ (ii) ~~[\$310,000]~~ \$385,000 shall be subtracted from the total amount required to be
436 deposited into the Agriculture Resource Development Fund in accordance with Subsection
437 (5)~~(c)~~ (a)(iii);

438 (iii) \$350,000 shall be subtracted from the total amount required to be transferred to the
439 Department of Natural Resources in accordance with Subsection (5)(a)(ii);

440 ~~(ii)~~ (iv) ~~[\$2,500,000]~~ \$3,012,500 shall be subtracted from the total amount required
441 to be deposited into the Drinking Water Loan Program Subaccount in accordance with
442 Subsection (5)~~(g)~~ (a)(vii);

443 ~~(iii)~~ (v) ~~[\$2,500,000]~~ \$3,012,500 shall be subtracted from the total amount required
444 to be deposited into the Utah Wastewater Loan Program Subaccount in accordance with
445 Subsection (5)~~(f)~~ (a)(vi); and

446 ~~(iv)~~ (vi) ~~[\$4,690,000]~~ \$5,715,000 shall be subtracted from the total amount required
447 to be deposited into the Water Resources Conservation and Development Fund in accordance
448 with Subsection (5)~~(e)~~ (a)(v).

449 ~~(e)~~ (b) The amounts subtracted under Subsection (11)(a) ~~or (b)~~ shall be deposited
450 into the General Fund.

451 Section 2. **Effective date.**

452 If approved by two-thirds of all the members elected to each house, this act takes effect
453 upon approval by the governor, or the day following the constitutional time limit of Utah
454 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
455 the date of veto override.