

28 **59-5-115. Disposition of taxes collected.**

29 (1) ~~[AH] Except as provided in Subsection (2), all taxes imposed and collected under~~
30 Section 59-5-102 shall be:

31 (a) paid to the commission~~[-and];~~

32 (b) promptly remitted to the state treasurer~~[-];~~ and ~~[except those taxes otherwise~~
33 ~~allocated under Section 59-5-116 or 59-5-119;]~~

34 (c) credited to the General Fund.

35 (2) (a) Notwithstanding Subsection (1), the commission shall deposit the amount
36 required by:

37 (i) Section 59-5-116 into the Uintah Basin Revitalization Fund; and

38 (ii) Section 59-5-119 into the Navajo Revitalization Fund.

39 (b) (i) Notwithstanding Subsection (1), after the deposits required by Subsection (2)(a)
40 are made, for revenues generated by taxes under Section 59-5-102 that are collected for
41 calendar years beginning on or after January 1, 2006, the commission shall, on or after the June
42 1 but before the September 1 of the year after the calendar year for which the revenues are
43 collected, distribute 25% of the revenues generated by the taxes to the counties in which oil or
44 gas is produced as provided in Subsection (2)(b)(ii).

45 (ii) A county described in Subsection (2)(b)(i) shall receive a percentage of the
46 revenues described in Subsection (2)(b)(i) in the same proportion that production volumes for
47 oil and gas within that county that are reported to the division for the calendar year for which
48 the revenues are collected bear to the total production volumes for oil and gas within the state
49 that are reported to the division for that same calendar year.

50 (iii) A county that receives a distribution of revenues under this Subsection (2)(b) shall
51 expend the revenues as determined by the county legislative body.

52 (iv) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
53 the commission may by rule prescribe procedures for making the distributions required by this
54 Subsection (2)(b).

Legislative Review Note

as of 2-8-05 9:17 AM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number SB0063**Severance Tax Amendments***11-Feb-05**12:09 PM*

State Impact

Passage of this bill could result in a loss to the General Fund of \$5,500,000 in FY 2006 and \$11,000,000 in FY 2007. Local revenues will increase accordingly.

	<u>FY 2006</u> <u>Approp.</u>	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2006</u> <u>Revenue</u>	<u>FY 2007</u> <u>Revenue</u>
General Fund	\$0	\$0	(\$5,500,000)	(\$11,000,000)
Local Revenue	\$0	\$0	\$5,500,000	\$1,100,000
TOTAL	\$0	\$0	\$0	(\$9,900,000)

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst