

- 30 **59-12-806**, as last amended by Laws of Utah 2008, Chapters 382 and 384
- 31 **59-12-1102**, as last amended by Laws of Utah 2011, Chapter 309
- 32 **59-12-1302**, as last amended by Laws of Utah 2011, Chapter 309
- 33 **59-12-1402**, as last amended by Laws of Utah 2011, Chapter 416
- 34 **59-12-1803**, as last amended by Laws of Utah 2008, Chapters 382 and 384
- 35 **59-12-2004**, as last amended by Laws of Utah 2011, Chapter 309
- 36 **59-12-2103**, as last amended by Laws of Utah 2011, Chapters 198 and 309
- 37 **59-12-2209**, as enacted by Laws of Utah 2010, Chapter 263

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

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

41 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
 42 **tax revenues.**

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

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

46 (b) amounts paid for:

47 (i) telecommunications service, other than mobile telecommunications service, that
 48 originates and terminates within the boundaries of this state;

49 (ii) mobile telecommunications service that originates and terminates within the
 50 boundaries of one state only to the extent permitted by the Mobile Telecommunications
 51 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

52 (iii) an ancillary service associated with a:

53 (A) telecommunications service described in Subsection (1)(b)(i); or

54 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

55 (c) sales of the following for commercial use:

56 (i) gas;

57 (ii) electricity;

- 58 (iii) heat;
- 59 (iv) coal;
- 60 (v) fuel oil; or
- 61 (vi) other fuels;
- 62 (d) sales of the following for residential use:
- 63 (i) gas;
- 64 (ii) electricity;
- 65 (iii) heat;
- 66 (iv) coal;
- 67 (v) fuel oil; or
- 68 (vi) other fuels;
- 69 (e) sales of prepared food;
- 70 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 71 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
- 72 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
- 73 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
- 74 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
- 75 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
- 76 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
- 77 horseback rides, sports activities, or any other amusement, entertainment, recreation,
- 78 exhibition, cultural, or athletic activity;
- 79 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 80 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
- 81 (i) the tangible personal property; and
- 82 (ii) parts used in the repairs or renovations of the tangible personal property described
- 83 in Subsection (1)(g)(i), whether or not any parts are actually used in the repairs or renovations
- 84 of that tangible personal property;
- 85 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for

86 assisted cleaning or washing of tangible personal property;

87 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court

88 accommodations and services that are regularly rented for less than 30 consecutive days;

89 (j) amounts paid or charged for laundry or dry cleaning services;

90 (k) amounts paid or charged for leases or rentals of tangible personal property if within

91 this state the tangible personal property is:

92 (i) stored;

93 (ii) used; or

94 (iii) otherwise consumed;

95 (l) amounts paid or charged for tangible personal property if within this state the

96 tangible personal property is:

97 (i) stored;

98 (ii) used; or

99 (iii) consumed; and

100 (m) amounts paid or charged for a sale:

101 (i) (A) of a product transferred electronically; or

102 (B) of a repair or renovation of a product transferred electronically; and

103 (ii) regardless of whether the sale provides:

104 (A) a right of permanent use of the product; or

105 (B) a right to use the product that is less than a permanent use, including a right:

106 (I) for a definite or specified length of time; and

107 (II) that terminates upon the occurrence of a condition.

108 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax

109 is imposed on a transaction described in Subsection (1) equal to the sum of:

110 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

111 (A) 4.70%; and

112 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales

113 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211

114 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
115 State Sales and Use Tax Act; and

116 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
117 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
118 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
119 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

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

122 (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed
123 on a transaction described in Subsection (1)(d) equal to the sum of:

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

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

127 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed
128 on amounts paid or charged for food and food ingredients equal to the sum of:

129 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
130 a tax rate of 1.75%; and

131 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
132 amounts paid or charged for food and food ingredients under this chapter other than this part.

133 (d) (i) For a bundled transaction that is attributable to food and food ingredients and
134 tangible personal property other than food and food ingredients, a state tax and a local tax is
135 imposed on the entire bundled transaction equal to the sum of:

136 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

137 (I) the tax rate described in Subsection (2)(a)(i)(A); and

138 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
139 Sales and Use Tax Act, if the location of the transaction as determined under Sections

140 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
141 Additional State Sales and Use Tax Act; and

142 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
143 Sales and Use Tax Act, if the location of the transaction as determined under Sections
144 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
145 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

146 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
147 described in Subsection (2)(a)(ii).

148 (ii) Subject to Subsection (2)(d)(iii), for a bundled transaction other than a bundled
149 transaction described in Subsection (2)(d)(i):

150 (A) if the sales price of the bundled transaction is attributable to tangible personal
151 property, a product, or a service that is subject to taxation under this chapter and tangible
152 personal property, a product, or service that is not subject to taxation under this chapter, the
153 entire bundled transaction is subject to taxation under this chapter unless:

154 (I) the seller is able to identify by reasonable and verifiable standards the tangible
155 personal property, product, or service that is not subject to taxation under this chapter from the
156 books and records the seller keeps in the seller's regular course of business; or

157 (II) state or federal law provides otherwise; or

158 (B) if the sales price of a bundled transaction is attributable to two or more items of
159 tangible personal property, products, or services that are subject to taxation under this chapter
160 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
161 higher tax rate unless:

162 (I) the seller is able to identify by reasonable and verifiable standards the tangible
163 personal property, product, or service that is subject to taxation under this chapter at the lower
164 tax rate from the books and records the seller keeps in the seller's regular course of business; or

165 (II) state or federal law provides otherwise.

166 (iii) For purposes of Subsection (2)(d)(ii), books and records that a seller keeps in the
167 seller's regular course of business includes books and records the seller keeps in the regular
168 course of business for nontax purposes.

169 (e) Subject to Subsections (2)(f) and (g), a tax rate repeal or tax rate change for a tax

170 rate imposed under the following shall take effect on the first day of a calendar quarter:

- 171 (i) Subsection (2)(a)(i)(A);
- 172 (ii) Subsection (2)(b)(i);
- 173 (iii) Subsection (2)(c)(i); or
- 174 (iv) Subsection (2)(d)(i)(A)(I).

175 (f) (i) A tax rate increase [~~shall take~~ takes effect on the first day of the first billing
176 period that begins on or after the effective date of the tax rate increase if the billing period for
177 the transaction begins before the effective date of a tax rate increase imposed under:

- 178 (A) Subsection (2)(a)(i)(A);
- 179 (B) Subsection (2)(b)(i);
- 180 (C) Subsection (2)(c)(i); or
- 181 (D) Subsection (2)(d)(i)(A)(I).

182 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
183 ~~billing period that began before the effective date of the repeal of the tax or the tax rate~~
184 ~~decrease if the billing period for the transaction begins before~~ applies to a billing period if the
185 billing statement for the billing period is rendered on or after the effective date of the repeal of
186 the tax or the tax rate decrease imposed under:

- 187 (A) Subsection (2)(a)(i)(A);
- 188 (B) Subsection (2)(b)(i);
- 189 (C) Subsection (2)(c)(i); or
- 190 (D) Subsection (2)(d)(i)(A)(I).

191 (g) (i) For a tax rate described in Subsection (2)(g)(ii), if a tax due on a catalogue sale
192 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
193 or change in a tax rate takes effect:

- 194 (A) on the first day of a calendar quarter; and
- 195 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

196 (ii) Subsection (2)(g)(i) applies to the tax rates described in the following:

- 197 (A) Subsection (2)(a)(i)(A);

- 198 (B) Subsection (2)(b)(i);
- 199 (C) Subsection (2)(c)(i); or
- 200 (D) Subsection (2)(d)(i)(A)(I).

201 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
202 the commission may by rule define the term "catalogue sale."

203 (3) (a) The following state taxes shall be deposited into the General Fund:

- 204 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 205 (ii) the tax imposed by Subsection (2)(b)(i);
- 206 (iii) the tax imposed by Subsection (2)(c)(i); or
- 207 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

208 (b) The following local taxes shall be distributed to a county, city, or town as provided
209 in this chapter:

- 210 (i) the tax imposed by Subsection (2)(a)(ii);
- 211 (ii) the tax imposed by Subsection (2)(b)(ii);
- 212 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 213 (iv) the tax imposed by Subsection (2)(d)(i)(B).

214 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
215 2003, the lesser of the following amounts shall be used as provided in Subsections (4)(b)
216 through (g):

- 217 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
 - 218 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
 - 219 (B) for the fiscal year; or
- 220 (ii) \$17,500,000.

221 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
222 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the
223 Department of Natural Resources to:

- 224 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
225 protect sensitive plant and animal species; or

226 (B) award grants, up to the amount authorized by the Legislature in an appropriations
227 act, to political subdivisions of the state to implement the measures described in Subsections
228 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

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

233 (iii) At the end of each fiscal year:

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

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

240 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
241 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
242 created in Section 4-18-6.

243 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
244 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water
245 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of
246 water rights.

247 (ii) At the end of each fiscal year:

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

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

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

254 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
255 in Subsection (4)(a) shall be deposited in the Water Resources Conservation and Development
256 Fund created in Section 73-10-24 for use by the Division of Water Resources.

257 (ii) In addition to the uses allowed of the Water Resources Conservation and
258 Development Fund under Section 73-10-24, the Water Resources Conservation and
259 Development Fund may also be used to:

260 (A) conduct hydrologic and geotechnical investigations by the Division of Water
261 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
262 quantifying surface and ground water resources and describing the hydrologic systems of an
263 area in sufficient detail so as to enable local and state resource managers to plan for and
264 accommodate growth in water use without jeopardizing the resource;

265 (B) fund state required dam safety improvements; and

266 (C) protect the state's interest in interstate water compact allocations, including the
267 hiring of technical and legal staff.

268 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
269 in Subsection (4)(a) shall be deposited in the Utah Wastewater Loan Program Subaccount
270 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

271 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
272 in Subsection (4)(a) shall be deposited in the Drinking Water Loan Program Subaccount
273 created in Section 73-10c-5 for use by the Division of Drinking Water to:

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

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

277 (iii) develop surface water sources.

278 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
279 2006, the difference between the following amounts shall be expended as provided in this
280 Subsection (5), if that difference is greater than \$1:

281 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the

282 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

283 (ii) \$17,500,000.

284 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

285 (A) transferred each fiscal year to the Department of Natural Resources as dedicated
286 credits; and

287 (B) expended by the Department of Natural Resources for watershed rehabilitation or
288 restoration.

289 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
290 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund
291 created in Section 73-10-24.

292 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
293 remaining difference described in Subsection (5)(a) shall be:

294 (A) transferred each fiscal year to the Division of Water Resources as dedicated
295 credits; and

296 (B) expended by the Division of Water Resources for cloud-seeding projects
297 authorized by Title 73, Chapter 15, Modification of Weather.

298 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
299 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund
300 created in Section 73-10-24.

301 (d) After making the transfers required by Subsections (5)(b) and (c), 94% of the
302 remaining difference described in Subsection (5)(a) shall be deposited into the Water
303 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
304 Division of Water Resources for:

305 (i) preconstruction costs:

306 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
307 26, Bear River Development Act; and

308 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
309 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

310 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
311 Chapter 26, Bear River Development Act;

312 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
313 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

314 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, 73-10-30, and
315 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

316 (e) After making the transfers required by Subsections (5)(b) and (c) and subject to
317 Subsection (5)(f), 6% of the remaining difference described in Subsection (5)(a) shall be
318 transferred each year as dedicated credits to the Division of Water Rights to cover the costs
319 incurred for employing additional technical staff for the administration of water rights.

320 (f) At the end of each fiscal year, any unexpended dedicated credits described in
321 Subsection (5)(e) over \$150,000 lapse to the Water Resources Conservation and Development
322 Fund created in Section 73-10-24.

323 (6) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
324 2003, and for taxes listed under Subsection (3)(a), the amount of revenue generated by a 1/16%
325 tax rate on the transactions described in Subsection (1) for the fiscal year shall be deposited in
326 the Transportation Fund created by Section 72-2-102.

327 (7) (a) Notwithstanding Subsection (3)(a) and until Subsection (7)(b) applies,
328 beginning on January 1, 2000, the Division of Finance shall deposit into the Centennial
329 Highway Fund Restricted Account created in Section 72-2-118 a portion of the taxes listed
330 under Subsection (3)(a) equal to the revenues generated by a 1/64% tax rate on the taxable
331 transactions under Subsection (1).

332 (b) Notwithstanding Subsection (3)(a), when the highway general obligation bonds
333 have been paid off and the highway projects completed that are intended to be paid from
334 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the
335 Executive Appropriations Committee under Subsection 72-2-118(6)(d), the Division of
336 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section
337 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to the revenues generated

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

339 (8) (a) Notwithstanding Subsection (3)(a) and in addition to the amount deposited in
340 Subsection (7)(a), for the 2010-11 fiscal year only, the Division of Finance shall deposit into
341 the Centennial Highway Fund Restricted Account created by Section 72-2-118 a portion of the
342 taxes listed under Subsection (3)(a) equal to 1.93% of the revenues collected from the
343 following taxes, which represents a portion of the approximately 17% of sales and use tax
344 revenues generated annually by the sales and use tax on vehicles and vehicle-related products:

- 345 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 346 (ii) the tax imposed by Subsection (2)(b)(i);
- 347 (iii) the tax imposed by Subsection (2)(c)(i); and
- 348 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

349 (b) Notwithstanding Subsection (3)(a), in addition to the amount deposited in
350 Subsection (7)(a), and until Subsection (8)(c) applies, for the 2011-12 fiscal year only, the
351 Division of Finance shall deposit into the Centennial Highway Fund Restricted Account
352 created by Section 72-2-118 a portion of the taxes listed under Subsection (3)(a) equal to 8.3%
353 of the revenues collected from the following taxes, which represents a portion of the
354 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
355 on vehicles and vehicle-related products:

- 356 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 357 (ii) the tax imposed by Subsection (2)(b)(i);
- 358 (iii) the tax imposed by Subsection (2)(c)(i); and
- 359 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

360 (c) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
361 Subsection (7)(b), and until Subsection (8)(d) or (e) applies, when the highway general
362 obligation bonds have been paid off and the highway projects completed that are intended to be
363 paid from revenues deposited in the Centennial Highway Fund Restricted Account as
364 determined by the Executive Appropriations Committee under Subsection 72-2-118(6)(d), the
365 Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by

366 Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to 8.3% of the
367 revenues collected from the following taxes, which represents a portion of the approximately
368 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and
369 vehicle-related products:

- 370 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 371 (ii) the tax imposed by Subsection (2)(b)(i);
- 372 (iii) the tax imposed by Subsection (2)(c)(i); and
- 373 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

374 (d) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
375 Subsection (7)(a), until Subsection (8)(e) applies, and subject to Subsection (8)(f), for a fiscal
376 year beginning on or after July 1, 2012, the Division of Finance shall deposit into the
377 Centennial Highway Fund Restricted Account created by Section 72-2-118:

378 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
379 the revenues collected from the following taxes, which represents a portion of the
380 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
381 on vehicles and vehicle-related products:

- 382 (A) the tax imposed by Subsection (2)(a)(i)(A);
- 383 (B) the tax imposed by Subsection (2)(b)(i);
- 384 (C) the tax imposed by Subsection (2)(c)(i); and
- 385 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

386 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
387 current fiscal year from the sales and use taxes described in Subsections (8)(d)(i)(A) through
388 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
389 (8)(d)(i)(A) through (D) in the 2010-11 fiscal year.

390 (e) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
391 Subsection (7)(b), and subject to Subsection (8)(f), when the highway general obligation bonds
392 have been paid off and the highway projects completed that are intended to be paid from
393 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the

394 Executive Appropriations Committee under Subsection 72-2-118(6)(d), for a fiscal year
395 beginning on or after July 1, 2012, the Division of Finance shall deposit into the Transportation
396 Investment Fund of 2005 created by Section 72-2-124:

397 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
398 the revenues collected from the following taxes, which represents a portion of the
399 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
400 on vehicles and vehicle-related products:

- 401 (A) the tax imposed by Subsection (2)(a)(i)(A);
- 402 (B) the tax imposed by Subsection (2)(b)(i);
- 403 (C) the tax imposed by Subsection (2)(c)(i); and
- 404 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

405 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
406 current fiscal year from the sales and use taxes described in Subsections (8)(e)(i)(A) through
407 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
408 (8)(e)(i)(A) through (D) in the 2010-11 fiscal year.

409 (f) (i) Subject to Subsections (8)(f)(ii) and (iii), in any fiscal year that the portion of the
410 sales and use taxes deposited under Subsection (8)(d) or (e) represents an amount that is a total
411 lower percentage of the sales and use taxes described in Subsections (8)(e)(i)(A) through (D)
412 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
413 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
414 (8)(d) or (e) equal to the product of:

- 415 (A) the total percentage of sales and use taxes deposited under Subsection (8)(d) or (e)
416 in the previous fiscal year; and
- 417 (B) the total sales and use tax revenue generated by the taxes described in Subsections
418 (8)(e)(i)(A) through (D) in the current fiscal year.

419 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
420 Subsection (8)(d) or (e) would exceed 17% of the revenues collected from the sales and use
421 taxes described in Subsections (8)(e)(i)(A) through (D) in the current fiscal year, the Division

422 of Finance shall deposit 17% of the revenues collected from the sales and use taxes described
423 in Subsections (8)(e)(i)(A) through (D) for the current fiscal year under Subsection (8)(d) or
424 (e).

425 (iii) In all subsequent fiscal years after a year in which 17% of the revenues collected
426 from the sales and use taxes described in Subsections (8)(e)(i)(A) through (D) was deposited
427 under Subsection (8)(d) or (e), the Division of Finance shall annually deposit 17% of the
428 revenues collected from the sales and use taxes described in Subsections (8)(e)(i)(A) through
429 (D) in the current fiscal year under Subsection (8)(d) or (e).

430 (9) (a) Notwithstanding Subsection (3)(a) and for the fiscal year 2008-09 only, the
431 Division of Finance shall deposit \$55,000,000 of the revenues generated by the taxes listed
432 under Subsection (3)(a) into the Critical Highway Needs Fund created by Section 72-2-125.

433 (b) Notwithstanding Subsection (3)(a) and until Subsection (9)(c) applies, for a fiscal
434 year beginning on or after July 1, 2009, the Division of Finance shall annually deposit
435 \$90,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the
436 Critical Highway Needs Fund created by Section 72-2-125.

437 (c) Notwithstanding Subsection (3)(a) and in addition to any amounts deposited under
438 Subsections (7) and (8), when the general obligation bonds authorized by Section 63B-16-101
439 have been paid off and the highway projects completed that are included in the prioritized
440 project list under Subsection 72-2-125(4) as determined in accordance with Subsection
441 72-2-125(6), the Division of Finance shall annually deposit \$90,000,000 of the revenues
442 generated by the taxes listed under Subsection (3)(a) into the Transportation Investment Fund
443 of 2005 created by Section 72-2-124.

444 (10) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
445 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
446 created by Section 9-4-1409 and expended as provided in Section 9-4-1409.

447 (11) (a) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection
448 (11)(a)(ii), and until Subsection (11)(b) applies, beginning on January 1, 2009, the Division of
449 Finance shall deposit into the Critical Highway Needs Fund created by Section 72-2-125 the

450 amount of tax revenue generated by a .025% tax rate on the transactions described in
451 Subsection (1).

452 (ii) For purposes of Subsection (11)(a)(i), the Division of Finance may not deposit into
453 the Critical Highway Needs Fund any tax revenue generated by amounts paid or charged for
454 food and food ingredients, except for tax revenue generated by a bundled transaction
455 attributable to food and food ingredients and tangible personal property other than food and
456 food ingredients described in Subsection (2)~~(c)~~(d).

457 (b) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection (11)(b)(ii),
458 and in addition to any amounts deposited under Subsections (7), (9), and (10), when the general
459 obligation bonds authorized by Section 63B-16-101 have been paid off and the highway
460 projects completed that are included in the prioritized project list under Subsection 72-2-125(4)
461 as determined in accordance with Subsection 72-2-125(6), the Division of Finance shall
462 deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the
463 amount of tax revenue generated by a .025% tax rate on the transactions described in
464 Subsection (1).

465 (ii) For purposes of Subsection (11)(b)(i), the Division of Finance may not deposit into
466 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or
467 charged for food and food ingredients, except for tax revenue generated by a bundled
468 transaction attributable to food and food ingredients and tangible personal property other than
469 food and food ingredients described in Subsection (2)~~(c)~~(d).

470 (12) (a) Notwithstanding Subsection (3)(a), and except as provided in Subsection
471 (12)(b), beginning on January 1, 2009, the Division of Finance shall deposit into the
472 Transportation Fund created by Section 72-2-102 the amount of tax revenue generated by a
473 .025% tax rate on the transactions described in Subsection (1) to be expended to address
474 chokepoints in construction management.

475 (b) For purposes of Subsection (12)(a), the Division of Finance may not deposit into
476 the Transportation Fund any tax revenue generated by amounts paid or charged for food and
477 food ingredients, except for tax revenue generated by a bundled transaction attributable to food

478 and food ingredients and tangible personal property other than food and food ingredients
479 described in Subsection (2)~~(c)~~(d).

480 Section 2. Section 59-12-208.1 is amended to read:

481 **59-12-208.1. Enactment or repeal of tax -- Effective date -- Notice requirements.**

482 (1) For purposes of this section:

483 (a) "Annexation" means an annexation to:

484 (i) a county under Title 17, Chapter 2, ~~[Annexation to]~~ County Consolidations and
485 Annexations; or

486 (ii) a city or town under Title 10, Chapter 2, Part 4, Annexation.

487 (b) "Annexing area" means an area that is annexed into a county, city, or town.

488 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after July 1, 2004, a
489 county, city, or town enacts or repeals a tax under this part, the enactment or repeal shall take
490 effect:

491 (i) on the first day of a calendar quarter; and

492 (ii) after a 90-day period beginning on the date the commission receives notice meeting
493 the requirements of Subsection (2)(b) from the county, city, or town.

494 (b) The notice described in Subsection (2)(a)(ii) shall state:

495 (i) that the county, city, or town will enact or repeal a tax under this part;

496 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);

497 (iii) the effective date of the tax described in Subsection (2)(b)(i); and

498 (iv) if the county, city, or town enacts the tax described in Subsection (2)(b)(i), the rate
499 of the tax.

500 (c) (i) The enactment of a tax ~~[shall take]~~ takes effect on the first day of the first billing
501 period:

502 (A) that begins on or after the effective date of the enactment of the tax; and

503 (B) if the billing period for the transaction begins before the effective date of the
504 enactment of the tax under Section 59-12-204.

505 (ii) The repeal of a tax ~~[shall take effect on the first day of the last billing period:(A)-~~

506 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
507 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing
508 period is rendered on or after the effective date of the repeal of the tax imposed under Section
509 59-12-204.

510 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
511 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
512 Subsection (2)(a) takes effect:

513 (A) on the first day of a calendar quarter; and

514 (B) beginning 60 days after the effective date of the enactment or repeal under
515 Subsection (2)(a).

516 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
517 commission may by rule define the term "catalogue sale."

518 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
519 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
520 part for an annexing area, the enactment or repeal shall take effect:

521 (i) on the first day of a calendar quarter; and

522 (ii) after a 90-day period beginning on the date the commission receives notice meeting
523 the requirements of Subsection (3)(b) from the county, city, or town that annexes the annexing
524 area.

525 (b) The notice described in Subsection (3)(a)(ii) shall state:

526 (i) that the annexation described in Subsection (3)(a) will result in an enactment or
527 repeal of a tax under this part for the annexing area;

528 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

529 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

530 (iv) the rate of the tax described in Subsection (3)(b)(i).

531 (c) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
532 period:

533 (A) that begins on or after the effective date of the enactment of the tax; and

534 (B) if the billing period for the transaction begins before the effective date of the
535 enactment of the tax under Section 59-12-204.

536 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period:(A)-~~
537 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
538 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing
539 period is rendered on or after the effective date of the repeal of the tax imposed under Section
540 59-12-204.

541 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
542 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
543 Subsection (3)(a) takes effect:

544 (A) on the first day of a calendar quarter; and

545 (B) beginning 60 days after the effective date of the enactment or repeal under
546 Subsection (3)(a).

547 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
548 commission may by rule define the term "catalogue sale."

549 Section 3. Section **59-12-403** is amended to read:

550 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**
551 **Notice requirements -- Administration, collection, and enforcement of tax --**
552 **Administrative charge.**

553 (1) For purposes of this section:

554 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
555 4, Annexation.

556 (b) "Annexing area" means an area that is annexed into a city or town.

557 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a
558 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
559 repeal, or change shall take effect:

560 (i) on the first day of a calendar quarter; and

561 (ii) after a 90-day period beginning on the date the commission receives notice meeting

562 the requirements of Subsection (2)(b) from the city or town.

563 (b) The notice described in Subsection (2)(a)(ii) shall state:

564 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this
565 part;

566 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);

567 (iii) the effective date of the tax described in Subsection (2)(b)(i); and

568 (iv) if the city or town enacts the tax or changes the rate of the tax described in
569 Subsection (2)(b)(i), the rate of the tax.

570 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
571 day of the first billing period:

572 (A) that begins on or after the effective date of the enactment of the tax or the tax rate
573 increase; and

574 (B) if the billing period for the transaction begins before the effective date of the
575 enactment of the tax or the tax rate increase imposed under:

576 (I) Section 59-12-401; or

577 (II) Section 59-12-402.

578 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
579 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
580 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
581 period if the billing statement for the billing period is rendered on or after the effective date of
582 the repeal of the tax or the tax rate decrease imposed under:

583 [~~(A)~~] (A) Section 59-12-401; or

584 [~~(B)~~] (B) Section 59-12-402.

585 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
586 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
587 a tax described in Subsection (2)(a) takes effect:

588 (A) on the first day of a calendar quarter; and

589 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the

590 rate of the tax under Subsection (2)(a).

591 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
592 commission may by rule define the term "catalogue sale."

593 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
594 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
595 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
596 effect:

597 (i) on the first day of a calendar quarter; and

598 (ii) after a 90-day period beginning on the date the commission receives notice meeting
599 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

600 (b) The notice described in Subsection (3)(a)(ii) shall state:

601 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
602 repeal, or change in the rate of a tax under this part for the annexing area;

603 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

604 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

605 (iv) if the city or town enacts the tax or changes the rate of the tax described in
606 Subsection (3)(b)(i), the rate of the tax.

607 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
608 day of the first billing period:

609 (A) that begins on or after the effective date of the enactment of the tax or the tax rate
610 increase; and

611 (B) if the billing period for the transaction begins before the effective date of the
612 enactment of the tax or the tax rate increase imposed under:

613 (I) Section 59-12-401; or

614 (II) Section 59-12-402.

615 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
616 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
617 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing

618 period if the billing statement for the billing period is rendered on or after the effective date of
619 the repeal of the tax or the tax rate decrease imposed under:

620 [~~(F)~~] (A) Section 59-12-401; or

621 [~~(H)~~] (B) Section 59-12-402.

622 (d) (i) Notwithstanding Subsection (3)(a), if a tax due under this chapter on a catalogue
623 sale is computed on the basis of sales and use tax rates published in the catalogue, an
624 enactment, repeal, or change in the rate of a tax described in Subsection (3)(a) takes effect:

625 (A) on the first day of a calendar quarter; and

626 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
627 rate of the tax under Subsection (3)(a).

628 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
629 commission may by rule define the term "catalogue sale."

630 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be
631 administered, collected, and enforced in accordance with:

632 (i) the same procedures used to administer, collect, and enforce the tax under:

633 (A) Part 1, Tax Collection; or

634 (B) Part 2, Local Sales and Use Tax Act; and

635 (ii) Chapter 1, General Taxation Policies.

636 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
637 Subsections 59-12-205(2) through (6).

638 (5) The commission shall retain and deposit an administrative charge in accordance
639 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

640 Section 4. Section **59-12-703** is amended to read:

641 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**

642 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**

643 **-- Notice requirements.**

644 (1) (a) Subject to the other provisions of this section, a county legislative body may
645 submit an opinion question to the residents of that county, by majority vote of all members of

646 the legislative body, so that each resident of the county, except residents in municipalities that
647 have already imposed a sales and use tax under Part 14, City or Town Option Funding For
648 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an
649 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
650 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

651 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
652 organizations, cultural organizations, and zoological organizations, and rural radio stations, in
653 that county; or

654 (ii) provide funding for a botanical organization, cultural organization, or zoological
655 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
656 furtherance of the botanical organization's, cultural organization's, or zoological organization's
657 primary purpose.

658 (b) The opinion question required by this section shall state:

659 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and
660 use tax for (list the purposes for which the revenues collected from the sales and use tax shall
661 be expended)?"

662 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax
663 under this section on:

664 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
665 are exempt from taxation under Section 59-12-104;

666 (ii) sales and uses within municipalities that have already imposed a sales and use tax
667 under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and
668 Zoological Organizations or Facilities; and

669 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
670 food ingredients.

671 (d) For purposes of this Subsection (1), the location of a transaction shall be
672 determined in accordance with Sections 59-12-211 through 59-12-215.

673 (e) A county legislative body imposing a tax under this section shall impose the tax on

674 amounts paid or charged for food and food ingredients if the food and food ingredients are sold
675 as part of a bundled transaction attributable to food and food ingredients and tangible personal
676 property other than food and food ingredients.

677 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local
678 Government Bonding Act.

679 (2) (a) If the county legislative body determines that a majority of the county's
680 registered voters voting on the imposition of the tax have voted in favor of the imposition of
681 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a
682 majority vote of all members of the legislative body on the transactions:

683 (i) described in Subsection (1); and

684 (ii) within the county, including the cities and towns located in the county, except those
685 cities and towns that have already imposed a sales and use tax under Part 14, City or Town
686 Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or
687 Facilities.

688 (b) A county legislative body may revise county ordinances to reflect statutory changes
689 to the distribution formula or eligible recipients of revenues generated from a tax imposed
690 under Subsection (2)(a):

691 (i) after the county legislative body submits an opinion question to residents of the
692 county in accordance with Subsection (1) giving them the opportunity to express their opinion
693 on the proposed revisions to county ordinances; and

694 (ii) if the county legislative body determines that a majority of those voting on the
695 opinion question have voted in favor of the revisions.

696 (3) Subject to Section 59-12-704, revenues collected from a tax imposed under
697 Subsection (2) shall be expended:

698 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
699 within the county or a city or town located in the county, except a city or town that has already
700 imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical,
701 Cultural, Recreational, and Zoological Organizations or Facilities;

702 (b) to fund ongoing operating expenses of:
703 (i) recreational facilities described in Subsection (3)(a);
704 (ii) botanical organizations, cultural organizations, and zoological organizations within
705 the county; and
706 (iii) rural radio stations within the county; and
707 (c) as stated in the opinion question described in Subsection (1).
708 (4) (a) A tax authorized under this part shall be:
709 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
710 accordance with:
711 (A) the same procedures used to administer, collect, and enforce the tax under:
712 (I) Part 1, Tax Collection; or
713 (II) Part 2, Local Sales and Use Tax Act; and
714 (B) Chapter 1, General Taxation Policies; and
715 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
716 period in accordance with this section.
717 (b) A tax under this part is not subject to Subsections 59-12-205(2) through (6).
718 (5) (a) For purposes of this Subsection (5):
719 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
720 County Annexation.
721 (ii) "Annexing area" means an area that is annexed into a county.
722 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
723 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:
724 (A) on the first day of a calendar quarter; and
725 (B) after a 90-day period beginning on the date the commission receives notice meeting
726 the requirements of Subsection (5)(b)(ii) from the county.
727 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
728 (A) that the county will enact or repeal a tax under this part;
729 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

730 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

731 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the
732 tax.

733 (c) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
734 period:

735 (A) that begins on or after the effective date of the enactment of the tax; and

736 (B) if the billing period for the transaction begins before the effective date of the
737 enactment of the tax under this section.

738 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period: (A)~~
739 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
740 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing
741 period is rendered on or after the effective date of the repeal of the tax imposed under this
742 section.

743 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
744 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
745 Subsection (5)(b)(i) takes effect:

746 (A) on the first day of a calendar quarter; and

747 (B) beginning 60 days after the effective date of the enactment or repeal under
748 Subsection (5)(b)(i).

749 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
750 commission may by rule define the term "catalogue sale."

751 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
752 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
753 part for an annexing area, the enactment or repeal shall take effect:

754 (A) on the first day of a calendar quarter; and

755 (B) after a 90-day period beginning on the date the commission receives notice meeting
756 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

757 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

758 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
759 repeal of a tax under this part for the annexing area;

760 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

761 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

762 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

763 (f) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
764 period:

765 (A) that begins on or after the effective date of the enactment of the tax; and

766 (B) if the billing period for the transaction begins before the effective date of the
767 enactment of the tax under this section.

768 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period: (A)~~
769 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
770 ~~transaction begins before~~] applies to a billing period if the billing statement for the billing
771 period is rendered on or after the effective date of the repeal of the tax imposed under this
772 section.

773 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
774 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
775 Subsection (5)(e)(i) takes effect:

776 (A) on the first day of a calendar quarter; and

777 (B) beginning 60 days after the effective date of the enactment or repeal under
778 Subsection (5)(e)(i).

779 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
780 commission may by rule define the term "catalogue sale."

781 Section 5. Section **59-12-806** is amended to read:

782 **59-12-806. Enactment or repeal of tax -- Tax rate change -- Effective date --**

783 **Notice requirements.**

784 (1) For purposes of this section:

785 (a) "Annexation" means an annexation to:

786 (i) a county under Title 17, Chapter 2, [~~Annexation to~~] County Consolidations and
787 Annexations; or

788 (ii) a city under Title 10, Chapter 2, Part 4, Annexation.

789 (b) "Annexing area" means an area that is annexed into a county or city.

790 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after July 1, 2004, a
791 county or city enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
792 repeal, or change shall take effect:

793 (i) on the first day of a calendar quarter; and

794 (ii) after a 90-day period beginning on the date the commission receives notice meeting
795 the requirements of Subsection (2)(b) from the county or city.

796 (b) The notice described in Subsection (2)(a)(ii) shall state:

797 (i) that the county or city will enact or repeal a tax or change the rate of a tax under this
798 part;

799 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);

800 (iii) the effective date of the tax described in Subsection (2)(b)(i); and

801 (iv) if the county or city enacts the tax or changes the rate of the tax described in
802 Subsection (2)(b)(i), the rate of the tax.

803 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
804 day of the first billing period:

805 (A) that begins on or after the effective date of the enactment of the tax or the tax rate
806 increase; and

807 (B) if the billing period for the transaction begins before the effective date of the
808 enactment of the tax or the tax rate increase imposed under:

809 (I) Section 59-12-802; or

810 (II) Section 59-12-804.

811 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
812 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
813 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing

814 period if the billing statement for the billing period is rendered on or after the effective date of
815 the repeal of the tax or the tax rate decrease imposed under:

816 ~~[(A)]~~ (A) Section 59-12-802; or

817 ~~[(B)]~~ (B) Section 59-12-804.

818 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
819 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
820 a tax described in Subsection (2)(a) takes effect:

821 (A) on the first day of a calendar quarter; and

822 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
823 rate of the tax under Subsection (2)(a).

824 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
825 commission may by rule define the term "catalogue sale."

826 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
827 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
828 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
829 effect:

830 (i) on the first day of a calendar quarter; and

831 (ii) after a 90-day period beginning on the date the commission receives notice meeting
832 the requirements of Subsection (3)(b) from the county or city that annexes the annexing area.

833 (b) The notice described in Subsection (3)(a)(ii) shall state:

834 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
835 repeal, or change in the rate of a tax under this part for the annexing area;

836 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

837 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

838 (iv) if the county or city enacts the tax or changes the rate of the tax described in
839 Subsection (3)(b)(i), the rate of the tax.

840 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
841 day of the first billing period:

842 (A) that begins on or after the effective date of the enactment of the tax or the tax rate
843 increase; and

844 (B) if the billing period for the transaction begins before the effective date of the
845 enactment of the tax or the tax rate increase imposed under:

846 (I) Section 59-12-802; or

847 (II) Section 59-12-804.

848 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
849 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
850 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
851 period if the billing statement for the billing period is rendered on or after the effective date of
852 the repeal of the tax or the tax rate decrease imposed under:

853 [~~(A)~~] (A) Section 59-12-802; or

854 [~~(B)~~] (B) Section 59-12-804.

855 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
856 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
857 a tax described in Subsection (3)(a) takes effect:

858 (A) on the first day of a calendar quarter; and

859 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
860 rate of a tax under Subsection (3)(a).

861 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
862 commission may by rule define the term "catalogue sale."

863 Section 6. Section **59-12-1102** is amended to read:

864 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
865 **Administration -- Administrative charge -- Commission requirement to retain an amount**
866 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
867 **of tax -- Effective date -- Notice requirements.**

868 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax
869 authorized by this chapter, a county may impose by ordinance a county option sales and use tax

870 of .25% upon the transactions described in Subsection 59-12-103(1).

871 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
872 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
873 exempt from taxation under Section 59-12-104.

874 (b) For purposes of this Subsection (1), the location of a transaction shall be
875 determined in accordance with Sections 59-12-211 through 59-12-215.

876 (c) The county option sales and use tax under this section shall be imposed:

877 (i) upon transactions that are located within the county, including transactions that are
878 located within municipalities in the county; and

879 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
880 January:

881 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
882 ordinance is adopted on or before May 25; or

883 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
884 ordinance is adopted after May 25.

885 (d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under
886 this section shall be imposed:

887 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
888 September 4, 1997; or

889 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
890 but after September 4, 1997.

891 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
892 county shall hold two public hearings on separate days in geographically diverse locations in
893 the county.

894 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
895 time of no earlier than 6 p.m.

896 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
897 days after the day the first advertisement required by Subsection (2)(c) is published.

898 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
899 shall advertise:

900 (A) its intent to adopt a county option sales and use tax;

901 (B) the date, time, and location of each public hearing; and

902 (C) a statement that the purpose of each public hearing is to obtain public comments
903 regarding the proposed tax.

904 (ii) The advertisement shall be published:

905 (A) in a newspaper of general circulation in the county once each week for the two
906 weeks preceding the earlier of the two public hearings; and

907 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks
908 preceding the earlier of the two public hearings.

909 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
910 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
911 border.

912 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
913 portion of the newspaper where legal notices and classified advertisements appear.

914 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

915 (A) the advertisement shall appear in a newspaper that is published at least five days a
916 week, unless the only newspaper in the county is published less than five days a week; and

917 (B) the newspaper selected shall be one of general interest and readership in the
918 community, and not one of limited subject matter.

919 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
920 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
921 6, Local Referenda - Procedures.

922 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
923 county option sales and use tax under Subsection (1) is less than 75% of the state population,
924 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
925 collected.

926 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
927 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
928 population:

929 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
930 the county in which the tax was collected; and

931 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
932 (1) in each county shall be distributed proportionately among all counties imposing the tax,
933 based on the total population of each county.

934 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
935 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
936 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

937 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
938 be increased so that, when combined with the amount distributed to the county under
939 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

940 (ii) the amount to be distributed annually to all other counties under Subsection
941 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
942 Subsection (3)(c)(i).

943 (d) The commission shall establish rules to implement the distribution of the tax under
944 Subsections (3)(a), (b), and (c).

945 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
946 shall be administered, collected, and enforced in accordance with:

947 (i) the same procedures used to administer, collect, and enforce the tax under:

948 (A) Part 1, Tax Collection; or

949 (B) Part 2, Local Sales and Use Tax Act; and

950 (ii) Chapter 1, General Taxation Policies.

951 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
952 Subsections 59-12-205(2) through (6).

953 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an

954 administrative charge in accordance with Section 59-1-306 from the revenues the commission
955 collects from a tax under this part.

956 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
957 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
958 the distribution amounts resulting after:

959 (A) the applicable distribution calculations under Subsection (3) have been made; and

960 (B) the commission retains the amount required by Subsection (5).

961 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
962 of the sales and use tax collected under this part as provided in this Subsection (5).

963 (b) For a county that imposes a tax under this part, the commission shall calculate a
964 percentage each month by dividing the sales and use tax collected under this part for that
965 month within the boundaries of that county by the total sales and use tax collected under this
966 part for that month within the boundaries of all of the counties that impose a tax under this part.

967 (c) For a county that imposes a tax under this part, the commission shall retain each
968 month an amount equal to the product of:

969 (i) the percentage the commission determines for the month under Subsection (5)(b)
970 for the county; and

971 (ii) \$6,354.

972 (d) The commission shall deposit an amount the commission retains in accordance
973 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
974 9-4-1409.

975 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
976 Fund shall be expended as provided in Section 9-4-1409.

977 (6) (a) For purposes of this Subsection (6):

978 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
979 Consolidations and Annexations.

980 (ii) "Annexing area" means an area that is annexed into a county.

981 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a

982 county enacts or repeals a tax under this part:

983 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

984 (II) the repeal shall take effect on the first day of a calendar quarter; and

985 (B) after a 90-day period beginning on the date the commission receives notice meeting

986 the requirements of Subsection (6)(b)(ii) from the county.

987 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

988 (A) that the county will enact or repeal a tax under this part;

989 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

990 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

991 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the

992 tax.

993 (c) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
994 period:

995 (A) that begins on or after the effective date of the enactment of the tax; and

996 (B) if the billing period for the transaction begins before the effective date of the

997 enactment of the tax under Subsection (1).

998 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period. (A)~~

999 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~

1000 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing

1001 period is rendered on or after the effective date of the repeal of the tax imposed under

1002 Subsection (1).

1003 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1004 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

1005 Subsection (6)(b)(i) takes effect:

1006 (A) on the first day of a calendar quarter; and

1007 (B) beginning 60 days after the effective date of the enactment or repeal under

1008 Subsection (6)(b)(i).

1009 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

1010 commission may by rule define the term "catalogue sale."

1011 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
 1012 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
 1013 part for an annexing area, the enactment or repeal shall take effect:

1014 (A) on the first day of a calendar quarter; and

1015 (B) after a 90-day period beginning on the date the commission receives notice meeting
 1016 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1017 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1018 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
 1019 repeal of a tax under this part for the annexing area;

1020 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1021 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1022 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1023 (f) (i) The enactment of a tax ~~[shall take]~~ takes effect on the first day of the first billing
 1024 period:

1025 (A) that begins on or after the effective date of the enactment of the tax; and

1026 (B) if the billing period for the transaction begins before the effective date of the
 1027 enactment of the tax under Subsection (1).

1028 (ii) The repeal of a tax ~~[shall take effect on the first day of the last billing period: (A)
 1029 that began before the effective date of the repeal of the tax; and (B) if the billing period for the
 1030 transaction begins before]~~ applies to a billing period if the billing statement for the billing
 1031 period is rendered on or after the effective date of the repeal of the tax imposed under
 1032 Subsection (1).

1033 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
 1034 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
 1035 Subsection (6)(e)(i) takes effect:

1036 (A) on the first day of a calendar quarter; and

1037 (B) beginning 60 days after the effective date of the enactment or repeal under

1038 Subsection (6)(e)(i).

1039 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1040 commission may by rule define the term "catalogue sale."

1041 Section 7. Section **59-12-1302** is amended to read:

1042 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
1043 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
1044 **enforcement of tax -- Administrative charge.**

1045 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
1046 tax as provided in this part in an amount that does not exceed 1%.

1047 (2) A town may impose a tax as provided in this part if the town imposed a license fee
1048 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,
1049 1996.

1050 (3) A town imposing a tax under this section shall:

1051 (a) except as provided in Subsection (4), impose the tax on the transactions described
1052 in Subsection 59-12-103(1) located within the town; and

1053 (b) provide an effective date for the tax as provided in Subsection (5).

1054 (4) (a) Notwithstanding Subsection (3)(a), a town may not impose a tax under this
1055 section on:

1056 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1057 are exempt from taxation under Section 59-12-104; and

1058 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
1059 ingredients.

1060 (b) For purposes of this Subsection (4), the location of a transaction shall be
1061 determined in accordance with Sections 59-12-211 through 59-12-215.

1062 (c) A town imposing a tax under this section shall impose the tax on amounts paid or
1063 charged for food and food ingredients if the food and food ingredients are sold as part of a
1064 bundled transaction attributable to food and food ingredients and tangible personal property
1065 other than food and food ingredients.

1066 (5) (a) For purposes of this Subsection (5):
1067 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
1068 Annexation.
1069 (ii) "Annexing area" means an area that is annexed into a town.
1070 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1071 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,
1072 or change shall take effect:
1073 (A) on the first day of a calendar quarter; and
1074 (B) after a 90-day period beginning on the date the commission receives notice meeting
1075 the requirements of Subsection (5)(b)(ii) from the town.
1076 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
1077 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;
1078 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
1079 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
1080 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1081 (5)(b)(ii)(A), the rate of the tax.
1082 (c) (i) The enactment of a tax or a tax rate increase [~~shall take~~ takes effect on the first
1083 day of the first billing period:
1084 (A) that begins on or after the effective date of the enactment of the tax or the tax rate
1085 increase; and
1086 (B) if the billing period for the transaction begins before the effective date of the
1087 enactment of the tax or the tax rate increase imposed under Subsection (1).
1088 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
1089 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
1090 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
1091 period if the billing statement for the billing period is rendered on or after the effective date of
1092 the repeal of the tax or the tax rate decrease imposed under Subsection (1).
1093 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1094 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1095 a tax described in Subsection (5)(b)(i) takes effect:

1096 (A) on the first day of a calendar quarter; and

1097 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1098 rate of the tax under Subsection (5)(b)(i).

1099 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1100 commission may by rule define the term "catalogue sale."

1101 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1102 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
1103 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1104 effect:

1105 (A) on the first day of a calendar quarter; and

1106 (B) after a 90-day period beginning on the date the commission receives notice meeting
1107 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1108 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1109 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,
1110 repeal, or change in the rate of a tax under this part for the annexing area;

1111 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1112 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1113 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1114 (5)(e)(ii)(A), the rate of the tax.

1115 (f) (i) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
1116 day of the first billing period:

1117 (A) that begins on or after the effective date of the enactment of the tax or the tax rate
1118 increase; and

1119 (B) if the billing period for the transaction begins before the effective date of the
1120 enactment of the tax or the tax rate increase imposed under Subsection (1).

1121 (ii) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~

1122 ~~billing period: (A) that began before the effective date of the repeal of the tax or the tax rate~~
1123 ~~decrease; and (B) if the billing period for the transaction begins before]~~ applies to a billing
1124 period if the billing statement for the billing period is rendered on or after the effective date of
1125 the repeal of the tax or the tax rate decrease imposed under Subsection (1).

1126 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1127 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1128 a tax described in Subsection (5)(e)(i) takes effect:

1129 (A) on the first day of a calendar quarter; and

1130 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1131 rate of the tax under Subsection (5)(e)(i).

1132 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1133 commission may by rule define the term "catalogue sale."

1134 (6) The commission shall:

1135 (a) distribute the revenues generated by the tax under this section to the town imposing
1136 the tax; and

1137 (b) except as provided in Subsection (8), administer, collect, and enforce the tax
1138 authorized under this section in accordance with:

1139 (i) the same procedures used to administer, collect, and enforce the tax under:

1140 (A) Part 1, Tax Collection; or

1141 (B) Part 2, Local Sales and Use Tax Act; and

1142 (ii) Chapter 1, General Taxation Policies.

1143 (7) The commission shall retain and deposit an administrative charge in accordance
1144 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1145 (8) Notwithstanding Subsection (6)(b), a tax under this section is not subject to
1146 Subsections 59-12-205(2) through (6).

1147 Section 8. Section **59-12-1402** is amended to read:

1148 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**
1149 **Expenditure of revenues -- Enactment or repeal of tax -- Effective date -- Notice**

1150 **requirements.**

1151 (1) (a) Subject to the other provisions of this section, a city or town legislative body
1152 subject to this part may submit an opinion question to the residents of that city or town, by
1153 majority vote of all members of the legislative body, so that each resident of the city or town
1154 has an opportunity to express the resident's opinion on the imposition of a local sales and use
1155 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or
1156 town, to:

1157 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical
1158 organizations, cultural organizations, and zoological organizations in that city or town; or

1159 (ii) provide funding for a botanical organization, cultural organization, or zoological
1160 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
1161 furtherance of the botanical organization's, cultural organization's, or zoological organization's
1162 primary purpose.

1163 (b) The opinion question required by this section shall state:

1164 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
1165 and use tax for (list the purposes for which the revenues collected from the sales and use tax
1166 shall be expended)?"

1167 (c) Notwithstanding Subsection (1)(a), a city or town legislative body may not impose
1168 a tax under this section:

1169 (i) if the county in which the city or town is located imposes a tax under Part 7, County
1170 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
1171 Facilities;

1172 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
1173 uses are exempt from taxation under Section 59-12-104; and

1174 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
1175 food ingredients.

1176 (d) For purposes of this Subsection (1), the location of a transaction shall be
1177 determined in accordance with Sections 59-12-211 through 59-12-215.

1178 (e) A city or town legislative body imposing a tax under this section shall impose the
1179 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
1180 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1181 personal property other than food and food ingredients.

1182 (f) Except as provided in Subsection (6), the election shall be held at a regular general
1183 election or a municipal general election, as those terms are defined in Section 20A-1-102, and
1184 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

1185 (2) If the city or town legislative body determines that a majority of the city's or town's
1186 registered voters voting on the imposition of the tax have voted in favor of the imposition of
1187 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by
1188 a majority vote of all members of the legislative body.

1189 (3) Subject to Section 59-12-1403, revenues collected from a tax imposed under
1190 Subsection (2) shall be expended:

1191 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
1192 the city or town or within the geographic area of entities that are parties to an interlocal
1193 agreement, to which the city or town is a party, providing for cultural facilities, recreational
1194 facilities, or zoological facilities;

1195 (b) to finance ongoing operating expenses of:

1196 (i) recreational facilities described in Subsection (3)(a) within the city or town or
1197 within the geographic area of entities that are parties to an interlocal agreement, to which the
1198 city or town is a party, providing for recreational facilities; or

1199 (ii) botanical organizations, cultural organizations, and zoological organizations within
1200 the city or town or within the geographic area of entities that are parties to an interlocal
1201 agreement, to which the city or town is a party, providing for the support of botanical
1202 organizations, cultural organizations, or zoological organizations; and

1203 (c) as stated in the opinion question described in Subsection (1).

1204 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall
1205 be:

1206 (i) administered, collected, and enforced in accordance with:
1207 (A) the same procedures used to administer, collect, and enforce the tax under:
1208 (I) Part 1, Tax Collection; or
1209 (II) Part 2, Local Sales and Use Tax Act; and
1210 (B) Chapter 1, General Taxation Policies; and
1211 (ii) (A) levied for a period of eight years; and
1212 (B) may be reauthorized at the end of the eight-year period in accordance with this
1213 section.
1214 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the
1215 tax shall be levied for a period of 10 years.
1216 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
1217 after July 1, 2011, the tax shall be reauthorized for a ten-year period.
1218 (c) A tax under this section is not subject to Subsections 59-12-205(2) through (6).
1219 (5) (a) For purposes of this Subsection (5):
1220 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
1221 4, Annexation.
1222 (ii) "Annexing area" means an area that is annexed into a city or town.
1223 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
1224 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:
1225 (A) on the first day of a calendar quarter; and
1226 (B) after a 90-day period beginning on the date the commission receives notice meeting
1227 the requirements of Subsection (5)(b)(ii) from the city or town.
1228 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
1229 (A) that the city or town will enact or repeal a tax under this part;
1230 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
1231 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
1232 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of
1233 the tax.

1234 (c) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
1235 period:

1236 (A) that begins on or after the effective date of the enactment of the tax; and

1237 (B) if the billing period for the transaction begins before the effective date of the
1238 enactment of the tax under this section.

1239 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period: (A)~~
1240 ~~that began before the effective date of the repeal of the tax, and (B) if the billing period for the~~
1241 ~~transaction begins before]~~ applies to a billing period if the billing statement for the billing
1242 period is rendered on or after the effective date of the repeal of the tax imposed under this
1243 section.

1244 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1245 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1246 Subsection (5)(b)(i) takes effect:

1247 (A) on the first day of a calendar quarter; and

1248 (B) beginning 60 days after the effective date of the enactment or repeal under
1249 Subsection (5)(b)(i).

1250 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1251 commission may by rule define the term "catalogue sale."

1252 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1253 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1254 part for an annexing area, the enactment or repeal shall take effect:

1255 (A) on the first day of a calendar quarter; and

1256 (B) after a 90-day period beginning on the date the commission receives notice meeting
1257 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1258 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1259 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1260 repeal a tax under this part for the annexing area;

1261 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1262 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and
1263 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).
1264 (f) (i) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
1265 period:
1266 (A) that begins on or after the effective date of the enactment of the tax; and
1267 (B) if the billing period for the transaction begins before the effective date of the
1268 enactment of the tax under this section.
1269 (ii) The repeal of a tax [~~shall take effect on the first day of the last billing period: (A)~~
1270 ~~that began before the effective date of the repeal of the tax; and (B) if the billing period for the~~
1271 ~~transaction begins before~~] applies to a billing period if the billing statement for the billing
1272 period is rendered on or after the effective date of the repeal of the tax imposed under this
1273 section.
1274 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1275 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1276 Subsection (5)(e)(i) takes effect:
1277 (A) on the first day of a calendar quarter; and
1278 (B) beginning 60 days after the effective date of the enactment or repeal under
1279 Subsection (5)(e)(i).
1280 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1281 commission may by rule define the term "catalogue sale."
1282 (6) (a) Before a city or town legislative body submits an opinion question to the
1283 residents of the city or town under Subsection (1), the city or town legislative body shall:
1284 (i) submit to the county legislative body in which the city or town is located a written
1285 notice of the intent to submit the opinion question to the residents of the city or town; and
1286 (ii) receive from the county legislative body:
1287 (A) a written resolution passed by the county legislative body stating that the county
1288 legislative body is not seeking to impose a tax under Part 7, County Option Funding for
1289 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

1290 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
1291 opinion question submitted to the residents of the county under Part 7, County Option Funding
1292 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
1293 or town legislative body to submit the opinion question to the residents of the city or town in
1294 accordance with this part.

1295 (b) (i) Within 60 days after the day the county legislative body receives from a city or
1296 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
1297 opinion question to the residents of the city or town, the county legislative body shall provide
1298 the city or town legislative body:

1299 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1300 (B) written notice that the county legislative body will submit an opinion question to
1301 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
1302 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under
1303 that part.

1304 (ii) If the county legislative body provides the city or town legislative body the written
1305 notice that the county legislative body will submit an opinion question as provided in
1306 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no
1307 later than, from the date the county legislative body sends the written notice, the later of:

1308 (A) a 12-month period;

1309 (B) the next regular primary election; or

1310 (C) the next regular general election.

1311 (iii) Within 30 days of the date of the canvass of the election at which the opinion
1312 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
1313 city or town legislative body described in Subsection (6)(a) written results of the opinion
1314 question submitted by the county legislative body under Part 7, County Option Funding for
1315 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1316 (A) (I) the city or town legislative body may not impose a tax under this part because a
1317 majority of the county's registered voters voted in favor of the county imposing the tax and the

1318 county legislative body by a majority vote approved the imposition of the tax; or

1319 (II) for at least 12 months from the date the written results are submitted to the city or
1320 town legislative body, the city or town legislative body may not submit to the county legislative
1321 body a written notice of the intent to submit an opinion question under this part because a
1322 majority of the county's registered voters voted against the county imposing the tax and the
1323 majority of the registered voters who are residents of the city or town described in Subsection
1324 (6)(a) voted against the imposition of the county tax; or

1325 (B) the city or town legislative body may submit the opinion question to the residents
1326 of the city or town in accordance with this part because although a majority of the county's
1327 registered voters voted against the county imposing the tax, the majority of the registered voters
1328 who are residents of the city or town voted for the imposition of the county tax.

1329 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
1330 provide a city or town legislative body described in Subsection (6)(a) a written resolution
1331 passed by the county legislative body stating that the county legislative body is not seeking to
1332 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
1333 Zoological Organizations or Facilities, which permits the city or town legislative body to
1334 submit under Subsection (1) an opinion question to the city's or town's residents.

1335 Section 9. Section **59-12-1803** is amended to read:

1336 **59-12-1803. Enactment or repeal of tax -- Effective date -- Administration,**
1337 **collection, and enforcement of tax.**

1338 (1) Subject to Subsections (2) and (3), a tax rate repeal or a tax rate change for a tax
1339 imposed under this part shall take effect on the first day of a calendar quarter.

1340 (2) (a) The enactment of a tax [~~shall take~~] takes effect on the first day of the first billing
1341 period that begins on or after the effective date of the enactment of the tax if the billing period
1342 for the transaction begins before the effective date of the tax under this part.

1343 (b) The repeal of a tax [~~shall take effect on the first day of the last billing period that~~
1344 ~~began before the effective date of the repeal of the tax if the billing period for the transaction~~
1345 ~~begins before~~] applies to a billing period if the billing statement for the billing period is

1346 rendered on or after the effective date of the repeal of the tax imposed under this part.

1347 (3) (a) If a tax due under this part on a catalogue sale is computed on the basis of sales
1348 and use tax rates published in the catalogue, an enactment or repeal of a tax under this part
1349 takes effect:

1350 (i) on the first day of a calendar quarter; and

1351 (ii) beginning 60 days after the effective date of the enactment or repeal of the tax
1352 under this part.

1353 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1354 commission may by rule define the term "catalogue sale."

1355 (4) A tax imposed by this part shall be administered, collected, and enforced in
1356 accordance with:

1357 (a) the same procedures used to administer, collect, and enforce the tax under Part 1,
1358 Tax Collection; and

1359 (b) Chapter 1, General Taxation Policies.

1360 Section 10. Section **59-12-2004** is amended to read:

1361 **59-12-2004. Enactment or repeal of tax -- Effective date -- Administration,**
1362 **collection, and enforcement of tax -- Administrative charge.**

1363 (1) Subject to Subsections (2) and (3), a tax rate repeal or a tax rate change for a tax
1364 imposed under this part shall take effect on the first day of a calendar quarter.

1365 (2) (a) The enactment of a tax or a tax rate increase [~~shall take~~] takes effect on the first
1366 day of the first billing period that begins on or after the effective date of the enactment of the
1367 tax or the tax rate increase if the billing period for the transaction begins before the effective
1368 date of the enactment of the tax or the tax rate increase under this part.

1369 (b) The repeal of a tax or a tax rate decrease [~~shall take effect on the first day of the last~~
1370 ~~billing period that began before the effective date of the repeal of the tax or the tax rate~~
1371 ~~decrease if the billing period for the transaction begins before~~] applies to a billing period if the
1372 billing statement for the billing period is rendered on or after the effective date of the repeal of
1373 the tax or the tax rate decrease imposed under this part.

1374 (3) (a) If a tax due under this part on a catalogue sale is computed on the basis of sales
1375 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1376 under this part takes effect:

1377 (i) on the first day of a calendar quarter; and

1378 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the
1379 rate of the tax under this part.

1380 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1381 commission may by rule define the term "catalogue sale."

1382 (4) The commission shall administer, collect, and enforce a tax under this part in
1383 accordance with:

1384 (a) the same procedures used to administer, collect, and enforce the tax under Part 1,
1385 Tax Collection;

1386 (b) Chapter 1, General Taxation Policies; and

1387 (c) Section 59-12-210.1.

1388 (5) The commission shall retain and deposit an administrative charge in accordance
1389 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1390 Section 11. Section **59-12-2103** is amended to read:

1391 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenues collected**
1392 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1393 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1394 (1) (a) Subject to the other provisions of this section and except as provided in
1395 Subsection (2), beginning on January 1, 2009 and ending on June 30, 2016, if a city or town
1396 receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the city or
1397 town would have received a tax revenue distribution of less than .75% of the taxable sales
1398 within the boundaries of the city or town but for Subsection 59-12-205(4)(a), the city or town
1399 legislative body may impose a sales and use tax of up to .20% on the transactions:

1400 (i) described in Subsection 59-12-103(1); and

1401 (ii) within the city or town.

1402 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall
1403 expend the revenues collected from the tax for the same purposes for which the city or town
1404 may expend the city's or town's general fund revenues.

1405 (c) For purposes of this Subsection (1), the location of a transaction shall be
1406 determined in accordance with Sections 59-12-211 through 59-12-215.

1407 (2) (a) A city or town legislative body may not impose a tax under this section on:

1408 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1409 are exempt from taxation under Section 59-12-104; and

1410 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
1411 ingredients.

1412 (b) A city or town legislative body imposing a tax under this section shall impose the
1413 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
1414 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1415 personal property other than food and food ingredients.

1416 (3) To impose a tax under this part, a city or town legislative body shall obtain
1417 approval from a majority of the members of the city or town legislative body.

1418 (4) The commission shall transmit revenues collected within a city or town from a tax
1419 under this part:

1420 (a) to the city or town legislative body;

1421 (b) monthly; and

1422 (c) by electronic funds transfer.

1423 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
1424 collect, and enforce a tax under this part in accordance with:

1425 (i) the same procedures used to administer, collect, and enforce the tax under:

1426 (A) Part 1, Tax Collection; or

1427 (B) Part 2, Local Sales and Use Tax Act; and

1428 (ii) Chapter 1, General Taxation Policies.

1429 (b) A tax under this part is not subject to Subsections 59-12-205(2) through (6).

1430 (6) The commission shall retain and deposit an administrative charge in accordance
1431 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1432 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
1433 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
1434 repeal, or change shall take effect:

1435 (A) on the first day of a calendar quarter; and

1436 (B) after a 90-day period beginning on the date the commission receives notice meeting
1437 the requirements of Subsection (7)(a)(i) from the city or town.

1438 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1439 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
1440 this part;

1441 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1442 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1443 (D) if the city or town enacts the tax or changes the rate of the tax described in
1444 Subsection (7)(a)(ii)(A), the rate of the tax.

1445 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
1446 the tax rate increase under Subsection (1), the enactment of a tax or a tax rate increase [~~shall~~
1447 ~~take~~] takes effect on the first day of the first billing period that begins on or after the effective
1448 date of the enactment of the tax or the tax rate increase.

1449 (ii) If the billing period for a transaction begins before the effective date of the repeal
1450 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate
1451 decrease [~~shall take effect on the first day of the last billing period that began before~~] applies to
1452 a billing period if the billing statement for the billing period is rendered on or after the effective
1453 date of the repeal of the tax or the tax rate decrease.

1454 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1455 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1456 described in Subsection (7)(a)(i) takes effect:

1457 (A) on the first day of a calendar quarter; and

1458 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
 1459 rate of the tax under Subsection (7)(a)(i).

1460 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 1461 commission may by rule define the term "catalogue sale."

1462 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
 1463 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
 1464 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
 1465 effect:

1466 (A) on the first day of a calendar quarter; and

1467 (B) after a 90-day period beginning on the date the commission receives notice meeting
 1468 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1469 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1470 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
 1471 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1472 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1473 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1474 (D) if the city or town enacts the tax or changes the rate of the tax described in
 1475 Subsection (7)(d)(ii)(A), the rate of the tax.

1476 (e) (i) If the billing period for a transaction begins before the effective date of the
 1477 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
 1478 rate increase [~~shall take~~ takes effect on the first day of the first billing period that begins on or
 1479 after the effective date of the enactment of the tax or the tax rate increase.

1480 (ii) If the billing period for a transaction begins before the effective date of the repeal
 1481 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate
 1482 decrease [~~shall take effect on the first day of the last billing period that began before~~ applies to
 1483 a billing period if the billing statement for the billing period is rendered on or after the effective
 1484 date of the repeal of the tax or the tax rate decrease.

1485 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales

1486 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1487 described in Subsection (7)(d)(i) takes effect:

1488 (A) on the first day of a calendar quarter; and

1489 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1490 Subsection (7)(d)(i).

1491 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1492 commission may by rule define the term "catalogue sale".

1493 Section 12. Section **59-12-2209** is amended to read:

1494 **59-12-2209. Enactment, repeal, or change in the rate of a sales and use tax under**
1495 **this part -- Annexation -- Notice.**

1496 (1) Except as provided in Subsection (3) or (4), if a county, city, or town enacts or
1497 repeals a sales and use tax or changes the rate of a sales and use tax under this part, the
1498 enactment, repeal, or change shall take effect:

1499 (a) on the first day of a calendar quarter; and

1500 (b) after a 90-day period beginning on the date the commission receives notice meeting
1501 the requirements of Subsection (2) from the county, city, or town.

1502 (2) The notice described in Subsection (1)(b) shall state:

1503 (a) that the county, city, or town will enact, repeal, or change the rate of a sales and use
1504 tax under this part;

1505 (b) the statutory authority for the sales and use tax described in Subsection (2)(a);

1506 (c) the date the enactment, repeal, or change will take effect; and

1507 (d) if the county, city, or town enacts the sales and use tax or changes the rate of the
1508 sales and use tax described in Subsection (2)(a), the rate of the sales and use tax.

1509 (3) (a) If the billing period for a transaction begins before the effective date of the
1510 enactment of a sales and use tax or a tax rate increase under this part, the enactment of the sales
1511 and use tax or the tax rate increase ~~shall take~~ takes effect on the first day of the first billing
1512 period that begins on or after the effective date of the enactment of the sales and use tax or the
1513 tax rate increase.

1514 (b) If the billing period for a transaction begins before the effective date of the repeal of
1515 a sales and use tax or a tax rate decrease under this part, the repeal of the sales and use tax or
1516 the tax rate decrease [~~shall take effect on the first day of the last billing period that began~~
1517 ~~before~~] applies to a billing period if the billing statement for the billing period is rendered on or
1518 after the effective date of the repeal of the sales and use tax or the tax rate decrease.

1519 (4) (a) If a sales and use tax due under this part on a catalogue sale is computed on the
1520 basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in
1521 the rate of a sales and use tax described in Subsection (1) takes effect:

1522 (i) on the first day of a calendar quarter; and

1523 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the
1524 rate of the sales and use tax under Subsection (1).

1525 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1526 commission may by rule define the term "catalogue sale."

1527 (5) Except as provided in Subsection (7) or (8), if an annexation will result in the
1528 enactment, repeal, or change in the rate of a sales and use tax under this part for an annexing
1529 area, the enactment, repeal, or change shall take effect:

1530 (a) on the first day of a calendar quarter; and

1531 (b) after a 90-day period beginning on the date the commission receives notice meeting
1532 the requirements of Subsection (6) from the county, city, or town that annexes the annexing
1533 area.

1534 (6) The notice described in Subsection (5) shall state:

1535 (a) that the annexation described in Subsection (5) will result in an enactment, repeal,
1536 or change in the rate of a sales and use tax under this part for the annexing area;

1537 (b) the statutory authority for the sales and use tax described in Subsection (6)(a);

1538 (c) the date the enactment, repeal, or change will take effect; and

1539 (d) if the annexation will result in the enactment or change in the rate of the sales and
1540 use tax described in Subsection (6)(a), the rate of the sales and use tax.

1541 (7) (a) If the billing period for a transaction begins before the effective date of the

1542 enactment of a sales and use tax or a tax rate increase under this part, the enactment of the sales
1543 and use tax or the tax rate increase [~~shall take~~] takes effect on the first day of the first billing
1544 period that begins on or after the effective date of the enactment of the sales and use tax or the
1545 tax rate increase.

1546 (b) If the billing period for a transaction begins before the effective date of the repeal of
1547 a sales and use tax or a tax rate decrease under this part, the repeal of the sales and use tax or
1548 the tax rate decrease [~~shall take effect on the first day of the last billing period that began~~
1549 ~~before~~] applies to a billing period if the billing statement for the billing period is rendered on or
1550 after the effective date of the repeal of the sales and use tax or the tax rate decrease.

1551 (8) (a) If a sales and use tax due under this part on a catalogue sale is computed on the
1552 basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in
1553 the rate of a sales and use tax described in Subsection (6) takes effect:

1554 (i) on the first day of a calendar quarter; and

1555 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the
1556 rate of the sales and use tax under Subsection (6).

1557 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1558 commission may by rule define the term "catalogue sale."

1559 Section 13. **Effective date.**

1560 This bill takes effect on July 1, 2012.