

**Representative Robert M. Spendlove** proposes the following substitute bill:

**TAX MODIFICATIONS**

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Robert M. Spendlove**

Senate Sponsor: Chris H. Wilson

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**LONG TITLE**

**General Description:**

This bill modifies provisions related to tax.

**Highlighted Provisions:**

This bill:

- ▶ makes corrections to provisions related to tax, including eliminating redundant or obsolete language and updating cross-references;
- ▶ modifies the required contents of a property tax notice;
- ▶ clarifies that the State Tax Commission, not the Division of Finance, is responsible for certain sales tax deposits and transfers; and
- ▶ repeals language related to expired income tax credits.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides retrospective operation.

**Utah Code Sections Affected:**

AMENDS:

**17C-1-409**, as last amended by Laws of Utah 2022, Chapter 307

**17C-1-411**, as last amended by Laws of Utah 2018, Chapter 312



- 26 [17C-1-412](#), as last amended by Laws of Utah 2022, Chapter 21
- 27 [26-36b-208](#), as last amended by Laws of Utah 2021, Chapter 367
- 28 [51-9-902](#), as enacted by Laws of Utah 2022, Chapter 77
- 29 [53-2a-1102](#), as last amended by Laws of Utah 2022, Chapters 68, 73
- 30 [59-1-401](#), as last amended by Laws of Utah 2022, Chapter 238
- 31 [59-1-1420](#), as last amended by Laws of Utah 2022, Chapter 273
- 32 [59-2-109](#), as last amended by Laws of Utah 2021, Chapter 377
- 33 [59-2-201](#), as last amended by Laws of Utah 2022, Chapter 239
- 34 [59-2-919.1](#), as last amended by Laws of Utah 2022, Chapter 293
- 35 [59-2-1101](#), as last amended by Laws of Utah 2022, Chapter 235
- 36 [59-2-1102](#), as last amended by Laws of Utah 2022, Chapter 235
- 37 [59-2-1710](#), as enacted by Laws of Utah 2012, Chapter 197
- 38 [59-2-1803](#), as enacted by Laws of Utah 2019, Chapter 453
- 39 [59-10-552](#), as enacted by Laws of Utah 2022, Chapter 258
- 40 [59-12-103](#), as last amended by Laws of Utah 2022, Chapters 77, 106 and 433
- 41 [59-12-205](#), as last amended by Laws of Utah 2022, Chapters 59, 82 and 403
- 42 [59-12-302](#), as last amended by Laws of Utah 2021, Chapter 376
- 43 [59-12-354](#), as last amended by Laws of Utah 2018, Chapters 258, 312
- 44 [59-12-403](#), as last amended by Laws of Utah 2018, Chapters 258, 312
- 45 [59-12-603](#), as last amended by Laws of Utah 2020, Chapter 407
- 46 [59-12-703](#), as last amended by Laws of Utah 2017, Chapters 181, 422
- 47 [59-12-802](#), as last amended by Laws of Utah 2020, Chapter 427
- 48 [59-12-804](#), as last amended by Laws of Utah 2017, Chapter 422
- 49 [59-12-1102](#), as last amended by Laws of Utah 2021, Chapters 84, 345
- 50 [59-12-1302](#), as last amended by Laws of Utah 2017, Chapter 422
- 51 [59-12-1402](#), as last amended by Laws of Utah 2017, Chapter 422
- 52 [59-12-2103](#), as last amended by Laws of Utah 2017, Chapter 422
- 53 [59-12-2206](#), as last amended by Laws of Utah 2018, Chapters 258, 312
- 54 [63G-2-302](#), as last amended by Laws of Utah 2022, Chapters 169, 334
- 55 [63N-2-510](#), as last amended by Laws of Utah 2021, Chapter 282
- 56 [63N-2-512](#), as last amended by Laws of Utah 2021, Chapter 282

57 ENACTS:

58 [59-2-1806](#), Utah Code Annotated 1953

59 [59-2-1906](#), Utah Code Annotated 1953

60 REPEALS:

61 [59-7-613](#), as last amended by Laws of Utah 2016, Chapter 135

62 [59-7-614.9](#), as enacted by Laws of Utah 2012, Chapter 306

63 [59-7-617](#), as enacted by Laws of Utah 2014, Chapter 315

64 [59-7-622](#), as enacted by Laws of Utah 2017, Chapter 479

65 [59-10-1013](#), as last amended by Laws of Utah 2016, Third Special Session, Chapter 1

66 [59-10-1040](#), as enacted by Laws of Utah 2017, Chapter 479



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

69 Section 1. Section **17C-1-409** is amended to read:

70 **17C-1-409. Allowable uses of agency funds.**

71 (1) (a) An agency may use agency funds:

72 (i) for any purpose authorized under this title;

73 (ii) for administrative, overhead, legal, or other operating expenses of the agency,

74 including consultant fees and expenses under Subsection [17C-2-102\(1\)\(b\)\(ii\)\(B\)](#) or funding for  
75 a business resource center;

76 (iii) subject to Section [11-41-103](#), to pay for, including financing or refinancing, all or  
77 part of:

78 (A) project area development in a project area, including environmental remediation  
79 activities occurring before or after adoption of the project area plan;

80 (B) housing-related expenditures, projects, or programs as described in Section  
81 [17C-1-411](#) or [17C-1-412](#);

82 (C) an incentive or other consideration paid to a participant under a participation  
83 agreement;

84 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of the  
85 installation and construction of any publicly owned building, facility, structure, landscaping, or  
86 other improvement within the project area from which the project area funds are collected; or

87 (E) the cost of the installation of publicly owned infrastructure and improvements

88 outside the project area from which the project area funds are collected if the board and the  
89 community legislative body determine by resolution that the publicly owned infrastructure and  
90 improvements benefit the project area;

91 (iv) in an urban renewal project area that includes some or all of an inactive industrial  
92 site and subject to Subsection (1)(e), to reimburse the Department of Transportation created  
93 under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8,  
94 Public Transit District Act, for the cost of:

95 (A) construction of a public road, bridge, or overpass;

96 (B) relocation of a railroad track within the urban renewal project area; or

97 (C) relocation of a railroad facility within the urban renewal project area;

98 (v) subject to Subsection (5), to transfer funds to a community that created the agency;

99 or

100 (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10,  
101 Agency Taxing Authority.

102 (b) The determination of the board and the community legislative body under  
103 Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.

104 (c) An agency may not use project area funds received from a taxing entity for the  
105 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan, an  
106 economic development project area plan, or a community reinvestment project area plan  
107 without the community legislative body's consent.

108 (d) (i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a  
109 project area fund to another project area fund if:

110 (A) the board approves; and

111 (B) the community legislative body approves.

112 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the  
113 projections for agency funds are sufficient to repay the loan amount.

114 (iii) A loan described in Subsection (1)(d) is not subject to Title 10, Chapter 5,  
115 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal  
116 Procedures Act for Utah Cities, Title 17, Chapter 36, Uniform Fiscal Procedures Act for  
117 Counties, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts.

118 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection

119 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the  
120 reimbursement with:

121 (i) the Department of Transportation; or

122 (ii) a public transit district.

123 (f) Before an agency may use project area funds for agency-wide project development,  
124 as defined in Section 17C-1-1001, the agency shall obtain the consent of the taxing entity  
125 committee or each taxing entity party to an interlocal agreement with the agency.

126 (2) (a) Sales and use tax revenue that an agency receives from a taxing entity is not  
127 subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Retail Facility  
128 Incentive Payments Act.

129 (b) An agency may use sales and use tax revenue that the agency receives under an  
130 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized in the  
131 interlocal agreement.

132 (3) (a) An agency may contract with the community that created the agency or another  
133 public entity to use agency funds to reimburse the cost of items authorized by this title to be  
134 paid by the agency that are paid by the community or other public entity.

135 (b) If land is acquired or the cost of an improvement is paid by another public entity  
136 and the land or improvement is leased to the community, an agency may contract with and  
137 make reimbursement from agency funds to the community.

138 (4) Notwithstanding any other provision of this title, an agency may not use project  
139 area funds, project area incremental revenue as defined in Section 17C-1-1001, or property tax  
140 revenue as defined in Section 17C-1-1001, to construct a local government building unless the  
141 taxing entity committee or each taxing entity party to an interlocal agreement with the agency  
142 consents.

143 (5) For the purpose of offsetting the community's annual local contribution to the  
144 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in  
145 a calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and  
146 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as defined in  
147 Subsection [~~59-12-205(5)~~] 59-12-205(4).

148 Section 2. Section 17C-1-411 is amended to read:

149 **17C-1-411. Use of project area funds for housing-related improvements and for**

150 **relocating mobile home park residents -- Funds to be held in separate accounts.**

151 (1) An agency may use project area funds:

152 (a) to pay all or part of the value of the land for and the cost of installation,  
153 construction, or rehabilitation of any housing-related building, facility, structure, or other  
154 housing improvement, including infrastructure improvements related to housing, located in any  
155 project area within the agency's boundaries;

156 (b) outside of a project area for the purpose of:

157 (i) replacing housing units lost by project area development; or

158 (ii) increasing, improving, or preserving the affordable housing supply within the  
159 boundary of the agency;

160 (c) for relocating mobile home park residents displaced by project area development,  
161 whether inside or outside a project area; or

162 (d) subject to Subsection (4), to transfer funds to a community that created the agency.

163 (2) (a) Each agency shall create a housing fund and separately account for project area  
164 funds allocated under this section.

165 (b) Interest earned by the housing fund described in Subsection (2)(a), and any  
166 payments or repayments made to the agency for loans, advances, or grants of any kind from the  
167 housing fund, shall accrue to the housing fund.

168 (c) An agency that designates a housing fund under this section shall use the housing  
169 fund for the purposes set forth in this section or Section [17C-1-412](#).

170 (3) An agency may lend, grant, or contribute funds from the housing fund to a person,  
171 public entity, housing authority, private entity or business, or nonprofit corporation for  
172 affordable housing or homeless assistance.

173 (4) For the purpose of offsetting the community's annual local contribution to the  
174 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in  
175 a calendar year to a community under Subsections (1)(d), [17C-1-409\(1\)\(a\)\(v\)](#), and  
176 [17C-1-412\(1\)\(a\)\(x\)](#) may not exceed the community's annual local contribution as defined in  
177 Subsection [~~[59-12-205\(5\)](#)~~] [59-12-205\(4\)](#).

178 Section 3. Section [17C-1-412](#) is amended to read:

179 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**  
180 **of bonds for housing -- Action to compel agency to provide housing allocation.**

- 181 (1) (a) An agency shall use the agency's housing allocation to:
- 182 (i) pay part or all of the cost of land or construction of income targeted housing within
- 183 the boundary of the agency, if practicable in a mixed income development or area;
- 184 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
- 185 boundary of the agency;
- 186 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
- 187 private entity or business, or nonprofit corporation for income targeted housing within the
- 188 boundary of the agency;
- 189 (iv) plan or otherwise promote income targeted housing within the boundary of the
- 190 agency;
- 191 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
- 192 any building, facility, structure, or other housing improvement, including infrastructure
- 193 improvements, related to housing located in a project area where a board has determined that a
- 194 development impediment exists;
- 195 (vi) replace housing units lost as a result of the project area development;
- 196 (vii) make payments on or establish a reserve fund for bonds:
- 197 (A) issued by the agency, the community, or the housing authority that provides
- 198 income targeted housing within the community; and
- 199 (B) all or part of the proceeds of which are used within the community for the purposes
- 200 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
- 201 (viii) if the community's fair share ratio at the time of the first adoption of the project
- 202 area budget is at least 1.1 to 1.0, make payments on bonds:
- 203 (A) that were previously issued by the agency, the community, or the housing authority
- 204 that provides income targeted housing within the community; and
- 205 (B) all or part of the proceeds of which were used within the community for the
- 206 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
- 207 (ix) relocate mobile home park residents displaced by project area development;
- 208 (x) subject to Subsection (7), transfer funds to a community that created the agency; or
- 209 (xi) pay for or make a contribution toward the acquisition, construction, or
- 210 rehabilitation of housing that:
- 211 (A) is located in the same county as the agency;

212 (B) is owned in whole or in part by, or is dedicated to supporting, a public nonprofit  
213 college or university; and

214 (C) only students of the relevant college or university, including the students'  
215 immediate families, occupy.

216 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or  
217 any portion of the agency's housing allocation to:

218 (i) the community for use as described in Subsection (1)(a);

219 (ii) a housing authority that provides income targeted housing within the community  
220 for use in providing income targeted housing within the community;

221 (iii) a housing authority established by the county in which the agency is located for  
222 providing:

223 (A) income targeted housing within the county;

224 (B) permanent housing, permanent supportive housing, or a transitional facility, as  
225 defined in Section [35A-5-302](#), within the county; or

226 (C) homeless assistance within the county;

227 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,  
228 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within  
229 the community;

230 (v) pay for or make a contribution toward the acquisition, construction, or  
231 rehabilitation of income targeted housing that is outside of the community if the housing is  
232 located along or near a major transit investment corridor that services the community and the  
233 related project has been approved by the community in which the housing is or will be located;  
234 or

235 (vi) pay for or make a contribution toward the expansion of child care facilities within  
236 the boundary of the agency, provided that any recipient of funds from the agency's housing  
237 allocation reports annually to the agency on how the funds were used.

238 (2) (a) An agency may combine all or any portion of the agency's housing allocation  
239 with all or any portion of one or more additional agency's housing allocations if the agencies  
240 execute an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation  
241 Act.

242 (b) An agency that has entered into an interlocal agreement as described in Subsection



243 (2)(a), meets the requirements of Subsection (1)(a) or (1)(b) if the use of the housing allocation  
244 meets the requirements for at least one agency that is a party to the interlocal agreement.

245 (3) The agency shall create a housing fund and separately account for the agency's  
246 housing allocation, together with all interest earned by the housing allocation and all payments  
247 or repayments for loans, advances, or grants from the housing allocation.

248 (4) An agency may:

249 (a) issue bonds to finance a housing-related project under this section, including the  
250 payment of principal and interest upon advances for surveys and plans or preliminary loans;  
251 and

252 (b) issue refunding bonds for the payment or retirement of bonds under Subsection  
253 (4)(a) previously issued by the agency.

254 (5) (a) Except as provided in Subsection (5)(b), an agency shall allocate money to the  
255 housing fund each year in which the agency receives sufficient tax increment to make a  
256 housing allocation required by the project area budget.

257 (b) Subsection (5)(a) does not apply in a year in which tax increment is insufficient.

258 (6) (a) Except as provided in Subsection (5)(b), if an agency fails to provide a housing  
259 allocation in accordance with the project area budget and the housing plan adopted under  
260 Subsection [17C-2-204\(2\)](#), the loan fund board may bring legal action to compel the agency to  
261 provide the housing allocation.

262 (b) In an action under Subsection (6)(a), the court:

263 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that  
264 the action was frivolous; and

265 (ii) may not award the agency the agency's attorney fees, unless the court finds that the  
266 action was frivolous.

267 (7) For the purpose of offsetting the community's annual local contribution to the  
268 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in  
269 a calendar year to a community under Subsections (1)(a)(x), [17C-1-409\(1\)\(a\)\(v\)](#), and  
270 [17C-1-411\(1\)\(d\)](#) may not exceed the community's annual local contribution as defined in  
271 Subsection [~~[59-12-205\(5\)](#)~~ [59-12-205\(4\)](#)].

272 Section 4. Section **26-36b-208** is amended to read:

273 **26-36b-208. Medicaid Expansion Fund.**

274 (1) There is created an expendable special revenue fund known as the Medicaid  
275 Expansion Fund.

276 (2) The fund consists of:

277 (a) assessments collected under this chapter;

278 (b) intergovernmental transfers under Section [26-36b-206](#);

279 (c) savings attributable to the health coverage improvement program as determined by  
280 the department;

281 (d) savings attributable to the enhancement waiver program as determined by the  
282 department;

283 (e) savings attributable to the Medicaid waiver expansion as determined by the  
284 department;

285 (f) savings attributable to the inclusion of psychotropic drugs on the preferred drug list  
286 under Subsection [26-18-2.4\(3\)](#) as determined by the department;

287 (g) revenues collected from the sales tax described in Subsection [~~[59-12-103\(12\)](#)~~]  
288 [59-12-103\(11\)](#);

289 (h) gifts, grants, donations, or any other conveyance of money that may be made to the  
290 fund from private sources;

291 (i) interest earned on money in the fund; and

292 (j) additional amounts as appropriated by the Legislature.

293 (3) (a) The fund shall earn interest.

294 (b) All interest earned on fund money shall be deposited into the fund.

295 (4) (a) A state agency administering the provisions of this chapter may use money from  
296 the fund to pay the costs, not otherwise paid for with federal funds or other revenue sources, of:

297 (i) the health coverage improvement program;

298 (ii) the enhancement waiver program;

299 (iii) a Medicaid waiver expansion; and

300 (iv) the outpatient upper payment limit supplemental payments under Section  
301 [26-36b-210](#).

302 (b) A state agency administering the provisions of this chapter may not use:

303 (i) funds described in Subsection (2)(b) to pay the cost of private outpatient upper  
304 payment limit supplemental payments; or

305 (ii) money in the fund for any purpose not described in Subsection (4)(a).

306 Section 5. Section **51-9-902** is amended to read:

307 **51-9-902. Outdoor Adventure Infrastructure Restricted Account.**

308 (1) There is created within the General Fund a restricted account known as the

309 "Outdoor Adventure Infrastructure Restricted Account."

310 (2) The account shall consist of:

311 (a) money deposited into the account under Subsection [~~59-12-103(16)~~]

312 [59-12-103\(15\)](#); and

313 (b) interest and earnings on money in the account.

314 (3) Subject to appropriation from the Legislature, money from the account shall be

315 used for:

316 (a) new construction of outdoor recreation infrastructure;

317 (b) upgrades of outdoor recreation infrastructure;

318 (c) the replacement of or structural improvements to outdoor recreation infrastructure;

319 (d) the acquisition of land, a right-of-way, or easement used in relationship to outdoor

320 recreation infrastructure; or

321 (e) providing access from state highways, as defined in Section [72-1-102](#), to outdoor  
322 recreation infrastructure.

323 (4) If the Legislature appropriates money to the Department of Transportation from the

324 account, the Transportation Commission, created in Section [72-1-301](#), shall prioritize projects

325 and determine funding levels in accordance with Subsection [72-1-303\(1\)\(a\)](#) based on

326 recommendations of the Department of Transportation.

327 Section 6. Section **53-2a-1102** is amended to read:

328 **53-2a-1102. Search and Rescue Financial Assistance Program -- Uses --**

329 **Rulemaking -- Distribution.**

330 (1) As used in this section:

331 (a) "Assistance card program" means the Utah Search and Rescue Assistance Card

332 Program created within this section.

333 (b) "Card" means the Search and Rescue Assistance Card issued under this section to a  
334 participant.

335 (c) "Participant" means an individual, family, or group who is registered pursuant to

336 this section as having a valid card at the time search, rescue, or both are provided.

337 (d) "Program" means the Search and Rescue Financial Assistance Program created  
338 within this section.

339 (e) (i) "Reimbursable base expenses" means those reasonable expenses incidental to  
340 search and rescue activities.

341 (ii) "Reimbursable base expenses" include:

342 (A) rental for fixed wing aircraft, snowmobiles, boats, and generators;

343 (B) replacement and upgrade of search and rescue equipment;

344 (C) training of search and rescue volunteers;

345 (D) costs of providing life insurance and workers' compensation benefits for volunteer  
346 search and rescue team members under Section [67-20-7.5](#); and

347 (E) any other equipment or expenses necessary or appropriate for conducting search  
348 and rescue activities.

349 (iii) "Reimbursable base expenses" do not include any salary or overtime paid to an  
350 individual on a regular or permanent payroll, including permanent part-time employees of any  
351 agency of the state.

352 (f) "Rescue" means search services, rescue services, or both search and rescue services.

353 (2) There is created the Search and Rescue Financial Assistance Program within the  
354 division.

355 (3) (a) The financial program and the assistance card program shall be funded from the  
356 following revenue sources:

357 (i) any voluntary contributions to the state received for search and rescue operations;

358 (ii) money received by the state under Subsection (11) and under Sections [23-19-42](#),  
359 [41-22-34](#), and [73-18-24](#);

360 (iii) money deposited under Subsection [~~59-12-103(14)~~] [59-12-103\(13\)](#);

361 (iv) contributions deposited in accordance with Section [41-1a-230.7](#); and

362 (v) appropriations made to the program by the Legislature.

363 (b) Money received from the revenue sources in Subsections (3)(a)(i), (ii), and (iv), and  
364 90% of the money described in Subsection (3)(a)(iii), shall be deposited into the General Fund  
365 as a dedicated credit to be used solely for the program.

366 (c) Ten percent of the money described in Subsection (3)(a)(iii) shall be deposited into

367 the General Fund as a dedicated credit to be used solely to promote the assistance card  
368 program.

369 (d) Funding for the program is nonlapsing.

370 (4) Subject to Subsections (3)(b) and (c), the director shall use the money described in  
371 this section to reimburse counties for all or a portion of each county's reimbursable base  
372 expenses for search and rescue operations, subject to:

373 (a) the approval of the Search and Rescue Advisory Board as provided in Section  
374 [53-2a-1104](#);

375 (b) money available in the program; and

376 (c) rules made under Subsection (7).

377 (5) Money described in Subsection (3) may not be used to reimburse for any paid  
378 personnel costs or paid man hours spent in emergency response and search and rescue related  
379 activities.

380 (6) The Legislature finds that these funds are for a general and statewide public  
381 purpose.

382 (7) The division, with the approval of the Search and Rescue Advisory Board, shall  
383 make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and  
384 consistent with this section:

385 (a) specifying the costs that qualify as reimbursable base expenses;

386 (b) defining the procedures of counties to submit expenses and be reimbursed;

387 (c) defining a participant in the assistance card program, including:

388 (i) individuals; and

389 (ii) families and organized groups who qualify as participants;

390 (d) defining the procedure for issuing a card to a participant;

391 (e) defining excluded expenses that may not be reimbursed under the program,  
392 including medical expenses;

393 (f) establishing the card renewal cycle for the Utah Search and Rescue Assistance Card  
394 Program;

395 (g) establishing the frequency of review of the fee schedule;

396 (h) providing for the administration of the program; and

397 (i) providing a formula to govern the distribution of available money among the

398 counties for uncompensated search and rescue expenses based on:

- 399 (i) the total qualifying expenses submitted;
- 400 (ii) the number of search and rescue incidents per county population;
- 401 (iii) the number of victims that reside outside the county; and
- 402 (iv) the number of volunteer hours spent in each county in emergency response and
- 403 search and rescue related activities per county population.

404 (8) (a) The division shall, in consultation with the Division of Outdoor Recreation,  
405 establish the fee schedule of the Utah Search and Rescue Assistance Card Program under  
406 Subsection [63J-1-504](#)(7).

407 (b) The division shall provide a discount of not less than 10% of the card fee under  
408 Subsection (8)(a) to a person who has paid a fee under Section [23-19-42](#), [41-22-34](#), or  
409 [73-18-24](#) during the same calendar year in which the person applies to be a participant in the  
410 assistance card program.

411 (9) Counties may not bill reimbursable base expenses to an individual for costs  
412 incurred for the rescue of an individual, if the individual is a current participant in the Utah  
413 Search and Rescue Assistance Card Program at the time of rescue, unless:

414 (a) the rescuing county finds that the participant acted recklessly in creating a situation  
415 resulting in the need for the county to provide rescue services; or

416 (b) the rescuing county finds that the participant intentionally created a situation  
417 resulting in the need for the county to provide rescue services.

418 (10) (a) There is created the Utah Search and Rescue Assistance Card Program. The  
419 program is located within the division.

420 (b) The program may not be used to cover any expenses, such as medically related  
421 expenses, that are not reimbursable base expenses related to the rescue.

422 (11) (a) To participate in the program, a person shall purchase a search and rescue  
423 assistance card from the division by paying the fee as determined by the division in Subsection  
424 (8).

425 (b) The money generated by the fees shall be deposited into the General Fund as a  
426 dedicated credit for the Search and Rescue Financial Assistance Program created in this  
427 section.

428 (c) Participation and payment of fees by a person under Sections [23-19-42](#), [41-22-34](#),

429 and 73-18-24 do not constitute purchase of a card under this section.

430 (12) The division shall consult with the Division of Outdoor Recreation regarding:

431 (a) administration of the assistance card program; and

432 (b) outreach and marketing strategies.

433 (13) Pursuant to Subsection 31A-1-103(7), the Utah Search and Rescue Assistance  
434 Card Program under this section is exempt from being considered insurance as that term is  
435 defined in Section 31A-1-301.

436 Section 7. Section 59-1-401 is amended to read:

437 **59-1-401. Definitions -- Offenses and penalties -- Rulemaking authority -- Statute**  
438 **of limitations -- Commission authority to waive, reduce, or compromise penalty or**  
439 **interest.**

440 (1) As used in this section:

441 ~~[(a) "Activated tax, fee, or charge" means a tax, fee, or charge with respect to which the~~  
442 ~~commission:]~~

443 ~~[(i) has implemented the commission's GenTax system; and]~~

444 ~~[(ii) at least 30 days before implementing the commission's GenTax system as~~  
445 ~~described in Subsection (1)(a)(i), has provided notice in a conspicuous place on the~~  
446 ~~commission's website stating:]~~

447 ~~[(A) the date the commission will implement the GenTax system with respect to the~~  
448 ~~tax, fee, or charge; and]~~

449 ~~[(B) that, at the time the commission implements the GenTax system with respect to~~  
450 ~~the tax, fee, or charge:]~~

451 ~~[(I) a person that files a return after the due date as described in Subsection (2)(a) is~~  
452 ~~subject to the penalty described in Subsection (2)(c)(ii); and]~~

453 ~~[(H) a person that fails to pay the tax, fee, or charge as described in Subsection (3)(a) is~~  
454 ~~subject to the penalty described in Subsection (3)(b)(ii).]~~

455 ~~[(b) "Activation date for a tax, fee, or charge" means with respect to a tax, fee, or~~  
456 ~~charge, the later of:]~~

457 ~~[(i) the date on which the commission implements the commission's GenTax system~~  
458 ~~with respect to the tax, fee, or charge; or]~~

459 ~~[(ii) 30 days after the date the commission provides the notice described in Subsection~~

460 ~~(1)(a)(ii) with respect to the tax, fee, or charge.]~~

461 ~~[(e)] (a) [(i) Except as provided in Subsection (1)(c)(ii), "tax]~~ "Tax, fee, or charge"

462 means:

463 ~~[(A)] (i)~~ a tax, fee, or charge the commission administers under:

464 ~~[(B)] (A)~~ this title;

465 ~~[(C)] (B)~~ Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

466 ~~[(D)] (C)~~ Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

467 ~~[(E)] (D)~~ Section 19-6-410.5;

468 ~~[(F)] (E)~~ Section 19-6-714;

469 ~~[(G)] (F)~~ Section 19-6-805;

470 ~~[(H)] (G)~~ Section 34A-2-202;

471 ~~[(I)] (H)~~ Section 40-6-14; or

472 ~~[(J)] (I)~~ Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service  
473 Charges; or

474 ~~[(K)] (ii)~~ another amount that by statute is subject to a penalty imposed under this  
475 section.

476 ~~[(ii)] (b)~~ "Tax, fee, or charge" does not include a tax, fee, or charge imposed under:

477 ~~[(A)] (i)~~ Title 41, Chapter 1a, Motor Vehicle Act, except for Section 41-1a-301;

478 ~~[(B)] (ii)~~ Title 41, Chapter 3, Motor Vehicle Business Regulation Act;

479 ~~[(C)] (iii)~~ Chapter 2, Property Tax Act, except for Section 59-2-1309;

480 ~~[(D)] (iv)~~ Chapter 3, Tax Equivalent Property Act; or

481 ~~[(E)] (v)~~ Chapter 4, Privilege Tax.

482 ~~[(d) "Unactivated tax, fee, or charge" means a tax, fee, or charge except for an~~  
483 ~~activated tax, fee, or charge.]~~

484 (2) (a) The due date for filing a return is:

485 (i) if the person filing the return is not allowed by law an extension of time for filing  
486 the return, the day on which the return is due as provided by law; or

487 (ii) if the person filing the return is allowed by law an extension of time for filing the  
488 return, the earlier of:

489 (A) the date the person files the return; or

490 (B) the last day of that extension of time as allowed by law.



491 (b) A penalty in the amount described in Subsection (2)(c) is imposed if a person files a  
492 return after the due date described in Subsection (2)(a).

493 (c) For purposes of Subsection (2)(b), the penalty is an amount equal to the greater of:

494 ~~[(i) if the return described in Subsection (2)(b) is filed with respect to an unactivated~~  
495 ~~tax, fee, or charge:]~~

496 ~~[(A) \$20; or]~~

497 ~~[(B) 10% of the unpaid unactivated tax, fee, or charge due on the return; or]~~

498 ~~[(ii) if the return described in Subsection (2)(b) is filed with respect to an activated tax,~~  
499 ~~fee, or charge, beginning on the activation date for the tax, fee, or charge:]~~

500 ~~[(A)]~~ (i) \$20; or

501 ~~[(B)]~~ (ii) ~~[(H)]~~ (A) 2% of the unpaid ~~[activated]~~ tax, fee, or charge due on the return if  
502 the return is filed no later than five days after the due date described in Subsection (2)(a);

503 ~~[(H)]~~ (B) 5% of the unpaid ~~[activated]~~ tax, fee, or charge due on the return if the return  
504 is filed more than five days after the due date but no later than 15 days after the due date  
505 described in Subsection (2)(a); or

506 ~~[(H)]~~ (C) 10% of the unpaid ~~[activated]~~ tax, fee, or charge due on the return if the  
507 return is filed more than 15 days after the due date described in Subsection (2)(a).

508 (d) This Subsection (2) does not apply to:

509 (i) an amended return; or

510 (ii) a return with no tax due.

511 (3) (a) Except as provided in Subsection (15), a person is subject to a penalty for  
512 failure to pay a tax, fee, or charge if:

513 (i) the person files a return on or before the due date for filing a return described in  
514 Subsection (2)(a), but fails to pay the tax, fee, or charge due on the return on or before that due  
515 date;

516 (ii) the person:

517 (A) is subject to a penalty under Subsection (2)(b); and

518 (B) fails to pay the tax, fee, or charge due on a return within a 90-day period after the  
519 due date for filing a return described in Subsection (2)(a);

520 (iii) (A) the person is subject to a penalty under Subsection (2)(b); and

521 (B) the commission estimates an amount of tax due for that person in accordance with

522 Subsection 59-1-1406(2);  
523 (iv) the person:  
524 (A) is mailed a notice of deficiency; and  
525 (B) within a 30-day period after the day on which the notice of deficiency described in  
526 Subsection (3)(a)(iv)(A) is mailed:  
527 (I) does not file a petition for redetermination or a request for agency action; and  
528 (II) fails to pay the tax, fee, or charge due on a return;  
529 (v) (A) the commission:  
530 (I) issues an order constituting final agency action resulting from a timely filed petition  
531 for redetermination or a timely filed request for agency action; or  
532 (II) is considered to have denied a request for reconsideration under Subsection  
533 63G-4-302(3)(b) resulting from a timely filed petition for redetermination or a timely filed  
534 request for agency action; and  
535 (B) the person fails to pay the tax, fee, or charge due on a return within a 30-day period  
536 after the date the commission:  
537 (I) issues the order constituting final agency action described in Subsection  
538 (3)(a)(v)(A)(I); or  
539 (II) is considered to have denied the request for reconsideration described in  
540 Subsection (3)(a)(v)(A)(II); or  
541 (vi) the person fails to pay the tax, fee, or charge within a 30-day period after the date  
542 of a final judicial decision resulting from a timely filed petition for judicial review.  
543 (b) For purposes of Subsection (3)(a), the penalty is an amount equal to the greater of:  
544 [~~(i) if the failure to pay a tax, fee, or charge as described in Subsection (3)(a) is with~~  
545 ~~respect to an unactivated tax, fee, or charge:]~~  
546 [~~(A) \$20; or~~  
547 [~~(B) 10% of the unpaid unactivated tax, fee, or charge due on the return; or~~  
548 [~~(ii) if the failure to pay a tax, fee, or charge as described in Subsection (3)(a) is with~~  
549 ~~respect to an activated tax, fee, or charge, beginning on the activation date:]~~  
550 [~~(A)~~] (i) \$20; or  
551 [~~(B)~~] (ii) (A) 2% of the unpaid [activated] tax, fee, or charge due on the return if  
552 the activated tax, fee, or charge due on the return is paid no later than five days after the due

553 date for filing a return described in Subsection (2)(a);

554 ~~[(H)]~~ (B) 5% of the unpaid ~~[activated]~~ tax, fee, or charge due on the return if the  
555 activated tax, fee, or charge due on the return is paid more than five days after the due date for  
556 filing a return described in Subsection (2)(a) but no later than 15 days after that due date; or

557 ~~[(H)]~~ (C) 10% of the unpaid ~~[activated]~~ tax, fee, or charge due on the return if the  
558 activated tax, fee, or charge due on the return is paid more than 15 days after the due date for  
559 filing a return described in Subsection (2)(a).

560 (4) (a) In the case of any underpayment of estimated tax or quarterly installments  
561 required by Sections [59-5-107](#), [59-5-207](#), [59-7-504](#), and [59-9-104](#), there shall be added a  
562 penalty in an amount determined by applying the interest rate provided under Section [59-1-402](#)  
563 plus four percentage points to the amount of the underpayment for the period of the  
564 underpayment.

565 (b) (i) For purposes of Subsection (4)(a), the amount of the underpayment shall be the  
566 excess of the required installment over the amount, if any, of the installment paid on or before  
567 the due date for the installment.

568 (ii) The period of the underpayment shall run from the due date for the installment to  
569 whichever of the following dates is the earlier:

570 (A) the original due date of the tax return, without extensions, for the taxable year; or

571 (B) with respect to any portion of the underpayment, the date on which that portion is  
572 paid.

573 (iii) For purposes of this Subsection (4), a payment of estimated tax shall be credited  
574 against unpaid required installments in the order in which the installments are required to be  
575 paid.

576 (5) (a) Notwithstanding Subsection (2) and except as provided in Subsection (6), a  
577 person allowed by law an extension of time for filing a corporate franchise or income tax return  
578 under Chapter 7, Corporate Franchise and Income Taxes, or an individual income tax return  
579 under Chapter 10, Individual Income Tax Act, is subject to a penalty in the amount described in  
580 Subsection (5)(b) if, on or before the day on which the return is due as provided by law, not  
581 including the extension of time, the person fails to pay:

582 (i) for a person filing a corporate franchise or income tax return under Chapter 7,  
583 Corporate Franchise and Income Taxes, the payment required by Subsection [59-7-507](#)(1)(b); or

584 (ii) for a person filing an individual income tax return under Chapter 10, Individual  
585 Income Tax Act, the payment required by Subsection 59-10-516(2).

586 (b) For purposes of Subsection (5)(a), the penalty per month during the period of the  
587 extension of time for filing the return is an amount equal to 2% of the tax due on the return,  
588 unpaid as of the day on which the return is due as provided by law.

589 (6) If a person does not file a return within an extension of time allowed by Section  
590 59-7-505 or 59-10-516, the person:

591 (a) is not subject to a penalty in the amount described in Subsection (5)(b); and

592 (b) is subject to a penalty in an amount equal to the sum of:

593 (i) a late file penalty in an amount equal to the greater of:

594 (A) \$20; or

595 (B) 10% of the tax due on the return, unpaid as of the day on which the return is due as  
596 provided by law, not including the extension of time; and

597 (ii) a late pay penalty in an amount equal to the greater of:

598 (A) \$20; or

599 (B) 10% of the unpaid tax due on the return, unpaid as of the day on which the return is  
600 due as provided by law, not including the extension of time.

601 (7) (a) Additional penalties for an underpayment of a tax, fee, or charge are as provided  
602 in this Subsection (7)(a).

603 (i) Except as provided in Subsection (7)(c), if any portion of an underpayment of a tax,  
604 fee, or charge is due to negligence, the penalty is 10% of the portion of the underpayment that  
605 is due to negligence.

606 (ii) Except as provided in Subsection (7)(d), if any portion of an underpayment of a  
607 tax, fee, or charge is due to intentional disregard of law or rule, the penalty is 15% of the entire  
608 underpayment.

609 (iii) If any portion of an underpayment is due to an intent to evade a tax, fee, or charge,  
610 the penalty is the greater of \$500 per period or 50% of the entire underpayment.

611 (iv) If any portion of an underpayment is due to fraud with intent to evade a tax, fee, or  
612 charge, the penalty is the greater of \$500 per period or 100% of the entire underpayment.

613 (b) If the commission determines that a person is liable for a penalty imposed under  
614 Subsection (7)(a)(ii), (iii), or (iv), the commission shall notify the person of the proposed

615 penalty.

616 (i) The notice of proposed penalty shall:

617 (A) set forth the basis of the assessment; and

618 (B) be mailed by certified mail, postage prepaid, to the person's last-known address.

619 (ii) Upon receipt of the notice of proposed penalty, the person against whom the  
620 penalty is proposed may:

621 (A) pay the amount of the proposed penalty at the place and time stated in the notice;

622 or

623 (B) proceed in accordance with the review procedures of Subsection (7)(b)(iii).

624 (iii) A person against whom a penalty is proposed in accordance with this Subsection  
625 (7) may contest the proposed penalty by filing a petition for an adjudicative proceeding with  
626 the commission.

627 (iv) (A) If the commission determines that a person is liable for a penalty under this  
628 Subsection (7), the commission shall assess the penalty and give notice and demand for  
629 payment.

630 (B) The commission shall mail the notice and demand for payment described in  
631 Subsection (7)(b)(iv)(A):

632 (I) to the person's last-known address; and

633 (II) in accordance with Section 59-1-1404.

634 (c) A seller that voluntarily collects a tax under Subsection 59-12-107(2)(d) is not  
635 subject to the penalty under Subsection (7)(a)(i) if on or after July 1, 2001:

636 (i) a court of competent jurisdiction issues a final unappealable judgment or order  
637 determining that:

638 (A) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a)  
639 or is a seller required to pay or collect and remit sales and use taxes under Subsection  
640 59-12-107(2)(b) or (2)(c); and

641 (B) the commission or a county, city, or town may require the seller to collect a tax  
642 under Subsections 59-12-103(2)(a) through (e); or

643 (ii) the commission issues a final unappealable administrative order determining that:

644 (A) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a)  
645 or is a seller required to pay or collect and remit sales and use taxes under Subsection

646 59-12-107(2)(b) or (2)(c); and

647 (B) the commission or a county, city, or town may require the seller to collect a tax  
648 under Subsections 59-12-103(2)(a) through (e).

649 (d) A seller that voluntarily collects a tax under Subsection 59-12-107(2)(d) is not  
650 subject to the penalty under Subsection (7)(a)(ii) if:

651 (i) (A) a court of competent jurisdiction issues a final unappealable judgment or order  
652 determining that:

653 (I) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a)  
654 or is a seller required to pay or collect and remit sales and use taxes under Subsection  
655 59-12-107(2)(b) or (2)(c); and

656 (II) the commission or a county, city, or town may require the seller to collect a tax  
657 under Subsections 59-12-103(2)(a) through (e); or

658 (B) the commission issues a final unappealable administrative order determining that:

659 (I) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a)  
660 or is a seller required to pay or collect and remit sales and use taxes under Subsection  
661 59-12-107(2)(b) or (2)(c); and

662 (II) the commission or a county, city, or town may require the seller to collect a tax  
663 under Subsections 59-12-103(2)(a) through (e); and

664 (ii) the seller's intentional disregard of law or rule is warranted by existing law or by a  
665 nonfrivolous argument for the extension, modification, or reversal of existing law or the  
666 establishment of new law.

667 (8) (a) Subject to Subsections (8)(b) and (c), the penalty for failure to file an  
668 information return, information report, or a complete supporting schedule is \$50 for each  
669 information return, information report, or supporting schedule up to a maximum of \$1,000.

670 (b) If an employer is subject to a penalty under Subsection (13), the employer may not  
671 be subject to a penalty under Subsection (8)(a).

672 (c) If an employer is subject to a penalty under this Subsection (8) for failure to file a  
673 return in accordance with Subsection 59-10-406(3) on or before the due date described in  
674 Subsection 59-10-406(3)(b)(ii), the commission may not impose a penalty under this  
675 Subsection (8) unless the return is filed more than 14 days after the due date described in  
676 Subsection 59-10-406(3)(b)(ii).

677 (9) If a person, in furtherance of a frivolous position, has a prima facie intent to delay  
678 or impede administration of a law relating to a tax, fee, or charge and files a purported return  
679 that fails to contain information from which the correctness of reported tax, fee, or charge  
680 liability can be determined or that clearly indicates that the tax, fee, or charge liability shown is  
681 substantially incorrect, the penalty is \$500.

682 (10) (a) A seller that fails to remit a tax, fee, or charge monthly as required by  
683 Subsection 59-12-108(1)(a):

684 (i) is subject to a penalty described in Subsection (2); and

685 (ii) may not retain the percentage of sales and use taxes that would otherwise be  
686 allowable under Subsection 59-12-108(2).

687 (b) A seller that fails to remit a tax, fee, or charge by electronic funds transfer as  
688 required by Subsection 59-12-108(1)(a)(ii)(B):

689 (i) is subject to a penalty described in Subsection (2); and

690 (ii) may not retain the percentage of sales and use taxes that would otherwise be  
691 allowable under Subsection 59-12-108(2).

692 (11) (a) A person is subject to the penalty provided in Subsection (11)(c) if that person:

693 (i) commits an act described in Subsection (11)(b) with respect to one or more of the  
694 following documents:

695 (A) a return;

696 (B) an affidavit;

697 (C) a claim; or

698 (D) a document similar to Subsections (11)(a)(i)(A) through (C);

699 (ii) knows or has reason to believe that the document described in Subsection (11)(a)(i)  
700 will be used in connection with any material matter administered by the commission; and

701 (iii) knows that the document described in Subsection (11)(a)(i), if used in connection  
702 with any material matter administered by the commission, would result in an understatement of  
703 another person's liability for a tax, fee, or charge.

704 (b) The following acts apply to Subsection (11)(a)(i):

705 (i) preparing any portion of a document described in Subsection (11)(a)(i);

706 (ii) presenting any portion of a document described in Subsection (11)(a)(i);

707 (iii) procuring any portion of a document described in Subsection (11)(a)(i);

708 (iv) advising in the preparation or presentation of any portion of a document described  
709 in Subsection (11)(a)(i);

710 (v) aiding in the preparation or presentation of any portion of a document described in  
711 Subsection (11)(a)(i);

712 (vi) assisting in the preparation or presentation of any portion of a document described  
713 in Subsection (11)(a)(i); or

714 (vii) counseling in the preparation or presentation of any portion of a document  
715 described in Subsection (11)(a)(i).

716 (c) For purposes of Subsection (11)(a), the penalty:

717 (i) shall be imposed by the commission;

718 (ii) is \$500 for each document described in Subsection (11)(a)(i) with respect to which  
719 the person described in Subsection (11)(a) meets the requirements of Subsection (11)(a); and

720 (iii) is in addition to any other penalty provided by law.

721 (d) The commission may seek a court order to enjoin a person from engaging in  
722 conduct that is subject to a penalty under this Subsection (11).

723 (e) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
724 commission may make rules prescribing the documents that are similar to Subsections  
725 (11)(a)(i)(A) through (C).

726 (12) (a) As provided in Section [76-8-1101](#), criminal offenses and penalties are as  
727 provided in Subsections (12)(b) through (e).

728 (b) (i) A person who is required by this title or any laws the commission administers or  
729 regulates to register with or obtain a license or permit from the commission, who operates  
730 without having registered or secured a license or permit, or who operates when the registration,  
731 license, or permit is expired or not current, is guilty of a class B misdemeanor.

732 (ii) Notwithstanding Section [76-3-301](#), for purposes of Subsection (12)(b)(i), the  
733 penalty may not:

734 (A) be less than \$500; or

735 (B) exceed \$1,000.

736 (c) (i) With respect to a tax, fee, or charge, a person who knowingly and intentionally,  
737 and without a reasonable good faith basis, fails to make, render, sign, or verify a return within  
738 the time required by law or to supply information within the time required by law, or who



739 makes, renders, signs, or verifies a false or fraudulent return or statement, or who supplies false  
740 or fraudulent information, is guilty of a third degree felony.

741 (ii) Notwithstanding Section 76-3-301, for purposes of Subsection (12)(c)(i), the  
742 penalty may not:

743 (A) be less than \$1,000; or

744 (B) exceed \$5,000.

745 (d) (i) A person who intentionally or willfully attempts to evade or defeat a tax, fee, or  
746 charge or the payment of a tax, fee, or charge is, in addition to other penalties provided by law,  
747 guilty of a second degree felony.

748 (ii) Notwithstanding Section 76-3-301, for purposes of Subsection (12)(d)(i), the  
749 penalty may not:

750 (A) be less than \$1,500; or

751 (B) exceed \$25,000.

752 (e) (i) A person is guilty of a second degree felony if that person commits an act:

753 (A) described in Subsection (12)(e)(ii) with respect to one or more of the following  
754 documents:

755 (I) a return;

756 (II) an affidavit;

757 (III) a claim; or

758 (IV) a document similar to Subsections (12)(e)(i)(A)(I) through (III); and

759 (B) subject to Subsection (12)(e)(iii), with knowledge that the document described in  
760 Subsection (12)(e)(i)(A):

761 (I) is false or fraudulent as to any material matter; and

762 (II) could be used in connection with any material matter administered by the  
763 commission.

764 (ii) The following acts apply to Subsection (12)(e)(i):

765 (A) preparing any portion of a document described in Subsection (12)(e)(i)(A);

766 (B) presenting any portion of a document described in Subsection (12)(e)(i)(A);

767 (C) procuring any portion of a document described in Subsection (12)(e)(i)(A);

768 (D) advising in the preparation or presentation of any portion of a document described  
769 in Subsection (12)(e)(i)(A);

770 (E) aiding in the preparation or presentation of any portion of a document described in  
771 Subsection (12)(e)(i)(A);

772 (F) assisting in the preparation or presentation of any portion of a document described  
773 in Subsection (12)(e)(i)(A); or

774 (G) counseling in the preparation or presentation of any portion of a document  
775 described in Subsection (12)(e)(i)(A).

776 (iii) This Subsection (12)(e) applies:

777 (A) regardless of whether the person for which the document described in Subsection  
778 (12)(e)(i)(A) is prepared or presented:

779 (I) knew of the falsity of the document described in Subsection (12)(e)(i)(A); or

780 (II) consented to the falsity of the document described in Subsection (12)(e)(i)(A); and

781 (B) in addition to any other penalty provided by law.

782 (iv) Notwithstanding Section [76-3-301](#), for purposes of this Subsection (12)(e), the  
783 penalty may not:

784 (A) be less than \$1,500; or

785 (B) exceed \$25,000.

786 (v) The commission may seek a court order to enjoin a person from engaging in  
787 conduct that is subject to a penalty under this Subsection (12)(e).

788 (vi) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
789 the commission may make rules prescribing the documents that are similar to Subsections  
790 (12)(e)(i)(A)(I) through (III).

791 (f) The statute of limitations for prosecution for a violation of this Subsection (12) is  
792 the later of six years:

793 (i) from the date the tax should have been remitted; or

794 (ii) after the day on which the person commits the criminal offense.

795 (13) (a) Subject to Subsection (13)(b), an employer that is required to file a form with  
796 the commission in accordance with Subsection [59-10-406\(8\)](#) or (9) is subject to a penalty  
797 described in Subsection (13)(b) if the employer:

798 (i) fails to file the form with the commission in an electronic format approved by the  
799 commission as required by Subsection [59-10-406\(8\)](#) or (9);

800 (ii) fails to file the form on or before the due date provided in Subsection [59-10-406\(8\)](#)

801 or (9);

802 (iii) fails to provide accurate information on the form; or

803 (iv) fails to provide all of the information required by the Internal Revenue Service to

804 be contained on the form.

805 (b) For purposes of Subsection (13)(a), the penalty is:

806 (i) \$30 per form, not to exceed \$75,000 in a calendar year, if the employer files the

807 form in accordance with Subsection 59-10-406(8) or (9), more than 14 days after the due date

808 provided in Subsection 59-10-406(8) or (9) but no later than 30 days after the due date

809 provided in Subsection 59-10-406(8) or (9);

810 (ii) \$60 per form, not to exceed \$200,000 in a calendar year, if the employer files the

811 form in accordance with Subsection 59-10-406(8) or (9), more than 30 days after the due date

812 provided in Subsection 59-10-406(8) or (9) but on or before June 1; or

813 (iii) \$100 per form, not to exceed \$500,000 in a calendar year, if the employer:

814 (A) files the form in accordance with Subsection 59-10-406(8) or (9) after June 1; or

815 (B) fails to file the form.

816 (14) Upon making a record of the commission's actions, and upon reasonable cause

817 shown, the commission may waive, reduce, or compromise any of the penalties or interest

818 imposed under this part.

819 (15) Failure to pay a tax described in Subsection 59-10-1403.2(2) shall be subject to a

820 penalty as described in Subsection (3) except that the penalty shall be:

821 (a) assessed only if the pass-through entity reports tax paid on a Utah Schedule K-1 but

822 does not pay some or all of the tax reported; and

823 (b) calculated based on the difference between the amount of tax reported and the

824 amount of tax paid.

825 Section 8. Section **59-1-1420** is amended to read:

826 **59-1-1420. Administrative garnishment order for liability.**

827 (1) As used in this section:

828 (a) "Administrative garnishment order" includes a continuing administrative

829 garnishment order issued under this section.

830 (b) "Disposable earnings" means the same as that term is defined in Section

831 70C-7-103.

832 (c) "Garnishee" means a person to whom the commission issues an administrative  
833 garnishment order under this section.

834 (d) "Nonexempt periodic payment" means any recurring payment that, under Title 78B,  
835 Chapter 5, Part 5, Utah Exemptions Act, is not exempt from the judicial process to collect an  
836 unsecured debt.

837 (2) (a) Subject to Subsection (3), if a taxpayer owes a liability, the commission may  
838 issue an administrative garnishment order against the taxpayer's personal property, including  
839 wages, in the possession or control of a person other than the taxpayer in the same manner and  
840 with the same effect as if the order were a writ of garnishment issued by a court with  
841 jurisdiction.

842 (b) In addition to the underlying liability, the commission may satisfy through an  
843 administrative garnishment any costs or fees incurred by the commission as a result of issuing  
844 the administrative garnishment order.

845 (3) The commission may issue an administrative garnishment order to a person  
846 described in Subsection (2) if:

847 (a) the commission has filed a warrant against the taxpayer for the underlying liability  
848 in accordance with Section [59-1-1414](#); and

849 (b) the commission's executive director or the executive director's designee signs the  
850 administrative garnishment order.

851 (4) An administrative garnishment order issued in accordance with this section is  
852 subject to the procedures and due process protections provided by Rule 64D, Utah Rules of  
853 Civil Procedure.

854 (5) The maximum portion of a taxpayer's disposable earnings subject to garnishment  
855 under this section is the lesser of:

856 (a) 25% of the taxpayer's disposable earnings; or

857 (b) the amount by which the taxpayer's disposable earnings for a pay period exceeds  
858 the number of weeks in that pay period multiplied by 30 times the federal minimum wage as  
859 provided in 29 U.S.C. Sec. 201 et seq., Fair Labor Standards Act of 1938.

860 (6) Upon agreement by the garnishee, the parties to an administrative garnishment  
861 order may accept and transmit documents relating to the administrative garnishment order by  
862 electronic means, including service of process, proof of service, interrogatories, answers, and

863 any other information shared between the garnishee and the commission.

864 (7) In an administrative garnishment order issued under this section, the commission  
865 shall:

866 (a) identify the taxpayer, including:

867 (i) the taxpayer's name and address; and

868 (ii) if known:

869 (A) the last four digits of the taxpayer's social security number, or the taxpayer's full  
870 social security number, if the taxpayer's full social security number is required by federal law;  
871 and

872 (B) the taxpayer's date of birth;

873 (b) contain a statement that includes:

874 (i) if known, the nature, location, account number, and estimated value of the property  
875 subject to administrative garnishment;

876 (ii) if known, the name, address, and phone number of the person holding the property  
877 subject to administrative garnishment; and

878 (iii) the name, address, and phone number of any person claiming an interest in the  
879 property described in Subsection (7)(b)(i) or (ii);

880 (c) state whether any of the property subject to administrative garnishment consists of  
881 earnings;

882 (d) state the outstanding amount owed under the warrant described in Subsection  
883 (3)(a);

884 (e) state the amount of any applicable costs or fees included in the administrative  
885 garnishment;

886 (f) state the manner in which the garnishee shall deliver the property to the  
887 commission; and

888 (g) state that the commission shall pay the garnishee the fee described in Section  
889 [78A-2-216](#).

890 (8) As part of the administrative garnishment order, the commission shall serve on the  
891 garnishee the following interrogatories:

892 (a) whether the garnishee is indebted to the taxpayer and, if so, the nature of the  
893 indebtedness;

894 (b) whether the garnishee possesses or controls any property of the taxpayer, and, if so,  
895 the nature, location, and estimated value of the property;

896 (c) whether the garnishee knows of any property of the taxpayer in the possession or  
897 control of another person, and if so, the following information about the property:

898 (i) the nature;

899 (ii) the location; and

900 (iii) the estimated value;

901 (d) (i) whether the garnishee intends to deduct from the property a liquidated claim  
902 against the taxpayer;

903 (ii) a description of any claim described in Subsection (8)(d)(i); and

904 (iii) the amount deducted, if any;

905 (e) the date and manner of the garnishee's service of the documents described in  
906 Subsection (9)(c) on the taxpayer and any third party;

907 (f) the date on which the taxpayer was previously served with any continuing  
908 administrative garnishment order;

909 (g) any other relevant information the commission requests, including:

910 (i) the taxpayer's position;

911 (ii) the taxpayer's rate of pay;

912 (iii) the taxpayer's compensation method;

913 (iv) the taxpayer's pay period; and

914 (v) a computation of the taxpayer's disposable earnings.

915 (9) Within seven days after the day on which an administrative garnishment order is  
916 served, the garnishee shall:

917 (a) answer each interrogatory described in Subsection (8);

918 (b) serve the answers to the interrogatories on the commission;

919 (c) serve the taxpayer and any other person known to the garnishee to have an interest  
920 in the property a copy of:

921 (i) the administrative garnishment order; and

922 (ii) the answers to the interrogatories described in Subsection (9)(b); and

923 (d) inform the taxpayer of the taxpayer's right to reply to the answers described in

924 Subsection (9)(b) and request a hearing in district court as provided by Rule 64D, Utah Rules

925 of Civil Procedure.

926 (10) (a) A garnishee who acts in accordance with this section and the administrative  
927 garnishment order is released from liability unless an answer to an interrogatory is successfully  
928 controverted.

929 (b) Except as provided in Subsection (10)(c), if a garnishee fails to comply with the  
930 administrative garnishment order without a court or final administrative order directing  
931 otherwise, the garnishee is liable for an amount including:

932 (i) the lesser of the value of the property or the balance owed under the warrant  
933 described in Subsection (3)(a);

934 (ii) reasonable costs and fees; and

935 (iii) attorney fees incurred by the parties as a result of the garnishee's failure.

936 (c) If a garnishee demonstrates that the garnishee took reasonable steps to secure the  
937 property, the commission may excuse the garnishee of liability in whole or in part.

938 (11) If the commission files a motion [~~for an order to show cause~~] to enforce an  
939 administrative garnishment order under this section, the commission shall file the motion in  
940 district court and attach to the motion a statement that the commission has in good faith  
941 conferred or attempted to confer with the garnishee in an effort to settle the issue without court  
942 action.

943 (12) A garnishee is not liable for drawing, accepting, making, or endorsing a negotiable  
944 instrument that is not in the possession or control of the garnishee at the time the administrative  
945 garnishment order is served.

946 (13) A garnishee may deduct from the property any liquidated claim against the  
947 taxpayer.

948 (14) (a) If a debt owed by the taxpayer to the garnishee is secured by the property  
949 subject to the administrative garnishment order, the commission may apply the property to the  
950 debt.

951 (b) An administrative garnishment order described in Subsection (14)(a) remains in  
952 effect regardless of whether the commission applies the property to the debt.

953 (15) (a) The commission may issue a continuing administrative garnishment order  
954 against any nonexempt periodic payment.

955 (b) A continuing administrative garnishment order applies to payments to the taxpayer:

956 (i) beginning on the day on which the continuing administrative garnishment order is  
957 served; and

958 (ii) ending on the earlier of:

959 (A) subject to Subsection (15)(c), one year after the day on which the continuing  
960 administrative garnishment order is served;

961 (B) 120 days after the day on which a second or subsequent continuing administrative  
962 garnishment against the taxpayer is served;

963 (C) the day on which the last nonexempt periodic payment subject to the continuing  
964 administrative garnishment order occurs;

965 (D) the day on which the warrant described in Subsection (3)(a) is stayed, vacated, or  
966 satisfied in full; or

967 (E) the day on which the commission releases the continuing administrative  
968 garnishment order.

969 (c) If the commission issues a continuing administrative garnishment order during the  
970 term of another continuing administrative garnishment order against the same taxpayer, the  
971 period described in Subsection (15)(b)(i) is tolled if the other continuing administrative  
972 garnishment order:

973 (i) is in effect at the time the commission serves the subsequent continuing  
974 administrative garnishment order; and

975 (ii) requires payments greater than or equal to the maximum portion of disposable  
976 earnings described in Subsection (5).

977 (d) For each periodic payment period, no later than seven days after the day on which  
978 the periodic payment period ends, the garnishee shall:

979 (i) answer each interrogatory described in Subsection (8);

980 (ii) serve the answers to the interrogatories on the commission, the taxpayer, and any  
981 other person known to the garnishee to have an interest in the property; and

982 (iii) deliver the property to the commission in the manner specified in the continuing  
983 administrative garnishment order.

984 (16) (a) The commission may not name more than one garnishee in an administrative  
985 garnishment order.

986 (b) Priority among garnishments is according to the order of service on the garnishee.



987 (c) An administrative garnishment order applies to earnings accruing during the pay  
988 period in which the order is effective.

989 (17) This section is subject to Title 78B, Chapter 5, Part 5, Utah Exemptions Act.  
990 Section 9. Section **59-2-109** is amended to read:

991 **59-2-109. Burden of proof.**

992 (1) As used in this section:

993 (a) "Final assessed value" means:

994 (i) for real property for which the taxpayer appealed the valuation or equalization to the  
995 county board of equalization in accordance with Section **59-2-1004**, the value given to the real  
996 property by the county board of equalization, including a value based on a stipulation of the  
997 parties;

998 (ii) for real property for which the taxpayer or a county assessor appealed the valuation  
999 or equalization to the commission in accordance with Section **59-2-1006**, the value given to the  
1000 real property by:

1001 (A) the commission, if the commission has issued a decision in the appeal or the  
1002 parties have entered a stipulation; or

1003 (B) a county board of equalization, if the commission has not yet issued a decision in  
1004 the appeal and the parties have not entered a stipulation; or

1005 (iii) for real property for which the taxpayer or a county assessor sought judicial review  
1006 of the valuation or equalization in accordance with Section **59-1-602** or Title 63G, Chapter 4,  
1007 Part 4, Judicial Review, the value given the real property by the commission.

1008 (b) "Inflation adjusted value" means the same as that term is defined in Section  
1009 **59-2-1004**.

1010 (c) "Qualified real property" means real property:

1011 (i) that is assessed by a county assessor in accordance with Part 3, County Assessment;

1012 (ii) for which:

1013 (A) the taxpayer or a county assessor appealed the valuation or equalization for the  
1014 previous taxable year to the county board of equalization in accordance with Section **59-2-1004**  
1015 or the commission in accordance with Section **59-2-1006**;

1016 (B) the appeal described in Subsection (1)(c)(ii)(A) resulted in a final assessed value  
1017 that was lower than the assessed value; and

1018 (C) the assessed value for the current taxable year is higher than the inflation adjusted  
1019 value; and

1020 (iii) that, on or after January 1 of the previous taxable year and before January 1 of the  
1021 current taxable year, has not had a qualifying change.

1022 (d) "Qualifying change" means one of the following changes to real property that  
1023 occurs on or after January 1 of the previous taxable year and before January 1 of the current  
1024 taxable year:

1025 (i) a physical improvement if, solely as a result of the physical improvement, the fair  
1026 market value of the physical improvement equals or exceeds the greater of 10% of fair market  
1027 value of the real property or \$20,000;

1028 (ii) a zoning change, if the fair market value of the real property increases solely as a  
1029 result of the zoning change; or

1030 (iii) a change in the legal description of the real property, if the fair market value of the  
1031 real property increases solely as a result of the change in the legal description of the real  
1032 property.

1033 (2) For an appeal involving the valuation of real property to the county board of  
1034 equalization or the commission, the party carrying the burden of proof shall demonstrate:

1035 (a) substantial error in:

1036 (i) for an appeal not involving qualified real property:

1037 (A) if Subsection (3) does not apply and the appeal is to the county board of  
1038 equalization, the original assessed value;

1039 (B) if Subsection (3) does not apply and the appeal is to the commission, the value  
1040 given to the property by the county board of equalization; or

1041 (C) if Subsection (3) applies, the original assessed value; or

1042 (ii) for an appeal involving qualified real property, the inflation adjusted value; and

1043 (b) a sound evidentiary basis upon which the county board of equalization or the  
1044 commission could adopt a different valuation.

1045 (3) (a) The party described in Subsection (3)(b) shall carry the burden of proof before a  
1046 county board of equalization or the commission, in an action appealing the value of property:

1047 (i) that is not qualified real property; and

1048 (ii) for which a county assessor, a county board of equalization, or the commission

1049 asserts that the fair market value of the assessed property is greater than the original assessed  
1050 value for that calendar year.

1051 (b) For purposes of Subsection (3)(a), the following have the burden of proof:

1052 (i) for property assessed under Part 3, County Assessment:

1053 (A) the county assessor, if the county assessor is a party to the appeal that asserts that  
1054 the fair market value of the assessed property is greater than the original assessed value for that  
1055 calendar year; or

1056 (B) the county board of equalization, if the county board of equalization is a party to  
1057 the appeal that asserts that the fair market value of the assessed property is greater than the  
1058 original assessed value for that calendar year; or

1059 (ii) for property assessed under Part 2, Assessment of Property, the commission, if the  
1060 commission is a party to the appeal that asserts that the fair market value of the assessed  
1061 property is greater than the original assessed value for that calendar year.

1062 (c) For purposes of this Subsection (3) only, if a county assessor, county board of  
1063 equalization, or the commission asserts that the fair market value of the assessed property is  
1064 greater than the original assessed value for that calendar year:

1065 (i) the original assessed value shall lose the presumption of correctness;

1066 (ii) a preponderance of the evidence shall suffice to sustain the burden for all parties;

1067 and

1068 (iii) the county board of equalization or the commission shall be free to consider all  
1069 evidence allowed by law in determining fair market value, including the original assessed  
1070 value.

1071 (4) (a) The party described in Subsection (4)(b) shall carry the burden of proof before a  
1072 county board of equalization or the commission in an action appealing the value of qualified  
1073 real property if at least one party presents evidence of or otherwise asserts a value other than  
1074 inflation adjusted value.

1075 (b) For purposes of Subsection (4)(a):

1076 (i) the county assessor or the county board of equalization that is a party to the appeal  
1077 has the burden of proof if the county assessor or county board of equalization presents evidence  
1078 of or otherwise asserts a value that is greater than [~~or equal to~~] the inflation adjusted value; or

1079 (ii) the taxpayer that is a party to the appeal has the burden of proof if the taxpayer

1080 presents evidence of or otherwise asserts a value that is less than the inflation adjusted value.

1081 (c) The burdens of proof described in Subsection (4)(b) apply before a county board of  
1082 equalization or the commission even if the previous year's valuation is:

1083 (i) pending an appeal requested in accordance with Section 59-2-1006 or judicial  
1084 review requested in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial  
1085 Review; or

1086 (ii) overturned by the commission as a result of an appeal requested in accordance with  
1087 Section 59-2-1006 or by a court of competent jurisdiction as a result of judicial review  
1088 requested in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial  
1089 Review.

1090 Section 10. Section 59-2-201 is amended to read:

1091 **59-2-201. Assessment by commission -- Determination of value of mining**  
1092 **property -- Determination of value of aircraft -- Notification of assessment -- Local**  
1093 **assessment of property assessed by the unitary method -- Commission may consult with**  
1094 **county.**

1095 (1) (a) By May 1 of each year, the following property, unless otherwise exempt under  
1096 the Utah Constitution or under [~~Part 11, Exemptions, Deferrals, and Abatements~~] Part 11,  
1097 Exemptions, shall be assessed by the commission at 100% of fair market value, as valued on  
1098 January 1, in accordance with this chapter:

1099 (i) except as provided in Subsection (2), all property that operates as a unit across  
1100 county lines, if the values must be apportioned among more than one county or state;

1101 (ii) all property of public utilities;

1102 (iii) all operating property of an airline, air charter service, and air contract service;

1103 (iv) all geothermal fluids and geothermal resources;

1104 (v) all mines and mining claims except in cases, as determined by the commission,  
1105 where the mining claims are used for other than mining purposes, in which case the value of  
1106 mining claims used for other than mining purposes shall be assessed by the assessor of the  
1107 county in which the mining claims are located; and

1108 (vi) all machinery used in mining, all property or surface improvements upon or  
1109 appurtenant to mines or mining claims. For the purposes of assessment and taxation, all  
1110 processing plants, mills, reduction works, and smelters that are primarily used by the owner of

1111 a mine or mining claim for processing, reducing, or smelting minerals taken from a mine or  
1112 mining claim shall be considered appurtenant to that mine or mining claim, regardless of actual  
1113 location.

1114 (b) (i) For purposes of Subsection (1)(a)(iii), operating property of an air charter  
1115 service does not include an aircraft that is:

1116 (A) used by the air charter service for air charter; and

1117 (B) owned by a person other than the air charter service.

1118 (ii) For purposes of this Subsection (1)(b):

1119 (A) "person" means a natural person, individual, corporation, organization, or other  
1120 legal entity; and

1121 (B) a person does not qualify as a person other than the air charter service as described  
1122 in Subsection (1)(b)(i)(B) if the person is:

1123 (I) a principal, owner, or member of the air charter service; or

1124 (II) a legal entity that has a principal, owner, or member of the air charter service as a  
1125 principal, owner, or member of the legal entity.

1126 (2) (a) The commission may not assess property owned by a telecommunications  
1127 service provider.

1128 (b) The commission shall assess and collect property tax on state-assessed commercial  
1129 vehicles at the time of original registration or annual renewal.

1130 (i) The commission shall assess and collect property tax annually on state-assessed  
1131 commercial vehicles that are registered pursuant to Section [41-1a-222](#) or [41-1a-228](#).

1132 (ii) State-assessed commercial vehicles brought into the state that are required to be  
1133 registered in Utah shall, as a condition of registration, be subject to ad valorem tax unless all  
1134 property taxes or fees imposed by the state of origin have been paid for the current calendar  
1135 year.

1136 (iii) Real property, improvements, equipment, fixtures, or other personal property in  
1137 this state owned by the company shall be assessed separately by the local county assessor.

1138 (iv) The commission shall adjust the value of state-assessed commercial vehicles as  
1139 necessary to comply with 49 U.S.C. Sec. 14502, and the commission shall direct the county  
1140 assessor to apply the same adjustment to any personal property, real property, or improvements  
1141 owned by the company and used directly and exclusively in their commercial vehicle activities.

1142 (3) (a) The method for determining the fair market value of productive mining property  
1143 is the capitalized net revenue method or any other valuation method the commission believes,  
1144 or the taxpayer demonstrates to the commission's satisfaction, to be reasonably determinative  
1145 of the fair market value of the mining property.

1146 (b) The commission shall determine the rate of capitalization applicable to mines,  
1147 consistent with a fair rate of return expected by an investor in light of that industry's current  
1148 market, financial, and economic conditions.

1149 (c) In no event may the fair market value of the mining property be less than the fair  
1150 market value of the land, improvements, and tangible personal property upon or appurtenant to  
1151 the mining property.

1152 (4) (a) As used in this Subsection (4), "aircraft pricing guide" means a nationally  
1153 recognized publication that assigns value estimates for individual commercial aircraft that are:

- 1154 (i) identified by year, make, and model; and
- 1155 (ii) in average condition typical for the aircraft's type and vintage.

1156 (b) (i) Except as provided in Subsection (4)(d), the commission shall use an aircraft  
1157 pricing guide, adjusted as provided in Subsection (4)(c), to determine the fair market value of  
1158 aircraft assessed under this part.

1159 (ii) The commission shall use the Airliner Price Guide as the aircraft pricing guide,  
1160 except that:

1161 (A) if the Airliner Price Guide is no longer published or the commission determines  
1162 that another aircraft pricing guide more reasonably reflects the fair market value of aircraft, the  
1163 commission, after consulting with the airlines operating in the state, shall select an alternative  
1164 aircraft pricing guide;

1165 (B) if an aircraft is not listed in the Airliner Price Guide, the commission shall use the  
1166 Aircraft Bluebook Price Digest as the aircraft pricing guide; and

1167 (C) if the Aircraft Bluebook Price Digest is no longer published or the commission  
1168 determines that another aircraft pricing guide more reasonably reflects the fair market value of  
1169 aircraft, the commission, after consulting with the airlines operating in the state, shall select an  
1170 alternative aircraft pricing guide.

1171 (c) (i) To reflect the value of an aircraft fleet that is used as part of the operating  
1172 property of an airline, air charter service, or air contract service, the fair market value of the

1173 aircraft shall include a fleet adjustment as provided in this Subsection (4)(c).

1174 (ii) If the aircraft pricing guide provides a method for making a fleet adjustment, the  
1175 commission shall use the method described in the aircraft pricing guide.

1176 (iii) If the aircraft pricing guide does not provide a method for making a fleet  
1177 adjustment, the commission shall make a fleet adjustment by reducing the aircraft pricing guide  
1178 value of each aircraft in the fleet by .5% for each aircraft over three aircraft up to a maximum  
1179 20% reduction.

1180 (d) The commission may use an alternative method for valuing aircraft of an airline, air  
1181 charter service, or air contract service if the commission:

1182 (i) has clear and convincing evidence that the aircraft values reflected in the aircraft  
1183 pricing guide do not reasonably reflect fair market value of the aircraft; and

1184 (ii) cannot identify an alternative aircraft pricing guide from which the commission  
1185 may determine aircraft value.

1186 (5) Immediately following the assessment, the commission shall send, by certified  
1187 mail, notice of the assessment to the owner or operator of the assessed property and the  
1188 assessor of the county in which the property is located.

1189 (6) The commission may consult with a county in valuing property in accordance with  
1190 this part.

1191 (7) The local county assessor shall separately assess property that is assessed by the  
1192 unitary method if the commission determines that the property:

1193 (a) is not necessary to the conduct of the business; and

1194 (b) does not contribute to the income of the business.

1195 Section 11. Section **59-2-919.1** is amended to read:

1196 **59-2-919.1. Notice of property valuation and tax changes.**

1197 (1) In addition to the notice requirements of Section [59-2-919](#), the county auditor, on or  
1198 before July 22 of each year, shall notify each owner of real estate who is listed on the  
1199 assessment roll.

1200 (2) The notice described in Subsection (1) shall:

1201 (a) except as provided in Subsection [~~(6)~~] [\(5\)](#), be sent to all owners of real property by  
1202 mail 10 or more days before the day on which:

1203 (i) the county board of equalization meets; and

- 1204 (ii) the taxing entity holds a public hearing on the proposed increase in the certified tax
- 1205 rate;
- 1206 (b) be on a form that is:
- 1207 (i) approved by the commission; and
- 1208 (ii) uniform in content in all counties in the state; and
- 1209 (c) contain for each property:
- 1210 (i) the assessor's determination of the value of the property;
- 1211 (ii) the taxable value of the property;
- 1212 (iii) (A) the deadline for the taxpayer to make an application to appeal the valuation or
- 1213 equalization of the property under Section 59-2-1004; or
- 1214 (B) for property assessed by the commission, the deadline for the taxpayer to apply to
- 1215 the commission for a hearing on an objection to the valuation or equalization of the property
- 1216 under Section 59-2-1007;
- 1217 (iv) for a property assessed by the commission, a statement that the taxpayer may not
- 1218 appeal the valuation or equalization of the property to the county board of equalization;
- 1219 (v) itemized tax information for all applicable taxing entities, including:
- 1220 (A) the dollar amount of the taxpayer's tax liability for the property in the prior year;
- 1221 and
- 1222 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 1223 (vi) the following, stated separately:
- 1224 (A) the charter school levy described in Section 53F-2-703;
- 1225 (B) the multicounty assessing and collecting levy described in Subsection
- 1226 59-2-1602(2);
- 1227 (C) the county assessing and collecting levy described in Subsection 59-2-1602(4);
- 1228 (D) for a fiscal year that begins before July 1, 2023, the combined basic rate as defined
- 1229 in Section 53F-2-301.5; and
- 1230 (E) for a fiscal year that begins on or after July 1, 2023, the combined basic rate as
- 1231 defined in Section 53F-2-301;
- 1232 (vii) the tax impact on the property;
- 1233 (viii) the time and place of the required public hearing for each entity;
- 1234 (ix) property tax information pertaining to:



1235 (A) taxpayer relief;

1236 (B) options for payment of taxes;

1237 (C) collection procedures; and

1238 (D) the residential exemption described in Section 59-2-103;

1239 (x) information specifically authorized to be included on the notice under this chapter;

1240 (xi) the last property review date of the property as described in Subsection

1241 59-2-303.1(1)(c); and

1242 (xii) other property tax information approved by the commission.

1243 (3) If a taxing entity that is subject to the notice and hearing requirements of

1244 Subsection 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall

1245 state, in addition to the information required by Subsection (2):

1246 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;

1247 (b) the difference between the dollar amount of the taxpayer's tax liability if the

1248 proposed increase is approved and the dollar amount of the taxpayer's tax liability under the

1249 current rate, placed in close proximity to the information described in Subsection (2)(c)(viii);

1250 and

1251 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under

1252 the proposed tax rate represents as compared to the dollar amount of the taxpayer's tax liability

1253 under the current tax rate.

1254 [~~(4) For tax year 2022, the notice described in Subsection (1) shall state:~~]

1255 [~~(a) the difference between:~~]

1256 [~~(i) the dollar amount of the taxpayer's liability for the combined basic rate as defined~~

1257 ~~in Section 53F-2-301.5; and]~~

1258 [~~(ii) the dollar amount that the taxpayer's liability for the combined basic rate as~~

1259 ~~defined in Section 53F-2-301.5 would have been if the combined basic rate were equal to the~~

1260 ~~sum of the minimum basic tax rate and the WPU value rate, as those terms are defined in~~

1261 ~~Section 53F-2-301.5; and]~~

1262 [~~(b) the percentage change between the amount described in Subsection (4)(a)(i) and~~

1263 ~~the amount described in Subsection (4)(a)(ii):]~~

1264 [~~(5) For tax years 2022 through 2025, the notice described in Subsection (1) shall~~

1265 ~~state:]~~

- 1266 ~~[(a) the difference between:]~~
- 1267 ~~[(i) the dollar amount of the taxpayer's liability for the rate imposed under Subsection~~
- 1268 ~~59-2-1602(2)(b)(i); and]~~
- 1269 ~~[(ii) the dollar amount of the taxpayer's liability if the rate imposed under Subsection~~
- 1270 ~~59-2-1602(2)(b)(i) were the certified revenue levy; and]~~
- 1271 ~~[(b) the percentage change between the amount described in Subsection (5)(a)(i) and~~
- 1272 ~~the amount described in Subsection (5)(a)(ii).]~~
- 1273 [(6)] (4) If a change to state law increases a tax rate stated on a notice described in
- 1274 Subsection (1), the notice described in Subsection (1) shall state in addition to the information
- 1275 required by Subsections (2) and (3):
- 1276 (a) the difference between the dollar amount of the taxpayer's tax liability under the
- 1277 current tax rate and the dollar amount of the taxpayer's tax liability before the change to state
- 1278 law became effective; and
- 1279 (b) the percentage increase that the dollar amount of the taxpayer's tax liability under
- 1280 the current tax rate represents as compared to the dollar amount of the taxpayer's tax liability
- 1281 under the tax rate before the change to state law became effective.
- 1282 (5) (a) Subject to the other provisions of this Subsection [(6)] (5), a county auditor
- 1283 may, at the county auditor's discretion, provide the notice required by this section to a taxpayer
- 1284 by electronic means if a taxpayer makes an election, according to procedures determined by the
- 1285 county auditor, to receive the notice by electronic means.
- 1286 (b) (i) If a notice required by this section is sent by electronic means, a county auditor
- 1287 shall attempt to verify whether a taxpayer receives the notice.
- 1288 (ii) If receipt of the notice sent by electronic means cannot be verified 14 days or more
- 1289 before the county board of equalization meets and the taxing entity holds a public hearing on a
- 1290 proposed increase in the certified tax rate, the notice required by this section shall also be sent
- 1291 by mail as provided in Subsection (2).
- 1292 (c) A taxpayer may revoke an election to receive the notice required by this section by
- 1293 electronic means if the taxpayer provides written notice to the county auditor on or before April
- 1294 30.
- 1295 (d) An election or a revocation of an election under this Subsection [(6)] (5):
- 1296 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or

1297 before the due date for paying the tax; or

1298 (ii) does not alter the requirement that a taxpayer appealing the valuation or the  
1299 equalization of the taxpayer's real property submit the application for appeal within the time  
1300 period provided in Subsection 59-2-1004(3).

1301 (e) A county auditor shall provide the notice required by this section as provided in  
1302 Subsection (2), until a taxpayer makes a new election in accordance with this Subsection [~~(6)~~]  
1303 (5), if:

1304 (i) the taxpayer revokes an election in accordance with Subsection [~~(6)(c)~~] (5)(c) to  
1305 receive the notice required by this section by electronic means; or

1306 (ii) the county auditor finds that the taxpayer's electronic contact information is invalid.

1307 (f) A person is considered to be a taxpayer for purposes of this Subsection [~~(6)~~] (5)  
1308 regardless of whether the property that is the subject of the notice required by this section is  
1309 exempt from taxation.

1310 Section 12. Section 59-2-1101 is amended to read:

1311 **Part 11. Exemptions**

1312 **59-2-1101. Definitions -- Exemption of certain property -- Proportional payments**  
1313 **for certain property -- Exception -- County legislative body authority to adopt rules or**  
1314 **ordinances.**

1315 (1) As used in this section:

1316 (a) "Charitable purposes" means:

1317 (i) for property used as a nonprofit hospital or a nursing home, the standards outlined in  
1318 Howell v. County Board of Cache County ex rel. IHC Hospitals, Inc., 881 P.2d 880 (Utah  
1319 1994); and

1320 (ii) for property other than property described in Subsection (1)(a)(i), providing a gift  
1321 to the community.

1322 (b) (i) "Educational purposes" means purposes carried on by an educational  
1323 organization that normally:

1324 (A) maintains a regular faculty and curriculum; and

1325 (B) has a regularly enrolled body of pupils and students.

1326 (ii) "Educational purposes" includes:

1327 (A) the physical or mental teaching, training, or conditioning of competitive athletes by

1328 a national governing body of sport recognized by the United States Olympic Committee that  
1329 qualifies as being tax exempt under Section 501(c)(3), Internal Revenue Code; and

1330 (B) an activity in support of or incidental to the teaching, training, or conditioning  
1331 described in this Subsection (1)(b)(ii).

1332 (c) "Exclusive use exemption" means a property tax exemption under Subsection  
1333 (3)(a)(iv), for property owned by a nonprofit entity used exclusively for one or more of the  
1334 following purposes:

1335 (i) religious purposes;

1336 (ii) charitable purposes; or

1337 (iii) educational purposes.

1338 (d) (i) "Farm machinery and equipment" means tractors, milking equipment and  
1339 storage and cooling facilities, feed handling equipment, irrigation equipment, harvesters,  
1340 choppers, grain drills and planters, tillage tools, scales, combines, spreaders, sprayers, haying  
1341 equipment, including balers and cubers, and any other machinery or equipment used primarily  
1342 for agricultural purposes.

1343 (ii) "Farm machinery and equipment" does not include vehicles required to be  
1344 registered with the Motor Vehicle Division or vehicles or other equipment used for business  
1345 purposes other than farming.

1346 (e) "Gift to the community" means:

1347 (i) the lessening of a government burden; or

1348 (ii) (A) the provision of a significant service to others without immediate expectation  
1349 of material reward;

1350 (B) the use of the property is supported to a material degree by donations and gifts  
1351 including volunteer service;

1352 (C) the recipients of the charitable activities provided on the property are not required  
1353 to pay for the assistance received, in whole or in part, except that if in part, to a material  
1354 degree;

1355 (D) the beneficiaries of the charitable activities provided on the property are  
1356 unrestricted or, if restricted, the restriction bears a reasonable relationship to the charitable  
1357 objectives of the nonprofit entity that owns the property; and

1358 (E) any commercial activities provided on the property are subordinate or incidental to

1359 charitable activities provided on the property.

1360 (f) "Government exemption" means a property tax exemption provided under  
1361 Subsection (3)(a)(i), (ii), or (iii).

1362 (g) (i) "Nonprofit entity" means an entity:

1363 (A) that is organized on a nonprofit basis, that dedicates the entity's property to the  
1364 entity's nonprofit purpose, and that makes no dividend or other form of financial benefit  
1365 available to a private interest;

1366 (B) for which, upon dissolution, the entity's assets are distributable only for exempt  
1367 purposes under state law or to the government for a public purpose; and

1368 (C) for which none of the net earnings or donations made to the entity inure to the  
1369 benefit of private shareholders or other individuals, as the private inurement standard has been  
1370 interpreted under Section 501(c)(3), Internal Revenue Code.

1371 (ii) "Nonprofit entity" includes an entity:

1372 (A) if the entity is treated as a disregarded entity for federal income tax purposes and  
1373 wholly owned by, and controlled under the direction of, a nonprofit entity; and

1374 (B) for which none of the net earnings and profits of the entity inure to the benefit of  
1375 any person other than a nonprofit entity.

1376 ~~[(h) "Tax relief" means an exemption, deferral, or abatement that is authorized by this  
1377 part, Part 18, Tax Deferral and Tax Abatement, or Part 19, Armed Forces Exemptions.]~~

1378 (2) (a) Except as provided in Subsection (2)(b) or (c), ~~[tax relief]~~ an exemption under  
1379 this part may be allowed only if the claimant is the owner of the property as of January 1 of the  
1380 year the exemption is claimed.

1381 (b) Notwithstanding Subsection (2)(a), a claimant shall collect and pay a proportional  
1382 tax based upon the length of time that the property was not owned by the claimant if:

1383 (i) the claimant is a federal, state, or political subdivision entity described in  
1384 Subsection (3)(a)(i), (ii), or (iii); or

1385 (ii) pursuant to Subsection (3)(a)(iv):

1386 (A) the claimant is a nonprofit entity; and

1387 (B) the property is used exclusively for religious, charitable, or educational purposes.

1388 ~~[(c) Subsection (2)(a) does not apply to an exemption described in Part 19, Armed  
1389 Forces Exemptions.]~~

- 1390 (3) (a) The following property is exempt from taxation:
- 1391 (i) property exempt under the laws of the United States;
- 1392 (ii) property of:
- 1393 (A) the state;
- 1394 (B) school districts; and
- 1395 (C) public libraries;
- 1396 (iii) except as provided in Title 11, Chapter 13, Interlocal Cooperation Act, property of:
- 1397 (A) counties;
- 1398 (B) cities;
- 1399 (C) towns;
- 1400 (D) local districts;
- 1401 (E) special service districts; and
- 1402 (F) all other political subdivisions of the state;
- 1403 (iv) except as provided in Subsection (6) or (7), property owned by a nonprofit entity
- 1404 used exclusively for one or more of the following purposes:
- 1405 (A) religious purposes;
- 1406 (B) charitable purposes; or
- 1407 (C) educational purposes;
- 1408 (v) places of burial not held or used for private or corporate benefit;
- 1409 (vi) farm machinery and equipment;
- 1410 (vii) a high tunnel, as defined in Section [10-9a-525](#);
- 1411 (viii) intangible property; and
- 1412 (ix) the ownership interest of an out-of-state public agency, as defined in Section
- 1413 [11-13-103](#):
- 1414 (A) if that ownership interest is in property providing additional project capacity, as
- 1415 defined in Section [11-13-103](#); and
- 1416 (B) on which a fee in lieu of ad valorem property tax is payable under Section
- 1417 [11-13-302](#).
- 1418 (b) For purposes of a property tax exemption for property of school districts under
- 1419 Subsection (3)(a)(ii)(B), a charter school under Title 53G, Chapter 5, Charter Schools, is
- 1420 considered to be a school district.

1421 (4) Subject to Subsection (5), if property that is allowed an exclusive use exemption or  
1422 a government exemption ceases to qualify for the exemption because of a change in the  
1423 ownership of the property:

1424 (a) the new owner of the property shall pay a proportional tax based upon the period of  
1425 time:

1426 (i) beginning on the day that the new owner acquired the property; and

1427 (ii) ending on the last day of the calendar year during which the new owner acquired  
1428 the property; and

1429 (b) the new owner of the property and the person from whom the new owner acquires  
1430 the property shall notify the county assessor, in writing, of the change in ownership of the  
1431 property within 30 days from the day that the new owner acquires the property.

1432 (5) Notwithstanding Subsection (4)(a), the proportional tax described in Subsection  
1433 (4)(a):

1434 (a) is subject to any exclusive use exemption or government exemption that the  
1435 property is entitled to under the new ownership of the property; and

1436 (b) applies only to property that is acquired after December 31, 2005.

1437 (6) (a) A property may not receive an exemption under Subsection (3)(a)(iv) if:

1438 (i) the nonprofit entity that owns the property participates in or intervenes in any  
1439 political campaign on behalf of or in opposition to any candidate for public office, including  
1440 the publishing or distribution of statements; or

1441 (ii) a substantial part of the activities of the nonprofit entity that owns the property  
1442 consists of carrying on propaganda or otherwise attempting to influence legislation, except as  
1443 provided under Subsection 501(h), Internal Revenue Code.

1444 (b) Whether a nonprofit entity is engaged in an activity described in Subsection (6)(a)  
1445 shall be determined using the standards described in Section 501, Internal Revenue Code.

1446 (7) A property may not receive an exemption under Subsection (3)(a)(iv) if:

1447 (a) the property is used for a purpose that is not religious, charitable, or educational;  
1448 and

1449 (b) the use for a purpose that is not religious, charitable, or educational is more than de  
1450 minimis.

1451 (8) A county legislative body may adopt rules or ordinances to:

1452 (a) effectuate [~~the exemptions, deferrals, abatements, or other relief from taxation~~  
1453 ~~provided in this part, Part 18, Tax Deferral and Tax Abatement, or Part 19, Armed Forces~~  
1454 ~~Exemptions; and~~] an exemption under this part; and

1455 (b) designate one or more persons to perform the functions given to the county under  
1456 this part[~~, Part 18, Tax Deferral and Tax Abatement, or Part 19, Armed Forces Exemptions~~].

1457 (9) If a person is dissatisfied with [~~a tax relief~~] an exemption decision made under  
1458 designated decision-making authority as described in Subsection (8)(b), that person may appeal  
1459 the decision to the commission under Section [59-2-1006](#).

1460 Section 13. Section **59-2-1102** is amended to read:

1461 **59-2-1102. Determination of exemptions by board of equalization -- Appeal --**  
1462 **Application for exemption -- Annual statement -- Exceptions.**

1463 (1) (a) For property assessed under Part 3, County Assessment, the county board of  
1464 equalization may, after giving notice in a manner prescribed by rule, determine whether certain  
1465 property within the county is exempt from taxation.

1466 (b) The decision of the county board of equalization described in Subsection (1)(a)  
1467 shall:

1468 (i) be in writing; and

1469 (ii) include:

1470 (A) a statement of facts; and

1471 (B) the statutory basis for its decision.

1472 (c) Except as provided in Subsection (10)(a), a copy of the decision described in  
1473 Subsection (1)(a) shall be sent on or before May 15 to the person applying for the exemption.

1474 (2) Except as provided in Subsection (7) and subject to Subsection (8), a reduction in  
1475 the value of property may not be made under this part [~~or Part 18, Tax Deferral and Tax~~  
1476 ~~Abatement, and an exemption may not be granted under this part or Part 19, Armed Forces~~  
1477 ~~Exemptions~~], unless the person affected or the person's agent:

1478 (a) submits a written application to the county board of equalization; and

1479 (b) verifies the application by signed statement.

1480 (3) (a) The county board of equalization may require a person making an application  
1481 for exemption or reduction to appear before the county board of equalization and be examined  
1482 under oath.



1483 (b) If the county board of equalization requires a person making an application for  
1484 exemption or reduction to appear before the county board of equalization, a reduction may not  
1485 be made or exemption granted unless the person appears and answers all questions pertinent to  
1486 the inquiry.

1487 (4) For the hearing on the application, the county board of equalization may subpoena  
1488 any witnesses, and hear and take any evidence in relation to the pending application.

1489 (5) Except as provided in Subsection (10)(b), the county board of equalization shall  
1490 hold hearings and render a written decision to determine any exemption on or before May 1 in  
1491 each year.

1492 (6) Any property owner dissatisfied with the decision of the county board of  
1493 equalization regarding any reduction or exemption may appeal to the commission under  
1494 Section 59-2-1006.

1495 (7) Notwithstanding Subsection (2), a county board of equalization may not require an  
1496 owner of property to file an application in accordance with this section in order to claim an  
1497 exemption for the property under the following:

1498 (a) Subsections 59-2-1101(3)(a)(i) through (iii);

1499 (b) Subsection 59-2-1101(3)(a)(vi) or (viii);

1500 (c) Section 59-2-1110;

1501 (d) Section 59-2-1111;

1502 (e) Section 59-2-1112;

1503 (f) Section 59-2-1113; or

1504 (g) Section 59-2-1114.

1505 (8) (a) Except as provided in Subsection (8)(b), for property described in Subsection  
1506 59-2-1101(3)(a)(iv) or (v), a county board of equalization shall, consistent with Subsection (9),  
1507 require an owner of that property to file an application in accordance with this section in order  
1508 to claim an exemption for that property.

1509 (b) Notwithstanding Subsection (8)(a), a county board of equalization may not require  
1510 an owner of property described in Subsection 59-2-1101(3)(a)(iv) or (v) to file an application  
1511 under Subsection (8)(a) if:

1512 (i) the owner filed an application under Subsection (8)(a);

1513 (ii) the county board of equalization determines that the owner may claim an

1514 exemption for that property; and

1515 (iii) the exemption described in Subsection (8)(b)(ii) is in effect.

1516 (c) (i) For the time period that an owner is granted an exemption in accordance with  
1517 this section for property described in Subsection 59-2-1101(3)(a)(iv) or (v), a county board of  
1518 equalization shall require the owner to file an annual statement on or before March 1 on a form  
1519 prescribed by the commission establishing that the property continues to be eligible for the  
1520 exemption.

1521 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1522 commission shall make rules providing:

1523 (A) the form for the annual statement required by Subsection (8)(c)(i);

1524 (B) the contents of the form for the annual statement required by Subsection (8)(c)(i);

1525 and

1526 (C) procedures and requirements for making the annual statement required by  
1527 Subsection (8)(c)(i).

1528 (iii) The commission shall make the form described in Subsection (8)(c)(ii)(A)  
1529 available to counties.

1530 (d) On or before April 1, a county board of equalization shall notify each property  
1531 owner who fails to timely file an annual statement in accordance with Subsection (8)(c) of the  
1532 county board of equalization's intent to revoke the exemption.

1533 (e) An owner of exempt property described in Subsection 59-2-1101(3)(a)(iv) may file  
1534 the annual statement described in Subsection (8)(c) after March 1 if the property owner:

1535 (i) files the annual statement on or before March 31; and

1536 (ii) includes a statement of facts establishing that the property owner was unable to file  
1537 the annual statement on or before March 1 due to one of the following conditions and no other  
1538 responsible party was capable of filing the annual statement:

1539 (A) a medical emergency of the property owner, an immediate family member of the  
1540 property owner, or the property owner's agent;

1541 (B) the death of the property owner, an immediate family member of the property  
1542 owner, or the property owner's agent; or

1543 (C) other extraordinary and unanticipated circumstances.

1544 (9) (a) For purposes of this Subsection (9), "exclusive use exemption" [~~is as~~] means the

1545 same as that term is defined in Section 59-2-1101.

1546 (b) For purposes of Subsection (1)(a), when a person acquires property on or after  
1547 January 1 that qualifies for an exclusive use exemption, that person may apply for the exclusive  
1548 use exemption on or before the later of:

- 1549 (i) the day set by rule as the deadline for filing a property tax exemption application; or
- 1550 (ii) 120 days after the day on which the property is acquired.

1551 (10) (a) Notwithstanding Subsection (1)(c), if an application for an exemption is filed  
1552 under Subsection (9), a county board of equalization shall send a copy of the decision described  
1553 in Subsection (1)(c) to the person applying for the exemption on or before the later of:

- 1554 (i) May 15; or
- 1555 (ii) 45 days after the day on which the application for the exemption is filed.

1556 (b) Notwithstanding Subsection (5), if an application for an exemption is filed under  
1557 Subsection (9), a county board of equalization shall hold the hearing and render the decision  
1558 described in Subsection (5) on or before the later of:

- 1559 (i) May 1; or
- 1560 (ii) 30 days after the day on which the application for the exemption is filed.

1561 Section 14. Section **59-2-1710** is amended to read:

1562 **59-2-1710. Acquisition of land by governmental entity -- Requirements --**  
1563 **Rollback tax -- One-time in lieu fee payment -- Passage of title.**

1564 (1) For purposes of this section, "governmental entity" means:

- 1565 (a) the United States;
- 1566 (b) the state;
- 1567 (c) a political subdivision of the state, including a county, city, town, school district,  
1568 local district, or special service district; or

1569 (d) an entity created by the state or the United States, including an agency, board,  
1570 bureau, commission, committee, department, division, institution, instrumentality, or office.

1571 (2) (a) Except as provided in Subsections (3) and (4), land acquired by a governmental  
1572 entity is subject to the rollback tax imposed by this part if:

1573 (i) before the governmental entity acquires the land, the land is assessed under this  
1574 part; and

1575 (ii) after the governmental entity acquires the land, the land does not meet the

1576 requirements of Section 59-2-1703 for assessment under this part.

1577 (b) A person dedicating a public right-of-way to a governmental entity shall pay the  
1578 rollback tax imposed by this part if:

1579 (i) a portion of the public right-of-way is located within a subdivision as defined in  
1580 Section 10-9a-103; or

1581 (ii) in exchange for the dedication, the person dedicating the public right-of-way  
1582 receives money or other consideration.

1583 (3) (a) Land acquired by a governmental entity is not subject to the rollback tax  
1584 imposed by this part, but is subject to a one-time in lieu fee payment as provided in Subsection  
1585 (3)(b), if:

1586 (i) the governmental entity acquires the land by eminent domain;

1587 (ii) (A) the land is under the threat or imminence of eminent domain proceedings; and

1588 (B) the governmental entity provides written notice of the proceedings to the owner; or

1589 (iii) the land is donated to the governmental entity.

1590 (b) (i) If a governmental entity acquires land under Subsection (3)(a)(iii), the  
1591 governmental entity shall make a one-time in lieu fee payment:

1592 (A) to the county treasurer of the county in which the land is located; and

1593 (B) in an amount equal to the amount of rollback tax calculated under Section  
1594 59-2-1705.

1595 (ii) A governmental entity that acquires land under Subsection (3)(a)(i) or (ii) shall  
1596 make a one-time in lieu fee payment to the county treasurer of the county in which the land is  
1597 located:

1598 (A) if the land remaining after the acquisition by the governmental entity meets the  
1599 requirements of Section 59-2-1703, in an amount equal to the rollback tax under Section  
1600 59-2-1705 on the land acquired by the governmental entity; or

1601 (B) if the land remaining after the acquisition by the governmental entity is less than  
1602 [~~two acres~~] one acre, in an amount equal to the rollback tax under Section 59-2-1705 on the  
1603 land acquired by the governmental entity and the land remaining after the acquisition by the  
1604 governmental entity.

1605 (c) A county receiving an in lieu fee payment under Subsection (3)(b) shall distribute  
1606 the revenues collected from the payment:

- 1607 (i) to the taxing entities in which the land is located; and
- 1608 (ii) in the same proportion as the revenue from real property taxes is distributed.
- 1609 (4) If a governmental entity acquires land subject to assessment under this part, title to
- 1610 the land may not pass to the governmental entity until any tax, one-time in lieu fee payment,
- 1611 and applicable interest due under this part are paid to the county treasurer.

1612 Section 15. Section **59-2-1803** is amended to read:

1613 **59-2-1803. Tax abatement for indigent individuals -- Maximum amount --**  
 1614 **Refund.**

1615 (1) In accordance with this part, a county may remit or abate the taxes of an indigent  
1616 individual;

1617 (a) if the indigent individual owned the property as of January 1 of the year for which  
1618 the county remits or abates the taxes; and

1619 (b) in an amount not more than the lesser of:

1620 ~~[(a)]~~ (i) the amount provided as a homeowner's credit for the lowest household income  
1621 bracket as described in Section 59-2-1208; or

1622 ~~[(b)]~~ (ii) 50% of the total tax levied for the indigent individual for the current year.

1623 (2) A county that grants an abatement to an indigent individual shall refund to the  
1624 indigent individual an amount that is equal to the amount by which the indigent individual's  
1625 property taxes paid exceed the indigent individual's property taxes due, if the amount is at least  
1626 \$1.

1627 Section 16. Section **59-2-1806** is enacted to read:

1628 **59-2-1806. County legislative body authority to adopt rules or ordinances.**

1629 A county legislative body may adopt rules or ordinances to:

1630 (1) effectuate an abatement or exemption; or

1631 (2) designate one or more persons to perform the functions given to the county under  
1632 this part.

1633 Section 17. Section **59-2-1906** is enacted to read:

1634 **59-2-1906. County legislative body authority to adopt rules or ordinances.**

1635 A county legislative body may adopt rules or ordinances to:

1636 (1) effectuate an exemption under this part; or

1637 (2) designate one or more persons to perform the functions given to the county under

1638 this part.

1639 Section 18. Section **59-10-552** is amended to read:

1640 **59-10-552. Carry forward of expired or repealed tax credit.**

1641 When a nonrefundable individual income tax credit, under Part 10, Nonrefundable Tax  
1642 Credit Act, expires or is repealed, the commission shall allow a claimant, estate, or trust to  
1643 carry forward any amount of the tax credit that remains for the period of time described in the  
1644 tax credit for the taxable year in which the [~~estate, claimant, or estate~~] claimant, estate, or trust  
1645 first claimed the tax credit.

1646 Section 19. Section **59-12-103** is amended to read:

1647 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**  
1648 **tax revenues.**

1649 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or  
1650 sales price for amounts paid or charged for the following transactions:

1651 (a) retail sales of tangible personal property made within the state;

1652 (b) amounts paid for:

1653 (i) telecommunications service, other than mobile telecommunications service, that  
1654 originates and terminates within the boundaries of this state;

1655 (ii) mobile telecommunications service that originates and terminates within the  
1656 boundaries of one state only to the extent permitted by the Mobile Telecommunications  
1657 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

1658 (iii) an ancillary service associated with a:

1659 (A) telecommunications service described in Subsection (1)(b)(i); or

1660 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

1661 (c) sales of the following for commercial use:

1662 (i) gas;

1663 (ii) electricity;

1664 (iii) heat;

1665 (iv) coal;

1666 (v) fuel oil; or

1667 (vi) other fuels;

1668 (d) sales of the following for residential use:

- 1669 (i) gas;
- 1670 (ii) electricity;
- 1671 (iii) heat;
- 1672 (iv) coal;
- 1673 (v) fuel oil; or
- 1674 (vi) other fuels;
- 1675 (e) sales of prepared food;
- 1676 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 1677 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
- 1678 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
- 1679 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
- 1680 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
- 1681 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
- 1682 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
- 1683 horseback rides, sports activities, or any other amusement, entertainment, recreation,
- 1684 exhibition, cultural, or athletic activity;
- 1685 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 1686 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
- 1687 (i) the tangible personal property; and
- 1688 (ii) parts used in the repairs or renovations of the tangible personal property described
- 1689 in Subsection (1)(g)(i), regardless of whether:
- 1690 (A) any parts are actually used in the repairs or renovations of that tangible personal
- 1691 property; or
- 1692 (B) the particular parts used in the repairs or renovations of that tangible personal
- 1693 property are exempt from a tax under this chapter;
- 1694 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
- 1695 assisted cleaning or washing of tangible personal property;
- 1696 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 1697 accommodations and services that are regularly rented for less than 30 consecutive days;
- 1698 (j) amounts paid or charged for laundry or dry cleaning services;
- 1699 (k) amounts paid or charged for leases or rentals of tangible personal property if within

1700 this state the tangible personal property is:

1701 (i) stored;

1702 (ii) used; or

1703 (iii) otherwise consumed;

1704 (l) amounts paid or charged for tangible personal property if within this state the

1705 tangible personal property is:

1706 (i) stored;

1707 (ii) used; or

1708 (iii) consumed; and

1709 (m) amounts paid or charged for a sale:

1710 (i) (A) of a product transferred electronically; or

1711 (B) of a repair or renovation of a product transferred electronically; and

1712 (ii) regardless of whether the sale provides:

1713 (A) a right of permanent use of the product; or

1714 (B) a right to use the product that is less than a permanent use, including a right:

1715 (I) for a definite or specified length of time; and

1716 (II) that terminates upon the occurrence of a condition.

1717 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax

1718 are imposed on a transaction described in Subsection (1) equal to the sum of:

1719 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

1720 (A) 4.70% plus the rate specified in Subsection [~~(12)(a)~~] (11)(a); and

1721 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales

1722 and Use Tax Act, if the location of the transaction as determined under Sections [59-12-211](#)

1723 through [59-12-215](#) is in a county in which the state imposes the tax under Part 18, Additional

1724 State Sales and Use Tax Act; and

1725 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales

1726 and Use Tax Act, if the location of the transaction as determined under Sections [59-12-211](#)

1727 through [59-12-215](#) is in a city, town, or the unincorporated area of a county in which the state

1728 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

1729 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the

1730 transaction under this chapter other than this part.



1731 (b) Except as provided in Subsection (2)(e) or (f) and subject to Subsection (2)(k), a  
1732 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to  
1733 the sum of:

1734 (i) a state tax imposed on the transaction at a tax rate of 2%; and

1735 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
1736 transaction under this chapter other than this part.

1737 (c) Except as provided in Subsection (2)(e) or (f), a state tax and a local tax are  
1738 imposed on amounts paid or charged for food and food ingredients equal to the sum of:

1739 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at  
1740 a tax rate of 1.75%; and

1741 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
1742 amounts paid or charged for food and food ingredients under this chapter other than this part.

1743 (d) Except as provided in Subsection (2)(e) or (f), a state tax is imposed on amounts  
1744 paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at  
1745 a rate of 4.85%.

1746 (e) (i) For a bundled transaction that is attributable to food and food ingredients and  
1747 tangible personal property other than food and food ingredients, a state tax and a local tax is  
1748 imposed on the entire bundled transaction equal to the sum of:

1749 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

1750 (I) the tax rate described in Subsection (2)(a)(i)(A); and

1751 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State  
1752 Sales and Use Tax Act, if the location of the transaction as determined under Sections  
1753 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,  
1754 Additional State Sales and Use Tax Act; and

1755 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State  
1756 Sales and Use Tax Act, if the location of the transaction as determined under Sections  
1757 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which  
1758 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

1759 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates  
1760 described in Subsection (2)(a)(ii).

1761 (ii) If an optional computer software maintenance contract is a bundled transaction that

1762 consists of taxable and nontaxable products that are not separately itemized on an invoice or  
1763 similar billing document, the purchase of the optional computer software maintenance contract  
1764 is 40% taxable under this chapter and 60% nontaxable under this chapter.

1765 (iii) Subject to Subsection (2)(e)(iv), for a bundled transaction other than a bundled  
1766 transaction described in Subsection (2)(e)(i) or (ii):

1767 (A) if the sales price of the bundled transaction is attributable to tangible personal  
1768 property, a product, or a service that is subject to taxation under this chapter and tangible  
1769 personal property, a product, or service that is not subject to taxation under this chapter, the  
1770 entire bundled transaction is subject to taxation under this chapter unless:

1771 (I) the seller is able to identify by reasonable and verifiable standards the tangible  
1772 personal property, product, or service that is not subject to taxation under this chapter from the  
1773 books and records the seller keeps in the seller's regular course of business; or

1774 (II) state or federal law provides otherwise; or

1775 (B) if the sales price of a bundled transaction is attributable to two or more items of  
1776 tangible personal property, products, or services that are subject to taxation under this chapter  
1777 at different rates, the entire bundled transaction is subject to taxation under this chapter at the  
1778 higher tax rate unless:

1779 (I) the seller is able to identify by reasonable and verifiable standards the tangible  
1780 personal property, product, or service that is subject to taxation under this chapter at the lower  
1781 tax rate from the books and records the seller keeps in the seller's regular course of business; or

1782 (II) state or federal law provides otherwise.

1783 (iv) For purposes of Subsection (2)(e)(iii), books and records that a seller keeps in the  
1784 seller's regular course of business includes books and records the seller keeps in the regular  
1785 course of business for nontax purposes.

1786 (f) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(f)(ii)  
1787 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a  
1788 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental  
1789 of tangible personal property, other property, a product, or a service that is not subject to  
1790 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless  
1791 the seller, at the time of the transaction:

1792 (A) separately states the portion of the transaction that is not subject to taxation under

1793 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

1794 (B) is able to identify by reasonable and verifiable standards, from the books and  
1795 records the seller keeps in the seller's regular course of business, the portion of the transaction  
1796 that is not subject to taxation under this chapter.

1797 (ii) A purchaser and a seller may correct the taxability of a transaction if:

1798 (A) after the transaction occurs, the purchaser and the seller discover that the portion of  
1799 the transaction that is not subject to taxation under this chapter was not separately stated on an  
1800 invoice, bill of sale, or similar document provided to the purchaser because of an error or  
1801 ignorance of the law; and

1802 (B) the seller is able to identify by reasonable and verifiable standards, from the books  
1803 and records the seller keeps in the seller's regular course of business, the portion of the  
1804 transaction that is not subject to taxation under this chapter.

1805 (iii) For purposes of Subsections (2)(f)(i) and (ii), books and records that a seller keeps  
1806 in the seller's regular course of business includes books and records the seller keeps in the  
1807 regular course of business for nontax purposes.

1808 (g) (i) If the sales price of a transaction is attributable to two or more items of tangible  
1809 personal property, products, or services that are subject to taxation under this chapter at  
1810 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate  
1811 unless the seller, at the time of the transaction:

1812 (A) separately states the items subject to taxation under this chapter at each of the  
1813 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

1814 (B) is able to identify by reasonable and verifiable standards the tangible personal  
1815 property, product, or service that is subject to taxation under this chapter at the lower tax rate  
1816 from the books and records the seller keeps in the seller's regular course of business.

1817 (ii) For purposes of Subsection (2)(g)(i), books and records that a seller keeps in the  
1818 seller's regular course of business includes books and records the seller keeps in the regular  
1819 course of business for nontax purposes.

1820 (h) Subject to Subsections (2)(i) and (j), a tax rate repeal or tax rate change for a tax  
1821 rate imposed under the following shall take effect on the first day of a calendar quarter:

1822 (i) Subsection (2)(a)(i)(A);

1823 (ii) Subsection (2)(b)(i);

1824 (iii) Subsection (2)(c)(i); or  
1825 (iv) Subsection (2)(e)(i)(A)(I).  
1826 (i) (i) A tax rate increase takes effect on the first day of the first billing period that  
1827 begins on or after the effective date of the tax rate increase if the billing period for the  
1828 transaction begins before the effective date of a tax rate increase imposed under:  
1829 (A) Subsection (2)(a)(i)(A);  
1830 (B) Subsection (2)(b)(i);  
1831 (C) Subsection (2)(c)(i); or  
1832 (D) Subsection (2)(e)(i)(A)(I).  
1833 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
1834 statement for the billing period is rendered on or after the effective date of the repeal of the tax  
1835 or the tax rate decrease imposed under:  
1836 (A) Subsection (2)(a)(i)(A);  
1837 (B) Subsection (2)(b)(i);  
1838 (C) Subsection (2)(c)(i); or  
1839 (D) Subsection (2)(e)(i)(A)(I).  
1840 (j) (i) For a tax rate described in Subsection (2)(j)(ii), if a tax due on a catalogue sale is  
1841 computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal or  
1842 change in a tax rate takes effect:  
1843 (A) on the first day of a calendar quarter; and  
1844 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.  
1845 (ii) Subsection (2)(j)(i) applies to the tax rates described in the following:  
1846 (A) Subsection (2)(a)(i)(A);  
1847 (B) Subsection (2)(b)(i);  
1848 (C) Subsection (2)(c)(i); or  
1849 (D) Subsection (2)(e)(i)(A)(I).  
1850 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
1851 the commission may by rule define the term "catalogue sale."  
1852 (k) (i) For a location described in Subsection (2)(k)(ii), the commission shall determine  
1853 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the  
1854 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

1855 (ii) Subsection (2)(k)(i) applies to a location where gas, electricity, heat, coal, fuel oil,  
1856 or other fuel is furnished through a single meter for two or more of the following uses:

1857 (A) a commercial use;

1858 (B) an industrial use; or

1859 (C) a residential use.

1860 (3) (a) The following state taxes shall be deposited into the General Fund:

1861 (i) the tax imposed by Subsection (2)(a)(i)(A);

1862 (ii) the tax imposed by Subsection (2)(b)(i);

1863 (iii) the tax imposed by Subsection (2)(c)(i); and

1864 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

1865 (b) The following local taxes shall be distributed to a county, city, or town as provided  
1866 in this chapter:

1867 (i) the tax imposed by Subsection (2)(a)(ii);

1868 (ii) the tax imposed by Subsection (2)(b)(ii);

1869 (iii) the tax imposed by Subsection (2)(c)(ii); and

1870 (iv) the tax imposed by Subsection (2)(e)(i)(B).

1871 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General  
1872 Fund.

1873 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
1874 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)  
1875 through (g):

1876 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

1877 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and

1878 (B) for the fiscal year; or

1879 (ii) \$17,500,000.

1880 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount  
1881 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax  
1882 revenue to the Department of Natural Resources to:

1883 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to  
1884 protect sensitive plant and animal species; or

1885 (B) award grants, up to the amount authorized by the Legislature in an appropriations

1886 act, to political subdivisions of the state to implement the measures described in Subsections  
1887 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

1888 (ii) Money transferred to the Department of Natural Resources under Subsection  
1889 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other  
1890 person to list or attempt to have listed a species as threatened or endangered under the  
1891 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

1892 (iii) At the end of each fiscal year:

1893 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the  
1894 Water Resources Conservation and Development Fund created in Section 73-10-24;

1895 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the  
1896 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

1897 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the  
1898 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

1899 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in  
1900 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund  
1901 created in Section 4-18-106.

1902 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described  
1903 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to  
1904 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for  
1905 the adjudication of water rights.

1906 (ii) At the end of each fiscal year:

1907 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the  
1908 Water Resources Conservation and Development Fund created in Section 73-10-24;

1909 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the  
1910 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

1911 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the  
1912 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

1913 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described  
1914 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and  
1915 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

1916 (ii) In addition to the uses allowed of the Water Resources Conservation and

1917 Development Fund under Section 73-10-24, the Water Resources Conservation and  
1918 Development Fund may also be used to:

1919 (A) conduct hydrologic and geotechnical investigations by the Division of Water  
1920 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of  
1921 quantifying surface and ground water resources and describing the hydrologic systems of an  
1922 area in sufficient detail so as to enable local and state resource managers to plan for and  
1923 accommodate growth in water use without jeopardizing the resource;

1924 (B) fund state required dam safety improvements; and

1925 (C) protect the state's interest in interstate water compact allocations, including the  
1926 hiring of technical and legal staff.

1927 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
1928 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount  
1929 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

1930 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
1931 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount  
1932 created in Section 73-10c-5 for use by the Division of Drinking Water to:

1933 (i) provide for the installation and repair of collection, treatment, storage, and  
1934 distribution facilities for any public water system, as defined in Section 19-4-102;

1935 (ii) develop underground sources of water, including springs and wells; and

1936 (iii) develop surface water sources.

1937 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
1938 2006, the difference between the following amounts shall be expended as provided in this  
1939 Subsection (5), if that difference is greater than \$1:

1940 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the  
1941 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

1942 (ii) \$17,500,000.

1943 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

1944 (A) transferred each fiscal year to the Department of Natural Resources as designated  
1945 sales and use tax revenue; and

1946 (B) expended by the Department of Natural Resources for watershed rehabilitation or  
1947 restoration.

1948 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use  
1949 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation  
1950 and Development Fund created in Section 73-10-24.

1951 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the  
1952 remaining difference described in Subsection (5)(a) shall be:

1953 (A) transferred each fiscal year to the Division of Water Resources as designated sales  
1954 and use tax revenue; and

1955 (B) expended by the Division of Water Resources for cloud-seeding projects  
1956 authorized by Title 73, Chapter 15, Modification of Weather.

1957 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use  
1958 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation  
1959 and Development Fund created in Section 73-10-24.

1960 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the  
1961 remaining difference described in Subsection (5)(a) shall be deposited into the Water  
1962 Resources Conservation and Development Fund created in Section 73-10-24 for use by the  
1963 Division of Water Resources for:

1964 (i) preconstruction costs:

1965 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter  
1966 26, Bear River Development Act; and

1967 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project  
1968 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

1969 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,  
1970 Chapter 26, Bear River Development Act;

1971 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project  
1972 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

1973 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and  
1974 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

1975 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the  
1976 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water  
1977 Rights Restricted Account created by Section 73-2-1.6.

1978 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a),



1979 each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account  
 1980 created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the  
 1981 transactions described in Subsection (1) for the fiscal year [shall be deposited as follows].

1982 ~~[(a) for fiscal year 2020-21 only.]~~

1983 ~~[(i) 20% of the revenue described in this Subsection (6) shall be deposited into the~~  
 1984 ~~Transportation Investment Fund of 2005 created by Section 72-2-124; and]~~

1985 ~~[(ii) 80% of the revenue described in this Subsection (6) shall be deposited into the~~  
 1986 ~~Water Infrastructure Restricted Account created by Section 73-10g-103; and]~~

1987 ~~[(b) for a fiscal year beginning on or after July 1, 2021, 100% of the revenue described~~  
 1988 ~~in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account~~  
 1989 ~~created by Section 73-10g-103.]~~

1990 (7) (a) Notwithstanding Subsection (3)(a) ~~[, in addition to the amounts deposited in~~  
 1991 ~~Subsection (6), and subject to Subsection (7)(b)] and subject to Subsection (7)(b), for a fiscal~~  
 1992 ~~year beginning on or after July 1, [2012] 2023, the [Division of Finance] commission shall~~  
 1993 ~~deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124[:]~~

1994 ~~[(i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of~~  
 1995 ~~the revenues collected from the following taxes, which represents a portion of the~~  
 1996 ~~approximately 17% of sales and use tax revenues generated annually by the sales and use tax~~  
 1997 ~~on vehicles and vehicle-related products] a portion of the taxes listed under Subsection (3)(a)~~  
 1998 ~~equal to 17% of the revenue collected from the following sales and use taxes:~~

1999 ~~[(A)] (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;~~

2000 ~~[(B)] (ii) the tax imposed by Subsection (2)(b)(i);~~

2001 ~~[(C)] (iii) the tax imposed by Subsection (2)(c)(i); and~~

2002 ~~[(D)] (iv) the tax imposed by Subsection (2)(e)(i)(A)(I) [; plus].~~

2003 ~~[(ii) an amount equal to 30% of the growth in the amount of revenues collected in the~~  
 2004 ~~current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through~~  
 2005 ~~(D) that exceeds the amount collected from the sales and use taxes described in Subsections~~  
 2006 ~~(7)(a)(i)(A) through (D) in the 2010-11 fiscal year.]~~

2007 ~~[(b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of~~  
 2008 ~~the sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total~~  
 2009 ~~lower percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D)~~

2010 generated in the current fiscal year than the total percentage of sales and use taxes deposited in  
 2011 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection  
 2012 (7)(a) equal to the product of:]

2013 [~~(A) the total percentage of sales and use taxes deposited under Subsection (7)(a) in the~~  
 2014 ~~previous fiscal year; and]~~

2015 [~~(B) the total sales and use tax revenue generated by the taxes described in Subsections~~  
 2016 ~~(7)(a)(i)(A) through (D) in the current fiscal year.]~~

2017 [~~(ii) In any fiscal year in which the portion of the sales and use taxes deposited under~~  
 2018 ~~Subsection (7)(a) would exceed 17% of the revenues collected from the sales and use taxes~~  
 2019 ~~described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year, the Division of~~  
 2020 ~~Finance shall deposit 17% of the revenues collected from the sales and use taxes described in~~  
 2021 ~~Subsections (7)(a)(i)(A) through (D) for the current fiscal year under Subsection (7)(a).]~~

2022 [~~(iii) Subject to Subsection (7)(b)(iv)(E), in all subsequent fiscal years after a year in~~  
 2023 ~~which 17% of the revenues collected from the sales and use taxes described in Subsections~~  
 2024 ~~(7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of Finance shall~~  
 2025 ~~annually deposit 17% of the revenues collected from the sales and use taxes described in~~  
 2026 ~~Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection (7)(a).]~~

2027 (b) [(iv)] (i) As used in this Subsection (7)(b):

2028 (A) [~~As used in this Subsection (7)(b)(iv);~~] "additional growth revenue" means the  
 2029 amount of relevant revenue collected in the current fiscal year that exceeds by more than 3%  
 2030 the relevant revenue collected in the previous fiscal year[-];

2031 (B) [~~As used in this Subsection (7)(b)(iv);~~] "combined amount" means the combined  
 2032 total amount of money deposited into the Cottonwood Canyons fund under Subsections  
 2033 [~~(7)(b)(iv)(F) and (8)(d)(vi)] (7)(b)(iii) and (8)(d)(iii) in any single fiscal year[-];~~

2034 (C) [~~As used in this Subsection (7)(b)(iv);~~] "Cottonwood Canyons fund" means the  
 2035 Cottonwood Canyons Transportation Investment Fund created in Subsection [72-2-124\(10\)](#)[-];  
 2036 and

2037 (D) [~~As used in this Subsection (7)(b)(iv);~~] "relevant revenue" means the portion of  
 2038 taxes listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes  
 2039 described in Subsections [~~(7)(a)(i)(A) through (D)] (7)(a)(i) through (iv).~~

2040 [~~(E)] (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall~~

2041 annually reduce the deposit under Subsection ~~[(7)(b)(iii)]~~ (7)(a) into the Transportation  
 2042 Investment Fund of 2005 by an amount equal to the amount of the deposit under this  
 2043 Subsection ~~[(7)(b)(iv)]~~ (7)(b) to the Cottonwood Canyons fund in the previous fiscal year plus  
 2044 25% of additional growth revenue, subject to the limit in Subsection ~~[(7)(b)(iv)(F)]~~ (7)(b)(iii).

2045 ~~[(F)]~~ (iii) The commission shall annually deposit the amount described in Subsection  
 2046 ~~[(7)(b)(iv)(E)]~~ (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum  
 2047 combined amount for any single fiscal year of \$20,000,000.

2048 ~~[(G)]~~ (iv) If the amount of relevant revenue declines in a fiscal year compared to the  
 2049 previous fiscal year, the commission shall decrease the amount of the contribution to the  
 2050 Cottonwood Canyons fund under this Subsection ~~[(7)(b)(iv)]~~ (7)(b) in the same proportion as  
 2051 the decline in relevant revenue.

2052 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under  
 2053 ~~[Subsections (6) and]~~ Subsection (7), and subject to Subsections (8)(b) and ~~[(d)(v)]~~ (d)(ii), for a  
 2054 fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the  
 2055 Transportation Investment Fund of 2005 created by Section [72-2-124](#) a portion of the taxes  
 2056 listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the  
 2057 following taxes:

2058 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

2059 (ii) the tax imposed by Subsection (2)(b)(i);

2060 (iii) the tax imposed by Subsection (2)(c)(i); and

2061 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

2062 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually  
 2063 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by  
 2064 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by  
 2065 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale  
 2066 or use in this state that exceeds 29.4 cents per gallon.

2067 (c) The commission shall annually deposit the amount described in Subsection (8)(b)  
 2068 into the Transit Transportation Investment Fund created in Section [72-2-124](#).

2069 (d) (i) As used in this Subsection (8)(d)[;]:

2070 (A) ~~["additional"]~~ "Additional growth revenue" means the amount of relevant revenue  
 2071 collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected

2072 in the previous fiscal year.

2073 ~~[(ii)]~~ (B) ~~[As used in this Subsection (8)(d), "combined]~~ "Combined amount" means  
 2074 the combined total amount of money deposited into the Cottonwood Canyons fund under  
 2075 Subsections ~~[(7)(b)(iv)(F) and (8)(d)(vi)]~~ (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

2076 ~~[(iii)]~~ (C) ~~[As used in this Subsection (8)(d),]~~ "Cottonwood Canyons fund" means the  
 2077 Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).

2078 ~~[(iv)]~~ (D) ~~[As used in this Subsection (8)(d), "relevant]~~ "Relevant revenue" means the  
 2079 portion of taxes listed under Subsection (3)(a) that equals 3.68% of the revenue collected from  
 2080 taxes described in Subsections (8)(a)(i) through (iv).

2081 ~~[(v)]~~ (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall  
 2082 annually reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of  
 2083 2005 by an amount equal to the amount of the deposit under this Subsection (8)(d) to the  
 2084 Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue,  
 2085 subject to the limit in Subsection ~~[(8)(d)(vi)]~~ (8)(d)(iii).

2086 ~~[(vi)]~~ (iii) The commission shall annually deposit the amount described in Subsection  
 2087 ~~[(8)(d)(v)]~~ (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum  
 2088 combined amount for any single fiscal year of \$20,000,000.

2089 ~~[(vii)]~~ (iv) If the amount of relevant revenue declines in a fiscal year compared to the  
 2090 previous fiscal year, the commission shall decrease the amount of the contribution to the  
 2091 Cottonwood Canyons fund under this Subsection (8)(d) in the same proportion as the decline in  
 2092 relevant revenue.

2093 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year  
 2094 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund  
 2095 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

2096 ~~[(10)(a) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(b),~~  
 2097 ~~and in addition to any amounts deposited under Subsections (6), (7), and (8), the Division of~~  
 2098 ~~Finance shall deposit into the Transportation Investment Fund of 2005 created by Section~~  
 2099 72-2-124 ~~the amount of revenue described as follows:]~~

2100 ~~[(i) for fiscal year 2020-21 only, 33.33% of the amount of revenue generated by a .05%~~  
 2101 ~~tax rate on the transactions described in Subsection (1); and]~~

2102 ~~[(ii) for fiscal year 2021-22 only, 16.67% of the amount of revenue generated by a~~

2103 ~~.05% tax rate on the transactions described in Subsection (1):]~~

2104 ~~[(b) For purposes of Subsection (10)(a), the Division of Finance may not deposit into~~  
2105 ~~the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or~~  
2106 ~~charged for food and food ingredients, except for tax revenue generated by a bundled~~  
2107 ~~transaction attributable to food and food ingredients and tangible personal property other than~~  
2108 ~~food and food ingredients described in Subsection (2)(c):]~~

2109 ~~[(H)]~~ (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after  
2110 the fiscal year during which the ~~[Division of Finance]~~ commission receives notice under  
2111 Section 63N-2-510 that construction on a qualified hotel, as defined in Section 63N-2-502, has  
2112 begun, the ~~[Division of Finance]~~ commission shall, for two consecutive fiscal years, annually  
2113 deposit \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the  
2114 Hotel Impact Mitigation Fund, created in Section 63N-2-512.

2115 ~~[(I)]~~ (11) (a) The rate specified in this subsection is 0.15%.

2116 (b) Notwithstanding Subsection (3)(a), the ~~[Division of Finance]~~ commission shall, for  
2117 a fiscal year beginning on or after July 1, 2019, annually transfer the amount of revenue  
2118 collected from the rate described in Subsection ~~[(I2)(a)]~~ (11)(a) on the transactions that are  
2119 subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion  
2120 Fund created in Section 26-36b-208.

2121 ~~[(J)]~~ (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with  
2122 fiscal year 2020-21, the ~~[Division of Finance]~~ commission shall deposit \$200,000 into the  
2123 General Fund as a dedicated credit solely for use of the Search and Rescue Financial Assistance  
2124 Program created in, and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and  
2125 Rescue Act.

2126 ~~[(K)]~~ (13) (a) For each fiscal year beginning with fiscal year 2020-21, the ~~[Division of~~  
2127 ~~Finance]~~ commission shall annually transfer \$1,813,400 of the revenue deposited into the  
2128 Transportation Investment Fund of 2005 under Subsections ~~[(6) through]~~ (7) and (8) to the  
2129 General Fund.

2130 (b) If the total revenue deposited into the Transportation Investment Fund of 2005  
2131 under Subsections ~~[(6) through]~~ (7) and (8) is less than \$1,813,400 for a fiscal year, the  
2132 ~~[Division of Finance]~~ commission shall transfer the total revenue deposited into the  
2133 Transportation Investment Fund of 2005 under Subsections ~~[(6) through]~~ (7) and (8) during the

2134 fiscal year to the General Fund.

2135 ~~[(15)]~~ (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610,  
2136 beginning the first day of the calendar quarter one year after the sales and use tax boundary for  
2137 a housing and transit reinvestment zone is established, the commission, at least annually, shall  
2138 transfer an amount equal to 15% of the sales and use tax increment within an established sales  
2139 and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation  
2140 Investment Fund created in Section 72-2-124.

2141 ~~[(16)]~~ (15) Notwithstanding Subsection (3)(a), the ~~[Division of Finance]~~ commission  
2142 shall, for a fiscal year beginning on or after July 1, 2022, transfer into the Outdoor Adventure  
2143 Infrastructure Restricted Account, created in Section 51-9-902, a portion of the taxes listed  
2144 under Subsection (3)(a) equal to 1% of the revenues collected from the following sales and use  
2145 taxes:

- 2146 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 2147 (b) the tax imposed by Subsection (2)(b)(i);
- 2148 (c) the tax imposed by Subsection (2)(c)(i); and
- 2149 (d) the tax imposed by Subsection (2)(e)(i)(A)(I).

2150 Section 20. Section 59-12-205 is amended to read:

2151 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**  
2152 **tax revenue -- Determination of population.**

2153 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section  
2154 59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or town's  
2155 sales and use tax ordinances:

2156 (a) within 30 days of the day on which the state makes an amendment to an applicable  
2157 provision of Part 1, Tax Collection; and

2158 (b) as required to conform to the amendments to Part 1, Tax Collection.

2159 (2) (a) Except as provided in Subsections ~~[(3) through (5)]~~ (3) and (4) and subject to  
2160 Subsection ~~[(6)]~~ (5):

2161 (i) 50% of each dollar collected from the sales and use tax authorized by this part shall  
2162 be distributed to each county, city, and town on the basis of the percentage that the population  
2163 of the county, city, or town bears to the total population of all counties, cities, and towns in the  
2164 state; and

2165 (ii) (A) except as provided in Subsections (2)(a)(ii)(B), (C), and (D), 50% of each  
2166 dollar collected from the sales and use tax authorized by this part shall be distributed to each  
2167 county, city, and town on the basis of the location of the transaction as determined under  
2168 Sections 59-12-211 through 59-12-215;

2169 (B) 50% of each dollar collected from the sales and use tax authorized by this part  
2170 within a project area described in a project area plan adopted by the military installation  
2171 development authority under Title 63H, Chapter 1, Military Installation Development  
2172 Authority Act, shall be distributed to the military installation development authority created in  
2173 Section 63H-1-201;

2174 (C) beginning July 1, 2022, 50% of each dollar collected from the sales and use tax  
2175 authorized by this part within a project area under Title 11, Chapter 58, Utah Inland Port  
2176 Authority Act, shall be distributed to the Utah Inland Port Authority, created in Section  
2177 11-58-201; and

2178 (D) 50% of each dollar collected from the sales and use tax authorized by this part  
2179 within the lake authority boundary, as defined in Section 11-65-101, shall be distributed to the  
2180 Utah Lake Authority, created in Section 11-65-201, beginning the next full calendar quarter  
2181 following the creation of the Utah Lake Authority.

2182 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before  
2183 July 1, 2022.

2184 ~~[(3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall~~  
2185 ~~distribute annually to a county, city, or town the distribution required by this Subsection (3) if:]~~

2186 ~~[(i) the county, city, or town is a:]~~

2187 ~~[(A) county of the third, fourth, fifth, or sixth class;]~~

2188 ~~[(B) city of the fifth class; or]~~

2189 ~~[(C) town;]~~

2190 ~~[(ii) the county, city, or town received a distribution under this section for the calendar~~  
2191 ~~year beginning on January 1, 2008, that was less than the distribution under this section that the~~  
2192 ~~county, city, or town received for the calendar year beginning on January 1, 2007;]~~

2193 ~~[(iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located~~  
2194 ~~within the unincorporated area of the county for one or more days during the calendar year~~  
2195 ~~beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121;~~

2196 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North  
2197 American Industry Classification System of the federal Executive Office of the President,  
2198 Office of Management and Budget; or]

2199 [~~(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection~~  
2200 ~~(3)(a)(i)(C), the city or town had located within the city or town for one or more days during~~  
2201 ~~the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry~~  
2202 ~~Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the~~  
2203 ~~2002 North American Industry Classification System of the federal Executive Office of the~~  
2204 ~~President, Office of Management and Budget; and]~~

2205 [~~(iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment~~  
2206 ~~described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for~~  
2207 ~~one or more days during the calendar year beginning on January 1, 2008, was not the holder of~~  
2208 ~~a direct payment permit under Section 59-12-107.1; or]~~

2209 [~~(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection~~  
2210 ~~(3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a~~  
2211 ~~city or town for one or more days during the calendar year beginning on January 1, 2008, was~~  
2212 ~~not the holder of a direct payment permit under Section 59-12-107.1.]~~

2213 [~~(b) The commission shall make the distribution required by this Subsection (3) to a~~  
2214 ~~county, city, or town described in Subsection (3)(a):]~~

2215 [~~(i) from the distribution required by Subsection (2)(a); and]~~

2216 [~~(ii) before making any other distribution required by this section.]~~

2217 [~~(c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by~~  
2218 ~~multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.]~~

2219 [~~(ii) For purposes of Subsection (3)(c)(i):]~~

2220 [~~(A) the numerator of the fraction is the difference calculated by subtracting the~~  
2221 ~~distribution a county, city, or town described in Subsection (3)(a) received under this section~~  
2222 ~~for the calendar year beginning on January 1, 2008, from the distribution under this section that~~  
2223 ~~the county, city, or town received for the calendar year beginning on January 1, 2007; and]~~

2224 [~~(B) the denominator of the fraction is \$333,583.]~~

2225 [~~(d) A distribution required by this Subsection (3) is in addition to any other~~  
2226 ~~distribution required by this section.]~~



2227           ~~[(4)]~~ (3) (a) As used in this Subsection ~~[(4)]~~ (3):

2228           (i) "Eligible county, city, or town" means a county, city, or town that:

2229           (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection

2230 ~~[(4)(b)]~~ (3)(b) equal to the amount described in Subsection ~~[(4)(b)(i)]~~ (3)(b)(ii); and

2231           (B) does not impose a sales and use tax under Section [59-12-2103](#) on or before July 1,

2232 2016.

2233           (ii) "Minimum tax revenue distribution" means the total amount of tax revenue

2234 distributions an eligible county, city, or town received from a tax imposed in accordance with

2235 this part for fiscal year 2004-05.

2236           (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax

2237 imposed in accordance with this part equal to the greater of:

2238           (i) the payment required by Subsection (2); or

2239           (ii) the minimum tax revenue distribution.

2240           ~~[(5)]~~ (4) (a) For purposes of this Subsection ~~[(5)]~~ (4):

2241           (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to

2242 1.8% of the participating local government's tax revenue distribution amount under Subsection

2243 (2)(a) for the previous fiscal year.

2244           (ii) "Participating local government" means a county or municipality, as defined in

2245 Section [10-1-104](#), that is not an eligible municipality certified in accordance with Section

2246 [35A-16-404](#).

2247           (b) For revenue collected from the tax authorized by this part that is distributed on or

2248 after January 1, 2019, the commission, before making a tax revenue distribution under

2249 Subsection (2)(a) to a participating local government, shall:

2250           (i) subtract one-twelfth of the annual local contribution for each participating local

2251 government from the participating local government's tax revenue distribution under

2252 Subsection (2)(a); and

2253           (ii) deposit the amount described in Subsection ~~[(5)(b)(i)]~~ (4)(b)(i) into the Homeless

2254 Shelter Cities Mitigation Restricted Account created in Section [35A-16-402](#).

2255           (c) For a participating local government that qualifies to receive a distribution

2256 described in Subsection (3) ~~[or (4)]~~, the commission shall apply the provisions of this

2257 Subsection ~~[(5)]~~ (4) after the commission applies the provisions of ~~[Subsections (3) and (4)]~~

2258 Subsection (3).

2259 ~~[(6)]~~ (5) (a) Population figures for purposes of this section shall be based on the most  
2260 recent official census or census estimate of the United States Bureau of the Census.

2261 (b) If a needed population estimate is not available from the United States Bureau of  
2262 the Census, population figures shall be derived from the estimate from the Utah Population  
2263 Committee.

2264 (c) The population of a county for purposes of this section shall be determined only  
2265 from the unincorporated area of the county.

2266 Section 21. Section **59-12-302** is amended to read:

2267 **59-12-302. Collection of tax -- Administrative charge.**

2268 (1) Except as provided in Subsections (2), (3), and (4), the tax authorized under this  
2269 part shall be administered, collected, and enforced in accordance with:

2270 (a) the same procedures used to administer, collect, and enforce the tax under:

2271 (i) Part 1, Tax Collection; or

2272 (ii) Part 2, Local Sales and Use Tax Act; and

2273 (b) Chapter 1, General Taxation Policies.

2274 (2) The location of a transaction shall be determined in accordance with Sections  
2275 [59-12-211](#) through [59-12-215](#).

2276 (3) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or  
2277 Subsections [59-12-205](#)(2) through ~~[(6)]~~ (5).

2278 (4) A county auditor may make referrals to the commission to assist the commission in  
2279 determining whether to require an audit of any person that is required to remit a tax authorized  
2280 under this part.

2281 (5) The commission:

2282 (a) shall distribute the revenue collected from the tax to the county within which the  
2283 revenue was collected; and

2284 (b) shall retain and deposit an administrative charge in accordance with Section  
2285 [59-1-306](#) from revenue the commission collects from a tax under this part.

2286 Section 22. Section **59-12-354** is amended to read:

2287 **59-12-354. Collection of tax -- Administrative charge.**

2288 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part

2289 shall be administered, collected, and enforced in accordance with:

2290 (a) the same procedures used to administer, collect, and enforce the tax under:

2291 (i) Part 1, Tax Collection; or

2292 (ii) Part 2, Local Sales and Use Tax Act; and

2293 (b) Chapter 1, General Taxation Policies.

2294 (2) (a) The location of a transaction shall be determined in accordance with Sections  
2295 59-12-211 through 59-12-215.

2296 (b) The commission:

2297 (i) except as provided in Subsection (2)(b)(ii), shall distribute the revenue collected  
2298 from the tax to the municipality within which the revenue was collected; and

2299 (ii) shall retain and deposit an administrative charge in accordance with Section  
2300 59-1-306 from the revenue the commission collects from a tax under this part.

2301 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or  
2302 Subsections 59-12-205(2) through [~~6~~] (5).

2303 Section 23. Section 59-12-403 is amended to read:

2304 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**  
2305 **Notice requirements -- Administration, collection, and enforcement of tax --**  
2306 **Administrative charge.**

2307 (1) For purposes of this section:

2308 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
2309 4, Annexation.

2310 (b) "Annexing area" means an area that is annexed into a city or town.

2311 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a  
2312 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,  
2313 repeal, or change shall take effect:

2314 (i) on the first day of a calendar quarter; and

2315 (ii) after a 90-day period beginning on the date the commission receives notice meeting  
2316 the requirements of Subsection (2)(b) from the city or town.

2317 (b) The notice described in Subsection (2)(a)(ii) shall state:

2318 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this  
2319 part;

- 2320 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);
- 2321 (iii) the effective date of the tax described in Subsection (2)(b)(i); and
- 2322 (iv) if the city or town enacts the tax or changes the rate of the tax described in
- 2323 Subsection (2)(b)(i), the rate of the tax.
- 2324 (c) (i) If the billing period for a transaction begins before the effective date of the
- 2325 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
- 2326 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the
- 2327 first billing period that begins on or after the effective date of the enactment of the tax or the
- 2328 tax rate increase.
- 2329 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
- 2330 statement for the billing period is produced on or after the effective date of the repeal of the tax
- 2331 or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or 59-12-402.1.
- 2332 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 2333 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
- 2334 a tax described in Subsection (2)(a) takes effect:
- 2335 (A) on the first day of a calendar quarter; and
- 2336 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
- 2337 rate of the tax under Subsection (2)(a).
- 2338 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2339 commission may by rule define the term "catalogue sale."
- 2340 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
- 2341 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
- 2342 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
- 2343 effect:
- 2344 (i) on the first day of a calendar quarter; and
- 2345 (ii) after a 90-day period beginning on the date the commission receives notice meeting
- 2346 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.
- 2347 (b) The notice described in Subsection (3)(a)(ii) shall state:
- 2348 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
- 2349 repeal, or change in the rate of a tax under this part for the annexing area;
- 2350 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

2351 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

2352 (iv) if the city or town enacts the tax or changes the rate of the tax described in

2353 Subsection (3)(b)(i), the rate of the tax.

2354 (c) (i) If the billing period for a transaction begins before the effective date of the  
2355 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or  
2356 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the  
2357 first billing period that begins on or after the effective date of the enactment of the tax or the  
2358 tax rate increase.

2359 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
2360 statement for the billing period is produced on or after the effective date of the repeal of the tax  
2361 or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or 59-12-402.1.

2362 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
2363 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
2364 a tax described in Subsection (3)(a) takes effect:

2365 (A) on the first day of a calendar quarter; and

2366 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
2367 rate of the tax under Subsection (3)(a).

2368 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2369 commission may by rule define the term "catalogue sale."

2370 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be  
2371 administered, collected, and enforced in accordance with:

2372 (i) the same procedures used to administer, collect, and enforce the tax under:

2373 (A) Part 1, Tax Collection; or

2374 (B) Part 2, Local Sales and Use Tax Act; and

2375 (ii) Chapter 1, General Taxation Policies.

2376 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(6)~~ (5).

2377 (5) The commission shall retain and deposit an administrative charge in accordance  
2378 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

2379 Section 24. Section 59-12-603 is amended to read:

2380 **59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance**  
2381 **required -- Advisory board -- Administration -- Collection -- Administrative charge --**

2382 **Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice**  
2383 **requirements.**

2384 (1) (a) In addition to any other taxes, a county legislative body may, as provided in this  
2385 part, impose a tax as follows:

2386 (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%  
2387 on all short-term rentals of motor vehicles, except for short-term rentals of motor vehicles  
2388 made for the purpose of temporarily replacing a person's motor vehicle that is being repaired  
2389 pursuant to a repair or an insurance agreement; and

2390 (B) a county legislative body of any county imposing a tax under Subsection  
2391 (1)(a)(i)(A) may, in addition to imposing the tax under Subsection (1)(a)(i)(A), impose a tax of  
2392 not to exceed 4% on all short-term rentals of motor vehicles, except for short-term rentals of  
2393 motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is  
2394 being repaired pursuant to a repair or an insurance agreement;

2395 (ii) beginning on January 1, 2021, a county legislative body of any county may impose  
2396 a tax of not to exceed 7% on all short-term rentals of off-highway vehicles and recreational  
2397 vehicles;

2398 (iii) a county legislative body of any county may impose a tax of not to exceed 1% of  
2399 all sales of the following that are sold by a restaurant:

2400 (A) alcoholic beverages;

2401 (B) food and food ingredients; or

2402 (C) prepared food; and

2403 (iv) a county legislative body of a county of the first class may impose a tax of not to  
2404 exceed .5% on charges for the accommodations and services described in Subsection  
2405 [59-12-103\(1\)\(i\)](#).

2406 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section  
2407 [17-31-5.5](#).

2408 (2) (a) Subject to Subsection (2)(b), a county may use revenue from the imposition of a  
2409 tax under Subsection (1) for:

2410 (i) financing tourism promotion; and

2411 (ii) the development, operation, and maintenance of:

2412 (A) an airport facility;

2413 (B) a convention facility;

2414 (C) a cultural facility;

2415 (D) a recreation facility; or

2416 (E) a tourist facility.

2417 (b) A county of the first class shall expend at least \$450,000 each year of the revenue  
2418 from the imposition of a tax authorized by Subsection (1)(a)(iv) within the county to fund a  
2419 marketing and ticketing system designed to:

2420 (i) promote tourism in ski areas within the county by persons that do not reside within  
2421 the state; and

2422 (ii) combine the sale of:

2423 (A) ski lift tickets; and

2424 (B) accommodations and services described in Subsection 59-12-103(1)(i).

2425 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other  
2426 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local  
2427 Government Bonding Act, or a community reinvestment agency under Title 17C, Chapter 1,  
2428 Part 5, Agency Bonds, to finance:

2429 (a) an airport facility;

2430 (b) a convention facility;

2431 (c) a cultural facility;

2432 (d) a recreation facility; or

2433 (e) a tourist facility.

2434 (4) (a) To impose a tax under Subsection (1), the county legislative body shall adopt an  
2435 ordinance imposing the tax.

2436 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the  
2437 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on  
2438 those items and sales described in Subsection (1).

2439 (c) The name of the county as the taxing agency shall be substituted for that of the state  
2440 where necessary, and an additional license is not required if one has been or is issued under  
2441 Section 59-12-106.

2442 (5) To maintain in effect a tax ordinance adopted under this part, each county  
2443 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,

2444 Tax Collection, adopt amendments to the county's tax ordinance to conform with the applicable  
2445 amendments to Part 1, Tax Collection.

2446 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory  
2447 board in accordance with Section 17-31-8, the county legislative body of the county of the first  
2448 class shall create a tax advisory board in accordance with this Subsection (6).

2449 (b) The tax advisory board shall be composed of nine members appointed as follows:

2450 (i) four members shall be residents of a county of the first class appointed by the  
2451 county legislative body of the county of the first class; and

2452 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or  
2453 towns within the county of the first class appointed by an organization representing all mayors  
2454 of cities and towns within the county of the first class.

2455 (c) Five members of the tax advisory board constitute a quorum.

2456 (d) The county legislative body of the county of the first class shall determine:

2457 (i) terms of the members of the tax advisory board;

2458 (ii) procedures and requirements for removing a member of the tax advisory board;

2459 (iii) voting requirements, except that action of the tax advisory board shall be by at  
2460 least a majority vote of a quorum of the tax advisory board;

2461 (iv) chairs or other officers of the tax advisory board;

2462 (v) how meetings are to be called and the frequency of meetings; and

2463 (vi) the compensation, if any, of members of the tax advisory board.

2464 (e) The tax advisory board under this Subsection (6) shall advise the county legislative  
2465 body of the county of the first class on the expenditure of revenue collected within the county  
2466 of the first class from the taxes described in Subsection (1)(a).

2467 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part  
2468 shall be administered, collected, and enforced in accordance with:

2469 (A) the same procedures used to administer, collect, and enforce the tax under:

2470 (I) Part 1, Tax Collection; or

2471 (II) Part 2, Local Sales and Use Tax Act; and

2472 (B) Chapter 1, General Taxation Policies.

2473 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or

2474 Subsections 59-12-205(2) through ~~(6)~~ (5).



2475 (b) Except as provided in Subsection (7)(c):  
2476 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the  
2477 commission shall distribute the revenue to the county imposing the tax; and  
2478 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue  
2479 according to the distribution formula provided in Subsection (8).  
2480 (c) The commission shall retain and deposit an administrative charge in accordance  
2481 with Section 59-1-306 from the revenue the commission collects from a tax under this part.  
2482 (8) The commission shall distribute the revenue generated by the tax under Subsection  
2483 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the  
2484 following formula:  
2485 (a) the commission shall distribute 70% of the revenue based on the percentages  
2486 generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by  
2487 the total revenue collected by all counties under Subsection (1)(a)(i)(B); and  
2488 (b) the commission shall distribute 30% of the revenue based on the percentages  
2489 generated by dividing the population of each county collecting a tax under Subsection  
2490 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).  
2491 (9) (a) For purposes of this Subsection (9):  
2492 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,  
2493 County Annexation.  
2494 (ii) "Annexing area" means an area that is annexed into a county.  
2495 (b) (i) Except as provided in Subsection (9)(c), if a county enacts or repeals a tax or  
2496 changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:  
2497 (A) on the first day of a calendar quarter; and  
2498 (B) after a 90-day period beginning on the day on which the commission receives  
2499 notice meeting the requirements of Subsection (9)(b)(ii) from the county.  
2500 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:  
2501 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;  
2502 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);  
2503 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and  
2504 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
2505 (9)(b)(ii)(A), the rate of the tax.

2506 (c) (i) If the billing period for a transaction begins before the effective date of the  
2507 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of  
2508 the tax or the tax rate increase shall take effect on the first day of the first billing period that  
2509 begins after the effective date of the enactment of the tax or the tax rate increase.

2510 (ii) If the billing period for a transaction begins before the effective date of the repeal  
2511 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax  
2512 rate decrease shall take effect on the first day of the last billing period that began before the  
2513 effective date of the repeal of the tax or the tax rate decrease.

2514 (d) (i) Except as provided in Subsection (9)(e), if the annexation will result in the  
2515 enactment, repeal, or change in the rate of a tax under this part for an annexing area, the  
2516 enactment, repeal, or change shall take effect:

2517 (A) on the first day of a calendar quarter; and

2518 (B) after a 90-day period beginning on the day on which the commission receives  
2519 notice meeting the requirements of Subsection (9)(d)(ii) from the county that annexes the  
2520 annexing area.

2521 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

2522 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,  
2523 repeal, or change in the rate of a tax under this part for the annexing area;

2524 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

2525 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

2526 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
2527 (9)(d)(ii)(A), the rate of the tax.

2528 (e) (i) If the billing period for a transaction begins before the effective date of the  
2529 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of  
2530 the tax or the tax rate increase shall take effect on the first day of the first billing period that  
2531 begins after the effective date of the enactment of the tax or the tax rate increase.

2532 (ii) If the billing period for a transaction begins before the effective date of the repeal  
2533 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax  
2534 rate decrease shall take effect on the first day of the last billing period that began before the  
2535 effective date of the repeal of the tax or the tax rate decrease.

2536 Section 25. Section **59-12-703** is amended to read:

2537           **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**  
2538 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**  
2539 **-- Notice requirements.**

2540           (1) (a) Subject to the other provisions of this section, a county legislative body may  
2541 submit an opinion question to the residents of that county, by majority vote of all members of  
2542 the legislative body, so that each resident of the county, except residents in municipalities that  
2543 have already imposed a sales and use tax under Part 14, City or Town Option Funding for  
2544 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an  
2545 opportunity to express the resident's opinion on the imposition of a local sales and use tax of  
2546 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

2547           (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical  
2548 organizations, cultural organizations, and zoological organizations, and rural radio stations, in  
2549 that county; or

2550           (ii) provide funding for a botanical organization, cultural organization, or zoological  
2551 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in  
2552 furtherance of the botanical organization's, cultural organization's, or zoological organization's  
2553 primary purpose.

2554           (b) The opinion question required by this section shall state:

2555           "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and  
2556 use tax for (list the purposes for which the revenue collected from the sales and use tax shall be  
2557 expended)?"

2558           (c) A county legislative body may not impose a tax under this section on:

2559           (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
2560 are exempt from taxation under Section 59-12-104;

2561           (ii) sales and uses within a municipality that has already imposed a sales and use tax  
2562 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and  
2563 Zoological Organizations or Facilities; and

2564           (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and  
2565 food ingredients.

2566           (d) For purposes of this Subsection (1), the location of a transaction shall be  
2567 determined in accordance with Sections 59-12-211 through 59-12-215.

2568 (e) A county legislative body imposing a tax under this section shall impose the tax on  
2569 the purchase price or sales price for amounts paid or charged for food and food ingredients if  
2570 the food and food ingredients are sold as part of a bundled transaction attributable to food and  
2571 food ingredients and tangible personal property other than food and food ingredients.

2572 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local  
2573 Government Bonding Act.

2574 (2) (a) If the county legislative body determines that a majority of the county's  
2575 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
2576 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a  
2577 majority vote of all members of the legislative body on the transactions:

2578 (i) described in Subsection (1); and

2579 (ii) within the county, including the cities and towns located in the county, except those  
2580 cities and towns that have already imposed a sales and use tax under Part 14, City or Town  
2581 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
2582 Facilities.

2583 (b) A county legislative body may revise county ordinances to reflect statutory changes  
2584 to the distribution formula or eligible recipients of revenue generated from a tax imposed under  
2585 Subsection (2)(a) without submitting an opinion question to residents of the county.

2586 (3) Subject to Section [59-12-704](#), revenue collected from a tax imposed under  
2587 Subsection (2) shall be expended:

2588 (a) to fund cultural facilities, recreational facilities, and zoological facilities located  
2589 within the county or a city or town located in the county, except a city or town that has already  
2590 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,  
2591 Cultural, Recreational, and Zoological Organizations or Facilities;

2592 (b) to fund ongoing operating expenses of:

2593 (i) recreational facilities described in Subsection (3)(a);

2594 (ii) botanical organizations, cultural organizations, and zoological organizations within  
2595 the county; and

2596 (iii) rural radio stations within the county; and

2597 (c) as stated in the opinion question described in Subsection (1).

2598 (4) (a) A tax authorized under this part shall be:

2599 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
2600 accordance with:

2601 (A) the same procedures used to administer, collect, and enforce the tax under:

2602 (I) Part 1, Tax Collection; or

2603 (II) Part 2, Local Sales and Use Tax Act; and

2604 (B) Chapter 1, General Taxation Policies; and

2605 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
2606 period in accordance with this section.

2607 (b) A tax under this part is not subject to Subsections [59-12-205\(2\)](#) through ~~[(6)]~~ [\(5\)](#).

2608 (5) (a) For purposes of this Subsection (5):

2609 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,  
2610 County Annexation.

2611 (ii) "Annexing area" means an area that is annexed into a county.

2612 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
2613 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

2614 (A) on the first day of a calendar quarter; and

2615 (B) after a 90-day period beginning on the date the commission receives notice meeting  
2616 the requirements of Subsection (5)(b)(ii) from the county.

2617 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

2618 (A) that the county will enact or repeal a tax under this part;

2619 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

2620 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

2621 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the  
2622 tax.

2623 (c) (i) If the billing period for a transaction begins before the effective date of the  
2624 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
2625 the first billing period that begins on or after the effective date of the enactment of the tax.

2626 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
2627 period is produced on or after the effective date of the repeal of the tax imposed under this  
2628 section.

2629 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

2630 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
2631 Subsection (5)(b)(i) takes effect:

2632 (A) on the first day of a calendar quarter; and

2633 (B) beginning 60 days after the effective date of the enactment or repeal under

2634 Subsection (5)(b)(i).

2635 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2636 commission may by rule define the term "catalogue sale."

2637 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
2638 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
2639 part for an annexing area, the enactment or repeal shall take effect:

2640 (A) on the first day of a calendar quarter; and

2641 (B) after a 90-day period beginning on the date the commission receives notice meeting  
2642 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

2643 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

2644 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
2645 repeal of a tax under this part for the annexing area;

2646 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

2647 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

2648 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

2649 (f) (i) If the billing period for a transaction begins before the effective date of the  
2650 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
2651 the first billing period that begins on or after the effective date of the enactment of the tax.

2652 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
2653 period is produced on or after the effective date of the repeal of the tax imposed under this  
2654 section.

2655 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
2656 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
2657 Subsection (5)(e)(i) takes effect:

2658 (A) on the first day of a calendar quarter; and

2659 (B) beginning 60 days after the effective date of the enactment or repeal under

2660 Subsection (5)(e)(i).

2661 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2662 commission may by rule define the term "catalogue sale."

2663 Section 26. Section **59-12-802** is amended to read:

2664 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**  
2665 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**  
2666 **Administrative charge.**

2667 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class  
2668 may impose a sales and use tax of up to 1% on the transactions described in Subsection  
2669 **59-12-103**(1) located within the county.

2670 (b) Subject to Subsection (3), the money collected from a tax under this section may be  
2671 used to fund:

- 2672 (i) rural emergency medical services in that county;
- 2673 (ii) federally qualified health centers in that county;
- 2674 (iii) freestanding urgent care centers in that county;
- 2675 (iv) rural county health care facilities in that county;
- 2676 (v) rural health clinics in that county; or
- 2677 (vi) a combination of Subsections (1)(b)(i) through (v).

2678 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax  
2679 under this section on:

- 2680 (i) the sales and uses described in Section **59-12-104** to the extent the sales and uses  
2681 are exempt from taxation under Section **59-12-104**;
- 2682 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in  
2683 a city that imposes a tax under Section **59-12-804**; and
- 2684 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and  
2685 food ingredients.
- 2686 (d) For purposes of this Subsection (1), the location of a transaction shall be  
2687 determined in accordance with Sections **59-12-211** through **59-12-215**.

2688 (e) A county legislative body imposing a tax under this section shall impose the tax on  
2689 the purchase price or sales price for amounts paid or charged for food and food ingredients if  
2690 the food and food ingredients are sold as part of a bundled transaction attributable to food and  
2691 food ingredients and tangible personal property other than food and food ingredients.

2692 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall  
2693 obtain approval to impose the tax from a majority of the:  
2694 (i) members of the county's legislative body; and  
2695 (ii) county's registered voters voting on the imposition of the tax.  
2696 (b) The county legislative body shall conduct the election according to the procedures  
2697 and requirements of Title 11, Chapter 14, Local Government Bonding Act.  
2698 (3) The money collected from a tax imposed under Subsection (1) may only be used to  
2699 fund:  
2700 (a) ongoing operating expenses of a center, clinic, or facility described in Subsection  
2701 (1)(b) within that county;  
2702 (b) the acquisition of land for a center, clinic, or facility described in Subsection (1)(b)  
2703 within that county;  
2704 (c) the design, construction, equipping, or furnishing of a center, clinic, or facility  
2705 described in Subsection (1)(b) within that county; or  
2706 (d) rural emergency medical services within that county.  
2707 (4) (a) A tax under this section shall be:  
2708 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
2709 accordance with:  
2710 (A) the same procedures used to administer, collect, and enforce the tax under:  
2711 (I) Part 1, Tax Collection; or  
2712 (II) Part 2, Local Sales and Use Tax Act; and  
2713 (B) Chapter 1, General Taxation Policies; and  
2714 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
2715 period by the county legislative body as provided in Subsection (1).  
2716 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [~~6~~]  
2717 (5).  
2718 (c) A county legislative body shall distribute money collected from a tax under this  
2719 section quarterly.  
2720 (5) The commission shall retain and deposit an administrative charge in accordance  
2721 with Section 59-1-306 from the revenue the commission collects from a tax under this section.  
2722 Section 27. Section 59-12-804 is amended to read:



2723           **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**  
2724 **collection, and enforcement of tax -- Administrative charge.**

2725           (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

2726           (i) on the transactions described in Subsection 59-12-103(1) located within the city;

2727 and

2728           (ii) to fund rural city hospitals in that city.

2729           (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax  
2730 under this section on:

2731           (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
2732 are exempt from taxation under Section 59-12-104; and

2733           (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food  
2734 ingredients.

2735           (c) For purposes of this Subsection (1), the location of a transaction shall be  
2736 determined in accordance with Sections 59-12-211 through 59-12-215.

2737           (d) A city legislative body imposing a tax under this section shall impose the tax on the  
2738 purchase price or sales price for amounts paid or charged for food and food ingredients if the  
2739 food and food ingredients are sold as part of a bundled transaction attributable to food and food  
2740 ingredients and tangible personal property other than food and food ingredients.

2741           (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall  
2742 obtain approval to impose the tax from a majority of the:

2743           (i) members of the city legislative body; and

2744           (ii) city's registered voters voting on the imposition of the tax.

2745           (b) The city legislative body shall conduct the election according to the procedures and  
2746 requirements of Title 11, Chapter 14, Local Government Bonding Act.

2747           (3) The money collected from a tax imposed under Subsection (1) may only be used to  
2748 fund:

2749           (a) ongoing operating expenses of a rural city hospital;

2750           (b) the acquisition of land for a rural city hospital; or

2751           (c) the design, construction, equipping, or furnishing of a rural city hospital.

2752           (4) (a) A tax under this section shall be:

2753           (i) except as provided in Subsection (4)(b), administered, collected, and enforced in

2754 accordance with:

2755 (A) the same procedures used to administer, collect, and enforce the tax under:

2756 (I) Part 1, Tax Collection; or

2757 (II) Part 2, Local Sales and Use Tax Act; and

2758 (B) Chapter 1, General Taxation Policies; and

2759 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
2760 period by the city legislative body as provided in Subsection (1).

2761 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(6)]  
2762 (5).

2763 (5) The commission shall retain and deposit an administrative charge in accordance  
2764 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

2765 Section 28. Section 59-12-1102 is amended to read:

2766 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**

2767 **Administration -- Administrative charge -- Commission requirement to retain an amount**  
2768 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**  
2769 **of tax -- Effective date -- Notice requirements.**

2770 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax  
2771 authorized by this chapter, a county may impose by ordinance a county option sales and use tax  
2772 of .25% upon the transactions described in Subsection 59-12-103(1).

2773 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this  
2774 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
2775 exempt from taxation under Section 59-12-104.

2776 (b) For purposes of this Subsection (1), the location of a transaction shall be  
2777 determined in accordance with Sections 59-12-211 through 59-12-215.

2778 (c) The county option sales and use tax under this section shall be imposed:

2779 (i) upon transactions that are located within the county, including transactions that are  
2780 located within municipalities in the county; and

2781 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of  
2782 January:

2783 (A) of the next calendar year after adoption of the ordinance imposing the tax if the  
2784 ordinance is adopted on or before May 25; or

2785 (B) of the second calendar year after adoption of the ordinance imposing the tax if the  
2786 ordinance is adopted after May 25.

2787 (d) The county option sales and use tax under this section shall be imposed:

2788 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before  
2789 September 4, 1997; or

2790 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997  
2791 but after September 4, 1997.

2792 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a  
2793 county shall hold two public hearings on separate days in geographically diverse locations in  
2794 the county.

2795 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting  
2796 time of no earlier than 6 p.m.

2797 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven  
2798 days after the day the first advertisement required by Subsection (2)(c) is published.

2799 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county  
2800 shall advertise:

2801 (A) its intent to adopt a county option sales and use tax;

2802 (B) the date, time, and location of each public hearing; and

2803 (C) a statement that the purpose of each public hearing is to obtain public comments  
2804 regarding the proposed tax.

2805 (ii) The advertisement shall be published:

2806 (A) in a newspaper of general circulation in the county once each week for the two  
2807 weeks preceding the earlier of the two public hearings; and

2808 (B) on the Utah Public Notice Website created in Section [63A-16-601](#), for two weeks  
2809 preceding the earlier of the two public hearings.

2810 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8  
2811 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch  
2812 border.

2813 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that  
2814 portion of the newspaper where legal notices and classified advertisements appear.

2815 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

2816 (A) the advertisement shall appear in a newspaper that is published at least five days a  
2817 week, unless the only newspaper in the county is published less than five days a week; and

2818 (B) the newspaper selected shall be one of general interest and readership in the  
2819 community, and not one of limited subject matter.

2820 (d) The adoption of an ordinance imposing a county option sales and use tax is subject  
2821 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part  
2822 6, Local Referenda - Procedures.

2823 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a  
2824 county option sales and use tax under Subsection (1) is less than 75% of the state population,  
2825 the tax levied under Subsection (1) shall be distributed to the county in which the tax was  
2826 collected.

2827 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a  
2828 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state  
2829 population:

2830 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to  
2831 the county in which the tax was collected; and

2832 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection  
2833 (1) in each county shall be distributed proportionately among all counties imposing the tax,  
2834 based on the total population of each county.

2835 (c) Except as provided in Subsection (5), the amount to be distributed annually to a  
2836 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county  
2837 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

2838 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall  
2839 be increased so that, when combined with the amount distributed to the county under  
2840 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

2841 (ii) the amount to be distributed annually to all other counties under Subsection  
2842 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under  
2843 Subsection (3)(c)(i).

2844 (d) The commission shall establish rules to implement the distribution of the tax under  
2845 Subsections (3)(a), (b), and (c).

2846 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part

2847 shall be administered, collected, and enforced in accordance with:

2848 (i) the same procedures used to administer, collect, and enforce the tax under:

2849 (A) Part 1, Tax Collection; or

2850 (B) Part 2, Local Sales and Use Tax Act; and

2851 (ii) Chapter 1, General Taxation Policies.

2852 (b) A tax under this part is not subject to Subsections 59-12-205(2) through [~~(6)~~] (5).

2853 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an  
2854 administrative charge in accordance with Section 59-1-306 from the revenue the commission  
2855 collects from a tax under this part.

2856 (ii) Notwithstanding Section 59-1-306, the administrative charge described in  
2857 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of  
2858 the distribution amounts resulting after:

2859 (A) the applicable distribution calculations under Subsection (3) have been made; and

2860 (B) the commission retains the amount required by Subsection (5).

2861 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion  
2862 of the sales and use tax collected under this part as provided in this Subsection (5).

2863 (b) For a county that imposes a tax under this part, the commission shall calculate a  
2864 percentage each month by dividing the sales and use tax collected under this part for that  
2865 month within the boundaries of that county by the total sales and use tax collected under this  
2866 part for that month within the boundaries of all of the counties that impose a tax under this part.

2867 (c) For a county that imposes a tax under this part, the commission shall retain each  
2868 month an amount equal to the product of:

2869 (i) the percentage the commission determines for the month under Subsection (5)(b)  
2870 for the county; and

2871 (ii) \$6,354.

2872 (d) The commission shall deposit an amount the commission retains in accordance  
2873 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section  
2874 35A-8-1009.

2875 (e) An amount the commission deposits into the Qualified Emergency Food Agencies  
2876 Fund shall be expended as provided in Section 35A-8-1009.

2877 (6) (a) For purposes of this Subsection (6):

2878 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County  
2879 Consolidations and Annexations.

2880 (ii) "Annexing area" means an area that is annexed into a county.

2881 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a  
2882 county enacts or repeals a tax under this part:

2883 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

2884 (II) the repeal shall take effect on the first day of a calendar quarter; and

2885 (B) after a 90-day period beginning on the date the commission receives notice meeting  
2886 the requirements of Subsection (6)(b)(ii) from the county.

2887 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

2888 (A) that the county will enact or repeal a tax under this part;

2889 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

2890 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

2891 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the  
2892 tax.

2893 (c) (i) If the billing period for a transaction begins before the effective date of the  
2894 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day  
2895 of the first billing period that begins on or after the effective date of the enactment of the tax.

2896 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
2897 period is produced on or after the effective date of the repeal of the tax imposed under  
2898 Subsection (1).

2899 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
2900 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
2901 Subsection (6)(b)(i) takes effect:

2902 (A) on the first day of a calendar quarter; and

2903 (B) beginning 60 days after the effective date of the enactment or repeal under  
2904 Subsection (6)(b)(i).

2905 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2906 commission may by rule define the term "catalogue sale."

2907 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs  
2908 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this

2909 part for an annexing area, the enactment or repeal shall take effect:

2910 (A) on the first day of a calendar quarter; and

2911 (B) after a 90-day period beginning on the date the commission receives notice meeting  
2912 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

2913 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

2914 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or  
2915 repeal of a tax under this part for the annexing area;

2916 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

2917 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

2918 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

2919 (f) (i) If the billing period for a transaction begins before the effective date of the  
2920 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day  
2921 of the first billing period that begins on or after the effective date of the enactment of the tax.

2922 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
2923 period is produced on or after the effective date of the repeal of the tax imposed under  
2924 Subsection (1).

2925 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
2926 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
2927 Subsection (6)(e)(i) takes effect:

2928 (A) on the first day of a calendar quarter; and

2929 (B) beginning 60 days after the effective date of the enactment or repeal under  
2930 Subsection (6)(e)(i).

2931 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2932 commission may by rule define the term "catalogue sale."

2933 Section 29. Section **59-12-1302** is amended to read:

2934 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**  
2935 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**  
2936 **enforcement of tax -- Administrative charge.**

2937 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a  
2938 tax as provided in this part in an amount that does not exceed 1%.

2939 (2) A town may impose a tax as provided in this part if the town imposed a license fee

2940 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,  
2941 1996.

2942 (3) A town imposing a tax under this section shall:

2943 (a) except as provided in Subsection (4), impose the tax on the transactions described  
2944 in Subsection 59-12-103(1) located within the town; and

2945 (b) provide an effective date for the tax as provided in Subsection (5).

2946 (4) (a) A town may not impose a tax under this section on:

2947 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
2948 are exempt from taxation under Section 59-12-104; and

2949 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food  
2950 ingredients.

2951 (b) For purposes of this Subsection (4), the location of a transaction shall be  
2952 determined in accordance with Sections 59-12-211 through 59-12-215.

2953 (c) A town imposing a tax under this section shall impose the tax on the purchase price  
2954 or sales price for amounts paid or charged for food and food ingredients if the food and food  
2955 ingredients are sold as part of a bundled transaction attributable to food and food ingredients  
2956 and tangible personal property other than food and food ingredients.

2957 (5) (a) For purposes of this Subsection (5):

2958 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,  
2959 Annexation.

2960 (ii) "Annexing area" means an area that is annexed into a town.

2961 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
2962 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,  
2963 or change shall take effect:

2964 (A) on the first day of a calendar quarter; and

2965 (B) after a 90-day period beginning on the date the commission receives notice meeting  
2966 the requirements of Subsection (5)(b)(ii) from the town.

2967 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

2968 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

2969 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

2970 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and



2971 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
2972 (5)(b)(ii)(A), the rate of the tax.

2973 (c) (i) If the billing period for the transaction begins before the effective date of the  
2974 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of  
2975 the tax or the tax rate increase takes effect on the first day of the first billing period that begins  
2976 on or after the effective date of the enactment of the tax or the tax rate increase.

2977 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
2978 statement for the billing period is produced on or after the effective date of the repeal of the tax  
2979 or the tax rate decrease imposed under Subsection (1).

2980 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
2981 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
2982 a tax described in Subsection (5)(b)(i) takes effect:

2983 (A) on the first day of a calendar quarter; and

2984 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
2985 rate of the tax under Subsection (5)(b)(i).

2986 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2987 commission may by rule define the term "catalogue sale."

2988 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
2989 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the  
2990 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
2991 effect:

2992 (A) on the first day of a calendar quarter; and

2993 (B) after a 90-day period beginning on the date the commission receives notice meeting  
2994 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

2995 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

2996 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,  
2997 repeal, or change in the rate of a tax under this part for the annexing area;

2998 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

2999 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

3000 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
3001 (5)(e)(ii)(A), the rate of the tax.

3002 (f) (i) If the billing period for a transaction begins before the effective date of the  
3003 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of  
3004 the tax or the tax rate increase takes effect on the first day of the first billing period that begins  
3005 on or after the effective date of the enactment of the tax or the tax rate increase.

3006 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
3007 statement for the billing period is produced on or after the effective date of the repeal of the tax  
3008 or the tax rate decrease imposed under Subsection (1).

3009 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
3010 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
3011 a tax described in Subsection (5)(e)(i) takes effect:

3012 (A) on the first day of a calendar quarter; and

3013 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
3014 rate of the tax under Subsection (5)(e)(i).

3015 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3016 commission may by rule define the term "catalogue sale."

3017 (6) The commission shall:

3018 (a) distribute the revenue generated by the tax under this section to the town imposing  
3019 the tax; and

3020 (b) except as provided in Subsection (8), administer, collect, and enforce the tax  
3021 authorized under this section in accordance with:

3022 (i) the same procedures used to administer, collect, and enforce the tax under:

3023 (A) Part 1, Tax Collection; or

3024 (B) Part 2, Local Sales and Use Tax Act; and

3025 (ii) Chapter 1, General Taxation Policies.

3026 (7) The commission shall retain and deposit an administrative charge in accordance  
3027 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

3028 (8) A tax under this section is not subject to Subsections 59-12-205(2) through ~~[(6)]~~  
3029 (5).

3030 Section 30. Section 59-12-1402 is amended to read:

3031 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**

3032 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**

3033 **requirements.**

3034 (1) (a) Subject to the other provisions of this section, a city or town legislative body  
3035 subject to this part may submit an opinion question to the residents of that city or town, by  
3036 majority vote of all members of the legislative body, so that each resident of the city or town  
3037 has an opportunity to express the resident's opinion on the imposition of a local sales and use  
3038 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or  
3039 town, to:

3040 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical  
3041 organizations, cultural organizations, and zoological organizations in that city or town; or

3042 (ii) provide funding for a botanical organization, cultural organization, or zoological  
3043 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in  
3044 furtherance of the botanical organization's, cultural organization's, or zoological organization's  
3045 primary purpose.

3046 (b) The opinion question required by this section shall state:

3047 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales  
3048 and use tax for (list the purposes for which the revenue collected from the sales and use tax  
3049 shall be expended)?"

3050 (c) A city or town legislative body may not impose a tax under this section:

3051 (i) if the county in which the city or town is located imposes a tax under Part 7, County  
3052 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
3053 Facilities;

3054 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and  
3055 uses are exempt from taxation under Section 59-12-104; and

3056 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and  
3057 food ingredients.

3058 (d) For purposes of this Subsection (1), the location of a transaction shall be  
3059 determined in accordance with Sections 59-12-211 through 59-12-215.

3060 (e) A city or town legislative body imposing a tax under this section shall impose the  
3061 tax on the purchase price or sales price for amounts paid or charged for food and food  
3062 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable  
3063 to food and food ingredients and tangible personal property other than food and food

3064 ingredients.

3065 (f) Except as provided in Subsection (6), the election shall be held at a regular general  
3066 election or a municipal general election, as those terms are defined in Section 20A-1-102, and  
3067 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

3068 (2) If the city or town legislative body determines that a majority of the city's or town's  
3069 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
3070 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by  
3071 a majority vote of all members of the legislative body.

3072 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under  
3073 Subsection (2) shall be expended:

3074 (a) to finance cultural facilities, recreational facilities, and zoological facilities within  
3075 the city or town or within the geographic area of entities that are parties to an interlocal  
3076 agreement, to which the city or town is a party, providing for cultural facilities, recreational  
3077 facilities, or zoological facilities;

3078 (b) to finance ongoing operating expenses of:

3079 (i) recreational facilities described in Subsection (3)(a) within the city or town or  
3080 within the geographic area of entities that are parties to an interlocal agreement, to which the  
3081 city or town is a party, providing for recreational facilities; or

3082 (ii) botanical organizations, cultural organizations, and zoological organizations within  
3083 the city or town or within the geographic area of entities that are parties to an interlocal  
3084 agreement, to which the city or town is a party, providing for the support of botanical  
3085 organizations, cultural organizations, or zoological organizations; and

3086 (c) as stated in the opinion question described in Subsection (1).

3087 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall  
3088 be:

3089 (i) administered, collected, and enforced in accordance with:

3090 (A) the same procedures used to administer, collect, and enforce the tax under:

3091 (I) Part 1, Tax Collection; or

3092 (II) Part 2, Local Sales and Use Tax Act; and

3093 (B) Chapter 1, General Taxation Policies; and

3094 (ii) (A) levied for a period of eight years; and

3095 (B) may be reauthorized at the end of the eight-year period in accordance with this  
3096 section.

3097 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the  
3098 tax shall be levied for a period of 10 years.

3099 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or  
3100 after July 1, 2011, the tax shall be reauthorized for a ten-year period.

3101 (c) A tax under this section is not subject to Subsections 59-12-205(2) through [~~6~~]  
3102 (5).

3103 (5) (a) For purposes of this Subsection (5):

3104 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
3105 4, Annexation.

3106 (ii) "Annexing area" means an area that is annexed into a city or town.

3107 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city  
3108 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

3109 (A) on the first day of a calendar quarter; and

3110 (B) after a 90-day period beginning on the date the commission receives notice meeting  
3111 the requirements of Subsection (5)(b)(ii) from the city or town.

3112 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

3113 (A) that the city or town will enact or repeal a tax under this part;

3114 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

3115 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

3116 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of  
3117 the tax.

3118 (c) (i) If the billing period for a transaction begins before the effective date of the  
3119 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
3120 the first billing period that begins on or after the effective date of the enactment of the tax.

3121 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
3122 period is produced on or after the effective date of the repeal of the tax imposed under this  
3123 section.

3124 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
3125 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

3126 Subsection (5)(b)(i) takes effect:

3127 (A) on the first day of a calendar quarter; and

3128 (B) beginning 60 days after the effective date of the enactment or repeal under

3129 Subsection (5)(b)(i).

3130 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3131 commission may by rule define the term "catalogue sale."

3132 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
3133 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
3134 part for an annexing area, the enactment or repeal shall take effect:

3135 (A) on the first day of a calendar quarter; and

3136 (B) after a 90-day period beginning on the date the commission receives notice meeting  
3137 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

3138 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

3139 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
3140 repeal a tax under this part for the annexing area;

3141 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

3142 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

3143 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

3144 (f) (i) If the billing period for a transaction begins before the effective date of the  
3145 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
3146 the first billing period that begins on or after the effective date of the enactment of the tax.

3147 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
3148 period is produced on or after the effective date of the repeal of the tax imposed under this  
3149 section.

3150 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
3151 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
3152 Subsection (5)(e)(i) takes effect:

3153 (A) on the first day of a calendar quarter; and

3154 (B) beginning 60 days after the effective date of the enactment or repeal under  
3155 Subsection (5)(e)(i).

3156 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

3157 commission may by rule define the term "catalogue sale."

3158 (6) (a) Before a city or town legislative body submits an opinion question to the  
3159 residents of the city or town under Subsection (1), the city or town legislative body shall:

3160 (i) submit to the county legislative body in which the city or town is located a written  
3161 notice of the intent to submit the opinion question to the residents of the city or town; and

3162 (ii) receive from the county legislative body:

3163 (A) a written resolution passed by the county legislative body stating that the county  
3164 legislative body is not seeking to impose a tax under Part 7, County Option Funding for

3165 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

3166 (B) a written statement that in accordance with Subsection (6)(b) the results of a county  
3167 opinion question submitted to the residents of the county under Part 7, County Option Funding  
3168 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city  
3169 or town legislative body to submit the opinion question to the residents of the city or town in  
3170 accordance with this part.

3171 (b) (i) Within 60 days after the day the county legislative body receives from a city or  
3172 town legislative body described in Subsection (6)(a) the notice of the intent to submit an  
3173 opinion question to the residents of the city or town, the county legislative body shall provide  
3174 the city or town legislative body:

3175 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

3176 (B) written notice that the county legislative body will submit an opinion question to  
3177 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,  
3178 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under  
3179 that part.

3180 (ii) If the county legislative body provides the city or town legislative body the written  
3181 notice that the county legislative body will submit an opinion question as provided in  
3182 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no  
3183 later than, from the date the county legislative body sends the written notice, the later of:

3184 (A) a 12-month period;

3185 (B) the next regular primary election; or

3186 (C) the next regular general election.

3187 (iii) Within 30 days of the date of the canvass of the election at which the opinion

3188 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the  
3189 city or town legislative body described in Subsection (6)(a) written results of the opinion  
3190 question submitted by the county legislative body under Part 7, County Option Funding for  
3191 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

3192 (A) (I) the city or town legislative body may not impose a tax under this part because a  
3193 majority of the county's registered voters voted in favor of the county imposing the tax and the  
3194 county legislative body by a majority vote approved the imposition of the tax; or

3195 (II) for at least 12 months from the date the written results are submitted to the city or  
3196 town legislative body, the city or town legislative body may not submit to the county legislative  
3197 body a written notice of the intent to submit an opinion question under this part because a  
3198 majority of the county's registered voters voted against the county imposing the tax and the  
3199 majority of the registered voters who are residents of the city or town described in Subsection  
3200 (6)(a) voted against the imposition of the county tax; or

3201 (B) the city or town legislative body may submit the opinion question to the residents  
3202 of the city or town in accordance with this part because although a majority of the county's  
3203 registered voters voted against the county imposing the tax, the majority of the registered voters  
3204 who are residents of the city or town voted for the imposition of the county tax.

3205 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may  
3206 provide a city or town legislative body described in Subsection (6)(a) a written resolution  
3207 passed by the county legislative body stating that the county legislative body is not seeking to  
3208 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and  
3209 Zoological Organizations or Facilities, which permits the city or town legislative body to  
3210 submit under Subsection (1) an opinion question to the city's or town's residents.

3211 Section 31. Section **59-12-2103** is amended to read:

3212 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**  
3213 **from the tax -- Administration, collection, and enforcement of tax by commission --**  
3214 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

3215 (1) (a) As used in this section, "eligible city or town" means a city or town that  
3216 imposed a tax under this part on July 1, 2016.

3217 (b) Subject to the other provisions of this section and except as provided in Subsection  
3218 (2) or (3), the legislative body of an eligible city or town may impose a sales and use tax of up



3219 to .20% on the transactions:

3220 (i) described in Subsection 59-12-103(1); and

3221 (ii) within the city or town.

3222 (c) A city or town legislative body that imposes a tax under Subsection (1)(b) shall  
3223 expend the revenue collected from the tax for the same purposes for which the city or town  
3224 may expend the city's or town's general fund revenue.

3225 (d) For purposes of this Subsection (1), the location of a transaction shall be  
3226 determined in accordance with Sections 59-12-211 through 59-12-215.

3227 (2) (a) A city or town legislative body may not impose a tax under this section on:

3228 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
3229 are exempt from taxation under Section 59-12-104; and

3230 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food  
3231 ingredients.

3232 (b) A city or town legislative body imposing a tax under this section shall impose the  
3233 tax on the purchase price or sales price for amounts paid or charged for food and food  
3234 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable  
3235 to food and food ingredients and tangible personal property other than food and food  
3236 ingredients.

3237 (3) An eligible city or town may impose a tax under this part until no later than June  
3238 30, 2030.

3239 (4) The commission shall transmit revenue collected within a city or town from a tax  
3240 under this part:

3241 (a) to the city or town legislative body;

3242 (b) monthly; and

3243 (c) by electronic funds transfer.

3244 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,  
3245 collect, and enforce a tax under this part in accordance with:

3246 (i) the same procedures used to administer, collect, and enforce the tax under:

3247 (A) Part 1, Tax Collection; or

3248 (B) Part 2, Local Sales and Use Tax Act; and

3249 (ii) Chapter 1, General Taxation Policies.

3250 (b) A tax under this part is not subject to Subsections [59-12-205\(2\)](#) through ~~[(6)]~~ [\(5\)](#).

3251 (6) The commission shall retain and deposit an administrative charge in accordance  
3252 with Section [59-1-306](#) from the revenue the commission collects from a tax under this part.

3253 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,  
3254 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,  
3255 repeal, or change shall take effect:

3256 (A) on the first day of a calendar quarter; and

3257 (B) after a 90-day period beginning on the date the commission receives notice meeting  
3258 the requirements of Subsection (7)(a)(i) from the city or town.

3259 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

3260 (A) that the city or town will enact or repeal a tax or change the rate of the tax under  
3261 this part;

3262 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

3263 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

3264 (D) if the city or town enacts the tax or changes the rate of the tax described in  
3265 Subsection (7)(a)(ii)(A), the rate of the tax.

3266 (b) (i) If the billing period for a transaction begins before the enactment of the tax or  
3267 the tax rate increase under Subsection (1), the enactment of the tax or the tax rate increase takes  
3268 effect on the first day of the first billing period that begins on or after the effective date of the  
3269 enactment of the tax or the tax rate increase.

3270 (ii) If the billing period for a transaction begins before the effective date of the repeal  
3271 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax  
3272 rate decrease applies to a billing period if the billing statement for the billing period is rendered  
3273 on or after the effective date of the repeal of the tax or the tax rate decrease.

3274 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
3275 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
3276 described in Subsection (7)(a)(i) takes effect:

3277 (A) on the first day of a calendar quarter; and

3278 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
3279 rate of the tax under Subsection (7)(a)(i).

3280 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

3281 commission may by rule define the term "catalogue sale."

3282 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs  
3283 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the  
3284 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
3285 effect:

3286 (A) on the first day of a calendar quarter; and

3287 (B) after a 90-day period beginning on the date the commission receives notice meeting  
3288 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

3289 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

3290 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the  
3291 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

3292 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

3293 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

3294 (D) if the city or town enacts the tax or changes the rate of the tax described in  
3295 Subsection (7)(d)(ii)(A), the rate of the tax.

3296 (e) (i) If the billing period for a transaction begins before the effective date of the  
3297 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax  
3298 rate increase takes effect on the first day of the first billing period that begins on or after the  
3299 effective date of the enactment of the tax or the tax rate increase.

3300 (ii) If the billing period for a transaction begins before the effective date of the repeal  
3301 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax  
3302 rate decrease applies to a billing period if the billing statement for the billing period is rendered  
3303 on or after the effective date of the repeal of the tax or the tax rate decrease.

3304 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
3305 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
3306 described in Subsection (7)(d)(i) takes effect:

3307 (A) on the first day of a calendar quarter; and

3308 (B) beginning 60 days after the effective date of the enactment, repeal, or change under  
3309 Subsection (7)(d)(i).

3310 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3311 commission may by rule define the term "catalogue sale."

3312 Section 32. Section 59-12-2206 is amended to read:

3313 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**  
3314 **under this part -- Transmission of revenue monthly by electronic funds transfer --**  
3315 **Transfer of revenue to a public transit district or eligible political subdivision.**

3316 (1) Except as provided in Subsection (2), the commission shall administer, collect, and  
3317 enforce a sales and use tax imposed under this part.

3318 (2) The commission shall administer, collect, and enforce a sales and use tax imposed  
3319 under this part in accordance with:

3320 (a) the same procedures used to administer, collect, and enforce a tax under:

3321 (i) Part 1, Tax Collection; or

3322 (ii) Part 2, Local Sales and Use Tax Act; and

3323 (b) Chapter 1, General Taxation Policies.

3324 (3) A sales and use tax under this part is not subject to Subsections 59-12-205(2)  
3325 through ~~(6)~~ (5).

3326 (4) Subject to Section 59-12-2207 and except as provided in Subsection (5) or another  
3327 provision of this part, the state treasurer shall transmit revenue collected within a county, city,  
3328 or town from a sales and use tax under this part to the county, city, or town legislative body  
3329 monthly by electronic funds transfer.

3330 (5) (a) Subject to Section 59-12-2207, and except as provided in Subsection (5)(b), the  
3331 state treasurer shall transfer revenue collected within a county, city, or town from a sales and  
3332 use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a,  
3333 Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section  
3334 59-12-2219, if the county, city, or town legislative body:

3335 (i) provides written notice to the commission and the state treasurer requesting the  
3336 transfer; and

3337 (ii) designates the public transit district or eligible political subdivision to which the  
3338 county, city, or town legislative body requests the state treasurer to transfer the revenue.

3339 (b) The commission shall transmit a portion of the revenue collected within a county,  
3340 city, or town from a sales and use tax under this part that would be transferred to a public  
3341 transit district or an eligible political subdivision under Subsection (5)(a) to the county, city, or  
3342 town to fund public transit fixed guideway safety oversight under Section 72-1-214 if the

3343 county, city, or town legislative body:

3344 (i) provides written notice to the commission and the state treasurer requesting the  
3345 transfer; and

3346 (ii) specifies the amount of revenue required to be transmitted to the county, city, or  
3347 town.

3348 Section 33. Section **63G-2-302** is amended to read:

3349 **63G-2-302. Private records.**

3350 (1) The following records are private:

3351 (a) records concerning an individual's eligibility for unemployment insurance benefits,  
3352 social services, welfare benefits, or the determination of benefit levels;

3353 (b) records containing data on individuals describing medical history, diagnosis,  
3354 condition, treatment, evaluation, or similar medical data;

3355 (c) records of publicly funded libraries that when examined alone or with other records  
3356 identify a patron;

3357 (d) records received by or generated by or for:

3358 (i) the Independent Legislative Ethics Commission, except for:

3359 (A) the commission's summary data report that is required under legislative rule; and

3360 (B) any other document that is classified as public under legislative rule; or

3361 (ii) a Senate or House Ethics Committee in relation to the review of ethics complaints,  
3362 unless the record is classified as public under legislative rule;

3363 (e) records received by, or generated by or for, the Independent Executive Branch  
3364 Ethics Commission, except as otherwise expressly provided in Title 63A, Chapter 14, Review  
3365 of Executive Branch Ethics Complaints;

3366 (f) records received or generated for a Senate confirmation committee concerning  
3367 character, professional competence, or physical or mental health of an individual:

3368 (i) if, prior to the meeting, the chair of the committee determines release of the records:

3369 (A) reasonably could be expected to interfere with the investigation undertaken by the  
3370 committee; or

3371 (B) would create a danger of depriving a person of a right to a fair proceeding or  
3372 impartial hearing; and

3373 (ii) after the meeting, if the meeting was closed to the public;

3374 (g) employment records concerning a current or former employee of, or applicant for  
3375 employment with, a governmental entity that would disclose that individual's home address,  
3376 home telephone number, social security number, insurance coverage, marital status, or payroll  
3377 deductions;

3378 (h) records or parts of records under Section 63G-2-303 that a current or former  
3379 employee identifies as private according to the requirements of that section;

3380 (i) that part of a record indicating a person's social security number or federal employer  
3381 identification number if provided under Section 31A-23a-104, 31A-25-202, 31A-26-202,  
3382 58-1-301, 58-55-302, 61-1-4, or 61-2f-203;

3383 (j) that part of a voter registration record identifying a voter's:

3384 (i) driver license or identification card number;

3385 (ii) social security number, or last four digits of the social security number;

3386 (iii) email address;

3387 (iv) date of birth; or

3388 (v) phone number;

3389 (k) a voter registration record that is classified as a private record by the lieutenant  
3390 governor or a county clerk under Subsection 20A-2-101.1(5)(a), 20A-2-104(4)(h), or  
3391 20A-2-204(4)(b);

3392 (l) a voter registration record that is withheld under Subsection 20A-2-104(7);

3393 (m) a withholding request form described in Subsections 20A-2-104(7) and (8) and any  
3394 verification submitted in support of the form;

3395 (n) a record that:

3396 (i) contains information about an individual;

3397 (ii) is voluntarily provided by the individual; and

3398 (iii) goes into an electronic database that:

3399 (A) is designated by and administered under the authority of the Chief Information  
3400 Officer; and

3401 (B) acts as a repository of information about the individual that can be electronically  
3402 retrieved and used to facilitate the individual's online interaction with a state agency;

3403 (o) information provided to the Commissioner of Insurance under:

3404 (i) Subsection 31A-23a-115(3)(a);

- 3405 (ii) Subsection [31A-23a-302\(4\)](#); or
- 3406 (iii) Subsection [31A-26-210\(4\)](#);
- 3407 (p) information obtained through a criminal background check under Title 11, Chapter
- 3408 40, Criminal Background Checks by Political Subdivisions Operating Water Systems;
- 3409 (q) information provided by an offender that is:
- 3410 (i) required by the registration requirements of Title 77, Chapter 41, Sex and Kidnap
- 3411 Offender Registry or Title 77, Chapter 43, Child Abuse Offender Registry; and
- 3412 (ii) not required to be made available to the public under Subsection [77-41-110\(4\)](#) or
- 3413 [77-43-108\(4\)](#);
- 3414 (r) a statement and any supporting documentation filed with the attorney general in
- 3415 accordance with Section [34-45-107](#), if the federal law or action supporting the filing involves
- 3416 homeland security;
- 3417 (s) electronic toll collection customer account information received or collected under
- 3418 Section [72-6-118](#) and customer information described in Section [17B-2a-815](#) received or
- 3419 collected by a public transit district, including contact and payment information and customer
- 3420 travel data;
- 3421 (t) an email address provided by a military or overseas voter under Section
- 3422 [20A-16-501](#);
- 3423 (u) a completed military-overseas ballot that is electronically transmitted under Title
- 3424 20A, Chapter 16, Uniform Military and Overseas Voters Act;
- 3425 (v) records received by or generated by or for the Political Subdivisions Ethics Review
- 3426 Commission established in Section [63A-15-201](#), except for:
- 3427 (i) the commission's summary data report that is required in Section [63A-15-202](#); and
- 3428 (ii) any other document that is classified as public in accordance with Title 63A,
- 3429 Chapter 15, Political Subdivisions Ethics Review Commission;
- 3430 (w) a record described in Section [53G-9-604](#) that verifies that a parent was notified of
- 3431 an incident or threat;
- 3432 (x) a criminal background check or credit history report conducted in accordance with
- 3433 Section [63A-3-201](#);
- 3434 (y) a record described in Subsection [53-5a-104\(7\)](#);
- 3435 (z) on a record maintained by a county for the purpose of administering property taxes,

3436 an individual's:

3437 (i) email address;

3438 (ii) phone number; or

3439 (iii) personal financial information related to a person's payment method;

3440 (aa) a record submitted by a taxpayer to establish the taxpayer's eligibility for an

3441 exemption, deferral, abatement, or relief under:

3442 (i) [~~Title 59, Chapter 2, Part 11, Exemptions, Deferrals, and Abatements~~] Title 59,

3443 Chapter 2, Part 11, Exemptions;

3444 (ii) Title 59, Chapter 2, Part 12, Property Tax Relief;

3445 (iii) Title 59, Chapter 2, Part 18, Tax Deferral and Tax Abatement; or

3446 (iv) Title 59, Chapter 2, Part 19, Armed Forces Exemptions;

3447 (bb) a record provided by the State Tax Commission in response to a request under

3448 Subsection [59-1-403\(4\)\(y\)\(iii\)](#);

3449 (cc) a record of the Child Welfare Legislative Oversight Panel regarding an individual

3450 child welfare case, as described in Subsection [36-33-103\(3\)](#); and

3451 (dd) a record relating to drug or alcohol testing of a state employee under Section

3452 [63A-17-1004](#).

3453 (2) The following records are private if properly classified by a governmental entity:

3454 (a) records concerning a current or former employee of, or applicant for employment

3455 with a governmental entity, including performance evaluations and personal status information

3456 such as race, religion, or disabilities, but not including records that are public under Subsection

3457 [63G-2-301\(2\)\(b\)](#) or [63G-2-301\(3\)\(o\)](#) or private under Subsection (1)(b);

3458 (b) records describing an individual's finances, except that the following are public:

3459 (i) records described in Subsection [63G-2-301\(2\)](#);

3460 (ii) information provided to the governmental entity for the purpose of complying with

3461 a financial assurance requirement; or

3462 (iii) records that must be disclosed in accordance with another statute;

3463 (c) records of independent state agencies if the disclosure of those records would

3464 conflict with the fiduciary obligations of the agency;

3465 (d) other records containing data on individuals the disclosure of which constitutes a

3466 clearly unwarranted invasion of personal privacy;



3467 (e) records provided by the United States or by a government entity outside the state  
3468 that are given with the requirement that the records be managed as private records, if the  
3469 providing entity states in writing that the record would not be subject to public disclosure if  
3470 retained by it;

3471 (f) any portion of a record in the custody of the Division of Aging and Adult Services,  
3472 created in Section 62A-3-102, that may disclose, or lead to the discovery of, the identity of a  
3473 person who made a report of alleged abuse, neglect, or exploitation of a vulnerable adult; and

3474 (g) audio and video recordings created by a body-worn camera, as defined in Section  
3475 77-7a-103, that record sound or images inside a home or residence except for recordings that:

3476 (i) depict the commission of an alleged crime;

3477 (ii) record any encounter between a law enforcement officer and a person that results in  
3478 death or bodily injury, or includes an instance when an officer fires a weapon;

3479 (iii) record any encounter that is the subject of a complaint or a legal proceeding  
3480 against a law enforcement officer or law enforcement agency;

3481 (iv) contain an officer involved critical incident as defined in Subsection  
3482 76-2-408(1)(f); or

3483 (v) have been requested for reclassification as a public record by a subject or  
3484 authorized agent of a subject featured in the recording.

3485 (3) (a) As used in this Subsection (3), "medical records" means medical reports,  
3486 records, statements, history, diagnosis, condition, treatment, and evaluation.

3487 (b) Medical records in the possession of the University of Utah Hospital, its clinics,  
3488 doctors, or affiliated entities are not private records or controlled records under Section  
3489 63G-2-304 when the records are sought:

3490 (i) in connection with any legal or administrative proceeding in which the patient's  
3491 physical, mental, or emotional condition is an element of any claim or defense; or

3492 (ii) after a patient's death, in any legal or administrative proceeding in which any party  
3493 relies upon the condition as an element of the claim or defense.

3494 (c) Medical records are subject to production in a legal or administrative proceeding  
3495 according to state or federal statutes or rules of procedure and evidence as if the medical  
3496 records were in the possession of a nongovernmental medical care provider.

3497 Section 34. Section 63N-2-510 is amended to read:

3498 **63N-2-510. Report by office -- Posting of report.**

3499 (1) The office shall include the following information in the office's annual written  
3500 report described in Section [63N-1a-306](#):

3501 (a) the state's success in attracting new conventions and corresponding new state  
3502 revenue;

3503 (b) the estimated amount of convention incentive commitments and the associated  
3504 calculation made by the office and the period of time over which convention incentives are  
3505 expected to be paid;

3506 (c) the economic impact on the state related to generating new state revenue and  
3507 providing convention incentives; and

3508 (d) the estimated and actual costs and economic benefits of the convention incentive  
3509 commitments that the office made.

3510 (2) Upon the commencement of the construction of a qualified hotel, the office shall  
3511 send a written notice to the Division of Finance:

3512 (a) referring to the two annual deposits required under Subsection [~~59-12-103(11)~~]  
3513 [59-12-103\(10\)](#); and

3514 (b) notifying the Division of Finance that construction on the qualified hotel has begun.  
3515 Section 35. Section **63N-2-512** is amended to read:

3516 **63N-2-512. Hotel Impact Mitigation Fund.**

3517 (1) As used in this section:

3518 (a) "Affected hotel" means a hotel built in the state before July 1, 2014.

3519 (b) "Direct losses" means affected hotels' losses of hotel guest business attributable to  
3520 the qualified hotel room supply being added to the market in the state.

3521 (c) "Mitigation fund" means the Hotel Impact Mitigation Fund, created in Subsection  
3522 (2).

3523 (2) There is created an expendable special revenue fund known as the Hotel Impact  
3524 Mitigation Fund.

3525 (3) The mitigation fund shall:

3526 (a) be administered by the GO Utah board;

3527 (b) earn interest; and

3528 (c) be funded by:

3529 (i) payments required to be deposited into the mitigation fund by the Division of  
 3530 Finance under Subsection [~~59-12-103(11)~~] 59-12-103(10);

3531 (ii) money required to be deposited into the mitigation fund under Subsection  
 3532 17-31-9(2) by the county in which a qualified hotel is located; and

3533 (iii) any money deposited into the mitigation fund under Subsection (6).

3534 (4) Interest earned by the mitigation fund shall be deposited into the mitigation fund.

3535 (5) (a) In accordance with office rules, the GO Utah board shall annually pay up to  
 3536 \$2,100,000 of money in the mitigation fund:

3537 (i) to affected hotels;

3538 (ii) for four consecutive years, beginning 12 months after the date of initial occupancy  
 3539 of the qualified hotel occurs; and

3540 (iii) to mitigate direct losses.

3541 (b) (i) If the amount the GO Utah board pays under Subsection (5)(a) in any year is less  
 3542 than \$2,100,000, the GO Utah board shall pay to the Stay Another Day and Bounce Back Fund,  
 3543 created in Section 63N-2-511, the difference between \$2,100,000 and the amount paid under  
 3544 Subsection (5)(a).

3545 (ii) The GO Utah board shall make any required payment under Subsection (5)(b)(i)  
 3546 within 90 days after the end of the year for which a determination is made of how much the GO  
 3547 Utah board is required to pay to affected hotels under Subsection (5)(a).

3548 (6) A host local government or qualified hotel owner may make payments to the  
 3549 Division of Finance for deposit into the mitigation fund.

3550 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
 3551 office shall, in consultation with the Utah Hotel and Lodging Association and the county in  
 3552 which the qualified hotel is located, make rules establishing procedures and criteria governing  
 3553 payments under Subsection (5)(a) to affected hotels.

3554 Section 36. **Repealer.**

3555 This bill repeals:

3556 Section 59-7-613, **Tax credits for machinery, equipment, or both primarily used**  
 3557 **for conducting qualified research or basic research -- Carry forward -- Commission to**  
 3558 **report modification or repeal of certain federal provisions -- Revenue and Taxation**  
 3559 **Interim Committee study.**

3560 Section **59-7-614.9**, Nonrefundable tax credit for employing a recently deployed  
3561 **veteran.**

3562 Section **59-7-617**, Nonrefundable tax credit for employment of a person who is  
3563 **homeless.**

3564 Section **59-7-622**, Nonrefundable tax credit for small employer's participation in  
3565 **retirement.**

3566 Section **59-10-1013**, Tax credits for machinery, equipment, or both primarily used  
3567 **for conducting qualified research or basic research -- Carry forward -- Commission to**  
3568 **report modification or repeal of certain federal provisions -- Revenue and Taxation**  
3569 **Interim Committee study.**

3570 Section **59-10-1040**, Nonrefundable tax credit for small employer's participation in  
3571 **retirement.**

3572 Section 37. **Retrospective operation.**

3573 Section 59-2-919.1 has retrospective operation to January 1, 2023.