

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

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 [59-12-1201](#), as last amended by Laws of Utah 2016, Chapters 184, 291
- 51 [59-12-1302](#), as last amended by Laws of Utah 2017, Chapter 422
- 52 [59-12-1402](#), as last amended by Laws of Utah 2017, Chapter 422
- 53 [59-12-2103](#), as last amended by Laws of Utah 2017, Chapter 422
- 54 [59-12-2206](#), as last amended by Laws of Utah 2018, Chapters 258, 312
- 55 [63G-2-302](#), as last amended by Laws of Utah 2022, Chapters 169, 334
- 56 [63N-2-510](#), as last amended by Laws of Utah 2021, Chapter 282

57 [63N-2-512](#), as last amended by Laws of Utah 2021, Chapter 282

58 ENACTS:

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

60 [59-2-1906](#), Utah Code Annotated 1953

61 REPEALS:

62 [59-7-613](#), as last amended by Laws of Utah 2016, Chapter 135

63 [59-7-614.9](#), as enacted by Laws of Utah 2012, Chapter 306

64 [59-7-617](#), as enacted by Laws of Utah 2014, Chapter 315

65 [59-7-622](#), as enacted by Laws of Utah 2017, Chapter 479

66 [59-10-1013](#), as last amended by Laws of Utah 2016, Third Special Session, Chapter 1

67 [59-10-1040](#), as enacted by Laws of Utah 2017, Chapter 479



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

70 Section 1. Section [17C-1-409](#) is amended to read:

71 **17C-1-409. Allowable uses of agency funds.**

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

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

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

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

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

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

81 (B) housing-related expenditures, projects, or programs as described in Section
82 [17C-1-411](#) or [17C-1-412](#);

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

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

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

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

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

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

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

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

100 or

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

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

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

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

111 (A) the board approves; and

112 (B) the community legislative body approves.

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

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

119 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection
120 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the
121 reimbursement with:

122 (i) the Department of Transportation; or

123 (ii) a public transit district.

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

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

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

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

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

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

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

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

150 **17C-1-411. Use of project area funds for housing-related improvements and for**
151 **relocating mobile home park residents -- Funds to be held in separate accounts.**

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

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

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

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

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

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

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

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

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

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

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

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

179 Section 3. Section **17C-1-412** is amended to read:

180 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**

181 **of bonds for housing -- Action to compel agency to provide housing allocation.**

182 (1) (a) An agency shall use the agency's housing allocation to:

183 (i) pay part or all of the cost of land or construction of income targeted housing within
184 the boundary of the agency, if practicable in a mixed income development or area;

185 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
186 boundary of the agency;

187 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
188 private entity or business, or nonprofit corporation for income targeted housing within the
189 boundary of the agency;

190 (iv) plan or otherwise promote income targeted housing within the boundary of the
191 agency;

192 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
193 any building, facility, structure, or other housing improvement, including infrastructure
194 improvements, related to housing located in a project area where a board has determined that a
195 development impediment exists;

196 (vi) replace housing units lost as a result of the project area development;

197 (vii) make payments on or establish a reserve fund for bonds:

198 (A) issued by the agency, the community, or the housing authority that provides
199 income targeted housing within the community; and

200 (B) all or part of the proceeds of which are used within the community for the purposes
201 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

202 (viii) if the community's fair share ratio at the time of the first adoption of the project
203 area budget is at least 1.1 to 1.0, make payments on bonds:

204 (A) that were previously issued by the agency, the community, or the housing authority
205 that provides income targeted housing within the community; and

206 (B) all or part of the proceeds of which were used within the community for the
207 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

208 (ix) relocate mobile home park residents displaced by project area development;

209 (x) subject to Subsection (7), transfer funds to a community that created the agency; or

210 (xi) pay for or make a contribution toward the acquisition, construction, or
211 rehabilitation of housing that:

212 (A) is located in the same county as the agency;
213 (B) is owned in whole or in part by, or is dedicated to supporting, a public nonprofit
214 college or university; and
215 (C) only students of the relevant college or university, including the students'
216 immediate families, occupy.

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

219 (i) the community for use as described in Subsection (1)(a);
220 (ii) a housing authority that provides income targeted housing within the community
221 for use in providing income targeted housing within the community;
222 (iii) a housing authority established by the county in which the agency is located for
223 providing:

224 (A) income targeted housing within the county;
225 (B) permanent housing, permanent supportive housing, or a transitional facility, as
226 defined in Section 35A-5-302, within the county; or
227 (C) homeless assistance within the county;
228 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,
229 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within
230 the community;
231 (v) pay for or make a contribution toward the acquisition, construction, or
232 rehabilitation of income targeted housing that is outside of the community if the housing is
233 located along or near a major transit investment corridor that services the community and the
234 related project has been approved by the community in which the housing is or will be located;
235 or
236 (vi) pay for or make a contribution toward the expansion of child care facilities within
237 the boundary of the agency, provided that any recipient of funds from the agency's housing
238 allocation reports annually to the agency on how the funds were used.

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

243 (b) An agency that has entered into an interlocal agreement as described in Subsection
244 (2)(a), meets the requirements of Subsection (1)(a) or (1)(b) if the use of the housing allocation
245 meets the requirements for at least one agency that is a party to the interlocal agreement.

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

249 (4) An agency may:

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

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

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

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

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

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

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

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

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

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

274 **26-36b-208. Medicaid Expansion Fund.**

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

277 (2) The fund consists of:

278 (a) assessments collected under this chapter;

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

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

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

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

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

288 (g) revenues collected from the sales tax described in Subsection [~~59-12-103(12)~~]
289 [59-12-103\(11\)](#);

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

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

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

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

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

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

298 (i) the health coverage improvement program;

299 (ii) the enhancement waiver program;

300 (iii) a Medicaid waiver expansion; and

301 (iv) the outpatient upper payment limit supplemental payments under Section

302 [26-36b-210](#).

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

304 (i) funds described in Subsection (2)(b) to pay the cost of private outpatient upper

305 payment limit supplemental payments; or

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

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

308 **51-9-902. Outdoor Adventure Infrastructure Restricted Account.**

309 (1) There is created within the General Fund a restricted account known as the
310 "Outdoor Adventure Infrastructure Restricted Account."

311 (2) The account shall consist of:

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

313 ~~59-12-103~~(15); and

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

315 (3) Subject to appropriation from the Legislature, money from the account shall be
316 used for:

317 (a) new construction of outdoor recreation infrastructure;

318 (b) upgrades of outdoor recreation infrastructure;

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

320 (d) the acquisition of land, a right-of-way, or easement used in relationship to outdoor
321 recreation infrastructure; or

322 (e) providing access from state highways, as defined in Section ~~72-1-102~~, to outdoor
323 recreation infrastructure.

324 (4) If the Legislature appropriates money to the Department of Transportation from the
325 account, the Transportation Commission, created in Section ~~72-1-301~~, shall prioritize projects
326 and determine funding levels in accordance with Subsection ~~72-1-303~~(1)(a) based on
327 recommendations of the Department of Transportation.

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

329 **53-2a-1102. Search and Rescue Financial Assistance Program -- Uses --**
330 **Rulemaking -- Distribution.**

331 (1) As used in this section:

332 (a) "Assistance card program" means the Utah Search and Rescue Assistance Card
333 Program created within this section.

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

336 (c) "Participant" means an individual, family, or group who is registered pursuant to
337 this section as having a valid card at the time search, rescue, or both are provided.

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

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

342 (ii) "Reimbursable base expenses" include:

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

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

345 (C) training of search and rescue volunteers;

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

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

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

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

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

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

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

359 (ii) money received by the state under Subsection (11) and under Sections [23-19-42](#),
360 [41-22-34](#), and [73-18-24](#);

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

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

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

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

367 (c) Ten percent of the money described in Subsection (3)(a)(iii) shall be deposited into
368 the General Fund as a dedicated credit to be used solely to promote the assistance card
369 program.

370 (d) Funding for the program is nonlapsing.

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

374 (a) the approval of the Search and Rescue Advisory Board as provided in Section
375 [53-2a-1104](#);

376 (b) money available in the program; and

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

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

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

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

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

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

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

389 (i) individuals; and

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

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

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

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

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

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

398 (i) providing a formula to govern the distribution of available money among the
399 counties for uncompensated search and rescue expenses based on:

400 (i) the total qualifying expenses submitted;

401 (ii) the number of search and rescue incidents per county population;

402 (iii) the number of victims that reside outside the county; and

403 (iv) the number of volunteer hours spent in each county in emergency response and
404 search and rescue related activities per county population.

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

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

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

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

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

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

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

423 (11) (a) To participate in the program, a person shall purchase a search and rescue
424 assistance card from the division by paying the fee as determined by the division in Subsection
425 (8).

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

429 (c) Participation and payment of fees by a person under Sections 23-19-42, 41-22-34,
430 and 73-18-24 do not constitute purchase of a card under this section.

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

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

433 (b) outreach and marketing strategies.

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

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

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

441 (1) As used in this section:

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

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

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

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

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

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

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

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

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

460 ~~[(ii) 30 days after the date the commission provides the notice described in Subsection~~
461 ~~(1)(a)(ii) with respect to the tax, fee, or charge.]~~

462 ~~[(c)]~~ (a) ~~[(i) Except as provided in Subsection (1)(c)(ii), "tax]~~ "Tax, fee, or charge"
463 means:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

481 ~~[(P)]~~ (iv) Chapter 3, Tax Equivalent Property Act; or

482 ~~[(Q)]~~ (v) Chapter 4, Privilege Tax.

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

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

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

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

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

- 491 (B) the last day of that extension of time as allowed by law.
- 492 (b) A penalty in the amount described in Subsection (2)(c) is imposed if a person files a
493 return after the due date described in Subsection (2)(a).
- 494 (c) For purposes of Subsection (2)(b), the penalty is an amount equal to the greater of:
- 495 ~~[(i) if the return described in Subsection (2)(b) is filed with respect to an unactivated~~
496 ~~tax, fee, or charge:]~~
- 497 ~~[(A) \$20; or]~~
- 498 ~~[(B) 10% of the unpaid unactivated tax, fee, or charge due on the return; or]~~
- 499 ~~[(ii) if the return described in Subsection (2)(b) is filed with respect to an activated tax,~~
500 ~~fee, or charge, beginning on the activation date for the tax, fee, or charge:]~~
- 501 ~~[(A)] (i) \$20; or~~
- 502 ~~[(B)] (ii) [(H)] (A) 2% of the unpaid [activated] tax, fee, or charge due on the return if~~
503 ~~the return is filed no later than five days after the due date described in Subsection (2)(a);~~
- 504 ~~[(H)] (B) 5% of the unpaid [activated] tax, fee, or charge due on the return if the return~~
505 ~~is filed more than five days after the due date but no later than 15 days after the due date~~
506 ~~described in Subsection (2)(a); or~~
- 507 ~~[(H)] (C) 10% of the unpaid [activated] tax, fee, or charge due on the return if the~~
508 ~~return is filed more than 15 days after the due date described in Subsection (2)(a).~~
- 509 (d) This Subsection (2) does not apply to:
- 510 (i) an amended return; or
- 511 (ii) a return with no tax due.
- 512 (3) (a) Except as provided in Subsection (15), a person is subject to a penalty for
513 failure to pay a tax, fee, or charge if:
- 514 (i) the person files a return on or before the due date for filing a return described in
515 Subsection (2)(a), but fails to pay the tax, fee, or charge due on the return on or before that due
516 date;
- 517 (ii) the person:
- 518 (A) is subject to a penalty under Subsection (2)(b); and
- 519 (B) fails to pay the tax, fee, or charge due on a return within a 90-day period after the
520 due date for filing a return described in Subsection (2)(a);
- 521 (iii) (A) the person is subject to a penalty under Subsection (2)(b); and

522 (B) the commission estimates an amount of tax due for that person in accordance with
523 Subsection 59-1-1406(2);

524 (iv) the person:

525 (A) is mailed a notice of deficiency; and

526 (B) within a 30-day period after the day on which the notice of deficiency described in
527 Subsection (3)(a)(iv)(A) is mailed:

528 (I) does not file a petition for redetermination or a request for agency action; and

529 (II) fails to pay the tax, fee, or charge due on a return;

530 (v) (A) the commission:

531 (I) issues an order constituting final agency action resulting from a timely filed petition
532 for redetermination or a timely filed request for agency action; or

533 (II) is considered to have denied a request for reconsideration under Subsection
534 63G-4-302(3)(b) resulting from a timely filed petition for redetermination or a timely filed
535 request for agency action; and

536 (B) the person fails to pay the tax, fee, or charge due on a return within a 30-day period
537 after the date the commission:

538 (I) issues the order constituting final agency action described in Subsection
539 (3)(a)(v)(A)(I); or

540 (II) is considered to have denied the request for reconsideration described in
541 Subsection (3)(a)(v)(A)(II); or

542 (vi) the person fails to pay the tax, fee, or charge within a 30-day period after the date
543 of a final judicial decision resulting from a timely filed petition for judicial review.

544 (b) For purposes of Subsection (3)(a), the penalty is an amount equal to the greater of:

545 [~~(i) if the failure to pay a tax, fee, or charge as described in Subsection (3)(a) is with~~
546 ~~respect to an unactivated tax, fee, or charge:]~~

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

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

549 [~~(ii) if the failure to pay a tax, fee, or charge as described in Subsection (3)(a) is with~~
550 ~~respect to an activated tax, fee, or charge, beginning on the activation date:]~~

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

552 [~~(B)] (ii) (A) 2% of the unpaid [activated] tax, fee, or charge due on the return if~~

553 the activated tax, fee, or charge due on the return is paid no later than five days after the due
554 date for filing a return described in Subsection (2)(a);

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

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

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

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

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

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

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

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

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

583 (i) for a person filing a corporate franchise or income tax return under Chapter 7,

584 Corporate Franchise and Income Taxes, the payment required by Subsection 59-7-507(1)(b); or
585 (ii) for a person filing an individual income tax return under Chapter 10, Individual
586 Income Tax Act, the payment required by Subsection 59-10-516(2).

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

590 (6) If a person does not file a return within an extension of time allowed by Section
591 59-7-505 or 59-10-516, the person:

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

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

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

595 (A) \$20; or

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

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

599 (A) \$20; or

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

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

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

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

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

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

614 (b) If the commission determines that a person is liable for a penalty imposed under

615 Subsection (7)(a)(ii), (iii), or (iv), the commission shall notify the person of the proposed
616 penalty.

617 (i) The notice of proposed penalty shall:

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

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

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

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

623 or

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

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

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

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

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

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

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

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

639 (A) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a)
640 or is a seller required to pay or collect and remit sales and use taxes under Subsection
641 59-12-107(2)(b) or (2)(c); and

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

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

645 (A) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a)

646 or is a seller required to pay or collect and remit sales and use taxes under Subsection
647 59-12-107(2)(b) or (2)(c); and

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

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

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

654 (I) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a)
655 or is a seller required to pay or collect and remit sales and use taxes under Subsection
656 59-12-107(2)(b) or (2)(c); and

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

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

660 (I) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a)
661 or is a seller required to pay or collect and remit sales and use taxes under Subsection
662 59-12-107(2)(b) or (2)(c); and

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

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

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

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

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

677 Subsection 59-10-406(3)(b)(ii).

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

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

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

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

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

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

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

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

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

696 (A) a return;

697 (B) an affidavit;

698 (C) a claim; or

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

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

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

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

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

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

- 708 (iii) procuring any portion of a document described in Subsection (11)(a)(i);
- 709 (iv) advising in the preparation or presentation of any portion of a document described
- 710 in Subsection (11)(a)(i);
- 711 (v) aiding in the preparation or presentation of any portion of a document described in
- 712 Subsection (11)(a)(i);
- 713 (vi) assisting in the preparation or presentation of any portion of a document described
- 714 in Subsection (11)(a)(i); or
- 715 (vii) counseling in the preparation or presentation of any portion of a document
- 716 described in Subsection (11)(a)(i).
- 717 (c) For purposes of Subsection (11)(a), the penalty:
- 718 (i) shall be imposed by the commission;
- 719 (ii) is \$500 for each document described in Subsection (11)(a)(i) with respect to which
- 720 the person described in Subsection (11)(a) meets the requirements of Subsection (11)(a); and
- 721 (iii) is in addition to any other penalty provided by law.
- 722 (d) The commission may seek a court order to enjoin a person from engaging in
- 723 conduct that is subject to a penalty under this Subsection (11).
- 724 (e) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 725 commission may make rules prescribing the documents that are similar to Subsections
- 726 (11)(a)(i)(A) through (C).
- 727 (12) (a) As provided in Section [76-8-1101](#), criminal offenses and penalties are as
- 728 provided in Subsections (12)(b) through (e).
- 729 (b) (i) A person who is required by this title or any laws the commission administers or
- 730 regulates to register with or obtain a license or permit from the commission, who operates
- 731 without having registered or secured a license or permit, or who operates when the registration,
- 732 license, or permit is expired or not current, is guilty of a class B misdemeanor.
- 733 (ii) Notwithstanding Section [76-3-301](#), for purposes of Subsection (12)(b)(i), the
- 734 penalty may not:
- 735 (A) be less than \$500; or
- 736 (B) exceed \$1,000.
- 737 (c) (i) With respect to a tax, fee, or charge, a person who knowingly and intentionally,
- 738 and without a reasonable good faith basis, fails to make, render, sign, or verify a return within

739 the time required by law or to supply information within the time required by law, or who
740 makes, renders, signs, or verifies a false or fraudulent return or statement, or who supplies false
741 or fraudulent information, is guilty of a third degree felony.

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

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

745 (B) exceed \$5,000.

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

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

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

752 (B) exceed \$25,000.

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

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

756 (I) a return;

757 (II) an affidavit;

758 (III) a claim; or

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

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

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

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

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

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

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

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

769 (D) advising in the preparation or presentation of any portion of a document described

770 in Subsection (12)(e)(i)(A);
771 (E) aiding in the preparation or presentation of any portion of a document described in
772 Subsection (12)(e)(i)(A);
773 (F) assisting in the preparation or presentation of any portion of a document described
774 in Subsection (12)(e)(i)(A); or
775 (G) counseling in the preparation or presentation of any portion of a document
776 described in Subsection (12)(e)(i)(A).
777 (iii) This Subsection (12)(e) applies:
778 (A) regardless of whether the person for which the document described in Subsection
779 (12)(e)(i)(A) is prepared or presented:
780 (I) knew of the falsity of the document described in Subsection (12)(e)(i)(A); or
781 (II) consented to the falsity of the document described in Subsection (12)(e)(i)(A); and
782 (B) in addition to any other penalty provided by law.
783 (iv) Notwithstanding Section [76-3-301](#), for purposes of this Subsection (12)(e), the
784 penalty may not:
785 (A) be less than \$1,500; or
786 (B) exceed \$25,000.
787 (v) The commission may seek a court order to enjoin a person from engaging in
788 conduct that is subject to a penalty under this Subsection (12)(e).
789 (vi) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
790 the commission may make rules prescribing the documents that are similar to Subsections
791 (12)(e)(i)(A)(I) through (III).
792 (f) The statute of limitations for prosecution for a violation of this Subsection (12) is
793 the later of six years:
794 (i) from the date the tax should have been remitted; or
795 (ii) after the day on which the person commits the criminal offense.
796 (13) (a) Subject to Subsection (13)(b), an employer that is required to file a form with
797 the commission in accordance with Subsection [59-10-406\(8\)](#) or (9) is subject to a penalty
798 described in Subsection (13)(b) if the employer:
799 (i) fails to file the form with the commission in an electronic format approved by the
800 commission as required by Subsection [59-10-406\(8\)](#) or (9);

801 (ii) fails to file the form on or before the due date provided in Subsection 59-10-406(8)
802 or (9);

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

804 (iv) fails to provide all of the information required by the Internal Revenue Service to
805 be contained on the form.

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

807 (i) \$30 per form, not to exceed \$75,000 in a calendar year, if the employer files the
808 form in accordance with Subsection 59-10-406(8) or (9), more than 14 days after the due date
809 provided in Subsection 59-10-406(8) or (9) but no later than 30 days after the due date
810 provided in Subsection 59-10-406(8) or (9);

811 (ii) \$60 per form, not to exceed \$200,000 in a calendar year, if the employer files the
812 form in accordance with Subsection 59-10-406(8) or (9), more than 30 days after the due date
813 provided in Subsection 59-10-406(8) or (9) but on or before June 1; or

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

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

816 (B) fails to file the form.

817 (14) Upon making a record of the commission's actions, and upon reasonable cause
818 shown, the commission may waive, reduce, or compromise any of the penalties or interest
819 imposed under this part.

820 (15) Failure to pay a tax described in Subsection 59-10-1403.2(2) shall be subject to a
821 penalty as described in Subsection (3) except that the penalty shall be:

822 (a) assessed only if the pass-through entity reports tax paid on a Utah Schedule K-1 but
823 does not pay some or all of the tax reported; and

824 (b) calculated based on the difference between the amount of tax reported and the
825 amount of tax paid.

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

827 **59-1-1420. Administrative garnishment order for liability.**

828 (1) As used in this section:

829 (a) "Administrative garnishment order" includes a continuing administrative
830 garnishment order issued under this section.

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

832 70C-7-103.

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

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

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

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

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

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

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

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

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

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

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

861 (6) Upon agreement by the garnishee, the parties to an administrative garnishment
862 order may accept and transmit documents relating to the administrative garnishment order by

863 electronic means, including service of process, proof of service, interrogatories, answers, and
864 any other information shared between the garnishee and the commission.

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

867 (a) identify the taxpayer, including:

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

869 (ii) if known:

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

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

874 (b) contain a statement that includes:

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

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

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

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

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

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

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

889 (g) state that the commission shall pay the garnishee the fee described in Section
890 [78A-2-216](#).

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

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

894 indebtedness;

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

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

899 (i) the nature;

900 (ii) the location; and

901 (iii) the estimated value;

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

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

905 (iii) the amount deducted, if any;

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

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

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

911 (i) the taxpayer's position;

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

913 (iii) the taxpayer's compensation method;

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

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

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

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

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

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

922 (i) the administrative garnishment order; and

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

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

925 Subsection (9)(b) and request a hearing in district court as provided by Rule 64D, Utah Rules
926 of Civil Procedure.

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

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

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

935 (ii) reasonable costs and fees; and

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

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

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

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

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

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

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

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

956 (b) A continuing administrative garnishment order applies to payments to the taxpayer:
957 (i) beginning on the day on which the continuing administrative garnishment order is
958 served; and
959 (ii) ending on the earlier of:
960 (A) subject to Subsection (15)(c), one year after the day on which the continuing
961 administrative garnishment order is served;
962 (B) 120 days after the day on which a second or subsequent continuing administrative
963 garnishment against the taxpayer is served;
964 (C) the day on which the last nonexempt periodic payment subject to the continuing
965 administrative garnishment order occurs;
966 (D) the day on which the warrant described in Subsection (3)(a) is stayed, vacated, or
967 satisfied in full; or
968 (E) the day on which the commission releases the continuing administrative
969 garnishment order.
970 (c) If the commission issues a continuing administrative garnishment order during the
971 term of another continuing administrative garnishment order against the same taxpayer, the
972 period described in Subsection (15)(b)(i) is tolled if the other continuing administrative
973 garnishment order:
974 (i) is in effect at the time the commission serves the subsequent continuing
975 administrative garnishment order; and
976 (ii) requires payments greater than or equal to the maximum portion of disposable
977 earnings described in Subsection (5).
978 (d) For each periodic payment period, no later than seven days after the day on which
979 the periodic payment period ends, the garnishee shall:
980 (i) answer each interrogatory described in Subsection (8);
981 (ii) serve the answers to the interrogatories on the commission, the taxpayer, and any
982 other person known to the garnishee to have an interest in the property; and
983 (iii) deliver the property to the commission in the manner specified in the continuing
984 administrative garnishment order.
985 (16) (a) The commission may not name more than one garnishee in an administrative
986 garnishment order.

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

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

990 (17) This section is subject to Title 78B, Chapter 5, Part 5, Utah Exemptions Act.

991 Section 9. Section **59-2-109** is amended to read:

992 **59-2-109. Burden of proof.**

993 (1) As used in this section:

994 (a) "Final assessed value" means:

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

999 (ii) for real property for which the taxpayer or a county assessor appealed the valuation
1000 or equalization to the commission in accordance with Section [59-2-1006](#), the value given to the
1001 real property by:

1002 (A) the commission, if the commission has issued a decision in the appeal or the
1003 parties have entered a stipulation; or

1004 (B) a county board of equalization, if the commission has not yet issued a decision in
1005 the appeal and the parties have not entered a stipulation; or

1006 (iii) for real property for which the taxpayer or a county assessor sought judicial review
1007 of the valuation or equalization in accordance with Section [59-1-602](#) or Title 63G, Chapter 4,
1008 Part 4, Judicial Review, the value given the real property by the commission.

1009 (b) "Inflation adjusted value" means the same as that term is defined in Section
1010 [59-2-1004](#).

1011 (c) "Qualified real property" means real property:

1012 (i) that is assessed by a county assessor in accordance with Part 3, County Assessment;

1013 (ii) for which:

1014 (A) the taxpayer or a county assessor appealed the valuation or equalization for the
1015 previous taxable year to the county board of equalization in accordance with Section [59-2-1004](#)
1016 or the commission in accordance with Section [59-2-1006](#);

1017 (B) the appeal described in Subsection (1)(c)(ii)(A) resulted in a final assessed value

1018 that was lower than the assessed value; and

1019 (C) the assessed value for the current taxable year is higher than the inflation adjusted
1020 value; and

1021 (iii) that, on or after January 1 of the previous taxable year and before January 1 of the
1022 current taxable year, has not had a qualifying change.

1023 (d) "Qualifying change" means one of the following changes to real property that
1024 occurs on or after January 1 of the previous taxable year and before January 1 of the current
1025 taxable year:

1026 (i) a physical improvement if, solely as a result of the physical improvement, the fair
1027 market value of the physical improvement equals or exceeds the greater of 10% of fair market
1028 value of the real property or \$20,000;

1029 (ii) a zoning change, if the fair market value of the real property increases solely as a
1030 result of the zoning change; or

1031 (iii) a change in the legal description of the real property, if the fair market value of the
1032 real property increases solely as a result of the change in the legal description of the real
1033 property.

1034 (2) For an appeal involving the valuation of real property to the county board of
1035 equalization or the commission, the party carrying the burden of proof shall demonstrate:

1036 (a) substantial error in:

1037 (i) for an appeal not involving qualified real property:

1038 (A) if Subsection (3) does not apply and the appeal is to the county board of
1039 equalization, the original assessed value;

1040 (B) if Subsection (3) does not apply and the appeal is to the commission, the value
1041 given to the property by the county board of equalization; or

1042 (C) if Subsection (3) applies, the original assessed value; or

1043 (ii) for an appeal involving qualified real property, the inflation adjusted value; and

1044 (b) a sound evidentiary basis upon which the county board of equalization or the
1045 commission could adopt a different valuation.

1046 (3) (a) The party described in Subsection (3)(b) shall carry the burden of proof before a
1047 county board of equalization or the commission, in an action appealing the value of property:

1048 (i) that is not qualified real property; and

1049 (ii) for which a county assessor, a county board of equalization, or the commission
1050 asserts that the fair market value of the assessed property is greater than the original assessed
1051 value for that calendar year.

1052 (b) For purposes of Subsection (3)(a), the following have the burden of proof:

1053 (i) for property assessed under Part 3, County Assessment:

1054 (A) the county assessor, if the county assessor is a party to the appeal that asserts that
1055 the fair market value of the assessed property is greater than the original assessed value for that
1056 calendar year; or

1057 (B) the county board of equalization, if the county board of equalization is a party to
1058 the appeal that asserts that the fair market value of the assessed property is greater than the
1059 original assessed value for that calendar year; or

1060 (ii) for property assessed under Part 2, Assessment of Property, the commission, if the
1061 commission is a party to the appeal that asserts that the fair market value of the assessed
1062 property is greater than the original assessed value for that calendar year.

1063 (c) For purposes of this Subsection (3) only, if a county assessor, county board of
1064 equalization, or the commission asserts that the fair market value of the assessed property is
1065 greater than the original assessed value for that calendar year:

1066 (i) the original assessed value shall lose the presumption of correctness;

1067 (ii) a preponderance of the evidence shall suffice to sustain the burden for all parties;

1068 and

1069 (iii) the county board of equalization or the commission shall be free to consider all
1070 evidence allowed by law in determining fair market value, including the original assessed
1071 value.

1072 (4) (a) The party described in Subsection (4)(b) shall carry the burden of proof before a
1073 county board of equalization or the commission in an action appealing the value of qualified
1074 real property if at least one party presents evidence of or otherwise asserts a value other than
1075 inflation adjusted value.

1076 (b) For purposes of Subsection (4)(a):

1077 (i) the county assessor or the county board of equalization that is a party to the appeal
1078 has the burden of proof if the county assessor or county board of equalization presents evidence
1079 of or otherwise asserts a value that is greater than [~~or equal to~~] the inflation adjusted value; or

1080 (ii) the taxpayer that is a party to the appeal has the burden of proof if the taxpayer
1081 presents evidence of or otherwise asserts a value that is less than the inflation adjusted value.

1082 (c) The burdens of proof described in Subsection (4)(b) apply before a county board of
1083 equalization or the commission even if the previous year's valuation is:

1084 (i) pending an appeal requested in accordance with Section 59-2-1006 or judicial
1085 review requested in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial
1086 Review; or

1087 (ii) overturned by the commission as a result of an appeal requested in accordance with
1088 Section 59-2-1006 or by a court of competent jurisdiction as a result of judicial review
1089 requested in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial
1090 Review.

1091 Section 10. Section 59-2-201 is amended to read:

1092 **59-2-201. Assessment by commission -- Determination of value of mining**
1093 **property -- Determination of value of aircraft -- Notification of assessment -- Local**
1094 **assessment of property assessed by the unitary method -- Commission may consult with**
1095 **county.**

1096 (1) (a) By May 1 of each year, the following property, unless otherwise exempt under
1097 the Utah Constitution or under [~~Part 11, Exemptions, Deferrals, and Abatements~~] Part 11,
1098 Exemptions, shall be assessed by the commission at 100% of fair market value, as valued on
1099 January 1, in accordance with this chapter:

1100 (i) except as provided in Subsection (2), all property that operates as a unit across
1101 county lines, if the values must be apportioned among more than one county or state;

1102 (ii) all property of public utilities;

1103 (iii) all operating property of an airline, air charter service, and air contract service;

1104 (iv) all geothermal fluids and geothermal resources;

1105 (v) all mines and mining claims except in cases, as determined by the commission,
1106 where the mining claims are used for other than mining purposes, in which case the value of
1107 mining claims used for other than mining purposes shall be assessed by the assessor of the
1108 county in which the mining claims are located; and

1109 (vi) all machinery used in mining, all property or surface improvements upon or
1110 appurtenant to mines or mining claims. For the purposes of assessment and taxation, all

1111 processing plants, mills, reduction works, and smelters that are primarily used by the owner of
1112 a mine or mining claim for processing, reducing, or smelting minerals taken from a mine or
1113 mining claim shall be considered appurtenant to that mine or mining claim, regardless of actual
1114 location.

1115 (b) (i) For purposes of Subsection (1)(a)(iii), operating property of an air charter
1116 service does not include an aircraft that is:

1117 (A) used by the air charter service for air charter; and

1118 (B) owned by a person other than the air charter service.

1119 (ii) For purposes of this Subsection (1)(b):

1120 (A) "person" means a natural person, individual, corporation, organization, or other
1121 legal entity; and

1122 (B) a person does not qualify as a person other than the air charter service as described
1123 in Subsection (1)(b)(i)(B) if the person is:

1124 (I) a principal, owner, or member of the air charter service; or

1125 (II) a legal entity that has a principal, owner, or member of the air charter service as a
1126 principal, owner, or member of the legal entity.

1127 (2) (a) The commission may not assess property owned by a telecommunications
1128 service provider.

1129 (b) The commission shall assess and collect property tax on state-assessed commercial
1130 vehicles at the time of original registration or annual renewal.

1131 (i) The commission shall assess and collect property tax annually on state-assessed
1132 commercial vehicles that are registered pursuant to Section [41-1a-222](#) or [41-1a-228](#).

1133 (ii) State-assessed commercial vehicles brought into the state that are required to be
1134 registered in Utah shall, as a condition of registration, be subject to ad valorem tax unless all
1135 property taxes or fees imposed by the state of origin have been paid for the current calendar
1136 year.

1137 (iii) Real property, improvements, equipment, fixtures, or other personal property in
1138 this state owned by the company shall be assessed separately by the local county assessor.

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

1142 owned by the company and used directly and exclusively in their commercial vehicle activities.

1143 (3) (a) The method for determining the fair market value of productive mining property
1144 is the capitalized net revenue method or any other valuation method the commission believes,
1145 or the taxpayer demonstrates to the commission's satisfaction, to be reasonably determinative
1146 of the fair market value of the mining property.

1147 (b) The commission shall determine the rate of capitalization applicable to mines,
1148 consistent with a fair rate of return expected by an investor in light of that industry's current
1149 market, financial, and economic conditions.

1150 (c) In no event may the fair market value of the mining property be less than the fair
1151 market value of the land, improvements, and tangible personal property upon or appurtenant to
1152 the mining property.

1153 (4) (a) As used in this Subsection (4), "aircraft pricing guide" means a nationally
1154 recognized publication that assigns value estimates for individual commercial aircraft that are:

- 1155 (i) identified by year, make, and model; and
- 1156 (ii) in average condition typical for the aircraft's type and vintage.

1157 (b) (i) Except as provided in Subsection (4)(d), the commission shall use an aircraft
1158 pricing guide, adjusted as provided in Subsection (4)(c), to determine the fair market value of
1159 aircraft assessed under this part.

1160 (ii) The commission shall use the Airliner Price Guide as the aircraft pricing guide,
1161 except that:

1162 (A) if the Airliner Price Guide is no longer published or the commission determines
1163 that another aircraft pricing guide more reasonably reflects the fair market value of aircraft, the
1164 commission, after consulting with the airlines operating in the state, shall select an alternative
1165 aircraft pricing guide;

1166 (B) if an aircraft is not listed in the Airliner Price Guide, the commission shall use the
1167 Aircraft Bluebook Price Digest as the aircraft pricing guide; and

1168 (C) if the Aircraft Bluebook Price Digest is no longer published or the commission
1169 determines that another aircraft pricing guide more reasonably reflects the fair market value of
1170 aircraft, the commission, after consulting with the airlines operating in the state, shall select an
1171 alternative aircraft pricing guide.

1172 (c) (i) To reflect the value of an aircraft fleet that is used as part of the operating

1173 property of an airline, air charter service, or air contract service, the fair market value of the
1174 aircraft shall include a fleet adjustment as provided in this Subsection (4)(c).

1175 (ii) If the aircraft pricing guide provides a method for making a fleet adjustment, the
1176 commission shall use the method described in the aircraft pricing guide.

1177 (iii) If the aircraft pricing guide does not provide a method for making a fleet
1178 adjustment, the commission shall make a fleet adjustment by reducing the aircraft pricing guide
1179 value of each aircraft in the fleet by .5% for each aircraft over three aircraft up to a maximum
1180 20% reduction.

1181 (d) The commission may use an alternative method for valuing aircraft of an airline, air
1182 charter service, or air contract service if the commission:

1183 (i) has clear and convincing evidence that the aircraft values reflected in the aircraft
1184 pricing guide do not reasonably reflect fair market value of the aircraft; and

1185 (ii) cannot identify an alternative aircraft pricing guide from which the commission
1186 may determine aircraft value.

1187 (5) Immediately following the assessment, the commission shall send, by certified
1188 mail, notice of the assessment to the owner or operator of the assessed property and the
1189 assessor of the county in which the property is located.

1190 (6) The commission may consult with a county in valuing property in accordance with
1191 this part.

1192 (7) The local county assessor shall separately assess property that is assessed by the
1193 unitary method if the commission determines that the property:

1194 (a) is not necessary to the conduct of the business; and

1195 (b) does not contribute to the income of the business.

1196 Section 11. Section **59-2-919.1** is amended to read:

1197 **59-2-919.1. Notice of property valuation and tax changes.**

1198 (1) In addition to the notice requirements of Section **59-2-919**, the county auditor, on or
1199 before July 22 of each year, shall notify each owner of real estate who is listed on the
1200 assessment roll.

1201 (2) The notice described in Subsection (1) shall:

1202 (a) except as provided in Subsection [~~(6)~~] (5), be sent to all owners of real property by
1203 mail 10 or more days before the day on which:

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

- 1235 (ix) property tax information pertaining to:
- 1236 (A) taxpayer relief;
- 1237 (B) options for payment of taxes;
- 1238 (C) collection procedures; and
- 1239 (D) the residential exemption described in Section 59-2-103;
- 1240 (x) information specifically authorized to be included on the notice under this chapter;
- 1241 (xi) the last property review date of the property as described in Subsection
- 1242 59-2-303.1(1)(c); and
- 1243 (xii) other property tax information approved by the commission.
- 1244 (3) If a taxing entity that is subject to the notice and hearing requirements of
- 1245 Subsection 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall
- 1246 state, in addition to the information required by Subsection (2):
- 1247 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- 1248 (b) the difference between the dollar amount of the taxpayer's tax liability if the
- 1249 proposed increase is approved and the dollar amount of the taxpayer's tax liability under the
- 1250 current rate, placed in close proximity to the information described in Subsection (2)(c)(viii);
- 1251 and
- 1252 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under
- 1253 the proposed tax rate represents as compared to the dollar amount of the taxpayer's tax liability
- 1254 under the current tax rate.
- 1255 ~~[(4) For tax year 2022, the notice described in Subsection (1) shall state:]~~
- 1256 ~~[(a) the difference between:]~~
- 1257 ~~[(i) the dollar amount of the taxpayer's liability for the combined basic rate as defined~~
- 1258 ~~in Section 53F-2-301.5; and]~~
- 1259 ~~[(ii) the dollar amount that the taxpayer's liability for the combined basic rate as~~
- 1260 ~~defined in Section 53F-2-301.5 would have been if the combined basic rate were equal to the~~
- 1261 ~~sum of the minimum basic tax rate and the WPU value rate, as those terms are defined in~~
- 1262 ~~Section 53F-2-301.5; and]~~
- 1263 ~~[(b) the percentage change between the amount described in Subsection (4)(a)(i) and~~
- 1264 ~~the amount described in Subsection (4)(a)(ii).]~~
- 1265 ~~[(5) For tax years 2022 through 2025, the notice described in Subsection (1) shall~~

1266 state:]

1267 [~~(a) the difference between:~~]

1268 [~~(i) the dollar amount of the taxpayer's liability for the rate imposed under Subsection~~

1269 ~~59-2-1602(2)(b)(i); and]~~

1270 [~~(ii) the dollar amount of the taxpayer's liability if the rate imposed under Subsection~~

1271 ~~59-2-1602(2)(b)(i) were the certified revenue levy; and]~~

1272 [~~(b) the percentage change between the amount described in Subsection (5)(a)(i) and~~

1273 ~~the amount described in Subsection (5)(a)(ii).]~~

1274 [(6)] (4) If a change to state law increases a tax rate stated on a notice described in

1275 Subsection (1), the notice described in Subsection (1) shall state in addition to the information

1276 required by Subsections (2) and (3):

1277 (a) the difference between the dollar amount of the taxpayer's tax liability under the

1278 current tax rate and the dollar amount of the taxpayer's tax liability before the change to state

1279 law became effective; and

1280 (b) the percentage increase that the dollar amount of the taxpayer's tax liability under

1281 the current tax rate represents as compared to the dollar amount of the taxpayer's tax liability

1282 under the tax rate before the change to state law became effective.

1283 (5) (a) Subject to the other provisions of this Subsection [(6)] (5), a county auditor

1284 may, at the county auditor's discretion, provide the notice required by this section to a taxpayer

1285 by electronic means if a taxpayer makes an election, according to procedures determined by the

1286 county auditor, to receive the notice by electronic means.

1287 (b) (i) If a notice required by this section is sent by electronic means, a county auditor

1288 shall attempt to verify whether a taxpayer receives the notice.

1289 (ii) If receipt of the notice sent by electronic means cannot be verified 14 days or more

1290 before the county board of equalization meets and the taxing entity holds a public hearing on a

1291 proposed increase in the certified tax rate, the notice required by this section shall also be sent

1292 by mail as provided in Subsection (2).

1293 (c) A taxpayer may revoke an election to receive the notice required by this section by

1294 electronic means if the taxpayer provides written notice to the county auditor on or before April

1295 30.

1296 (d) An election or a revocation of an election under this Subsection [(6)] (5):

1297 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
1298 before the due date for paying the tax; or

1299 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
1300 equalization of the taxpayer's real property submit the application for appeal within the time
1301 period provided in Subsection 59-2-1004(3).

1302 (e) A county auditor shall provide the notice required by this section as provided in
1303 Subsection (2), until a taxpayer makes a new election in accordance with this Subsection [~~(6)~~
1304 (5), if:

1305 (i) the taxpayer revokes an election in accordance with Subsection [~~(6)(c)~~] (5)(c) to
1306 receive the notice required by this section by electronic means; or

1307 (ii) the county auditor finds that the taxpayer's electronic contact information is invalid.

1308 (f) A person is considered to be a taxpayer for purposes of this Subsection [~~(6)~~] (5)
1309 regardless of whether the property that is the subject of the notice required by this section is
1310 exempt from taxation.

1311 Section 12. Section 59-2-1101 is amended to read:

1312 **Part 11. Exemptions**

1313 **59-2-1101. Definitions -- Exemption of certain property -- Proportional payments**
1314 **for certain property -- Exception -- County legislative body authority to adopt rules or**
1315 **ordinances.**

1316 (1) As used in this section:

1317 (a) "Charitable purposes" means:

1318 (i) for property used as a nonprofit hospital or a nursing home, the standards outlined in
1319 Howell v. County Board of Cache County ex rel. IHC Hospitals, Inc., 881 P.2d 880 (Utah
1320 1994); and

1321 (ii) for property other than property described in Subsection (1)(a)(i), providing a gift
1322 to the community.

1323 (b) (i) "Educational purposes" means purposes carried on by an educational
1324 organization that normally:

1325 (A) maintains a regular faculty and curriculum; and

1326 (B) has a regularly enrolled body of pupils and students.

1327 (ii) "Educational purposes" includes:

1328 (A) the physical or mental teaching, training, or conditioning of competitive athletes by
1329 a national governing body of sport recognized by the United States Olympic Committee that
1330 qualifies as being tax exempt under Section 501(c)(3), Internal Revenue Code; and

1331 (B) an activity in support of or incidental to the teaching, training, or conditioning
1332 described in this Subsection (1)(b)(ii).

1333 (c) "Exclusive use exemption" means a property tax exemption under Subsection
1334 (3)(a)(iv), for property owned by a nonprofit entity used exclusively for one or more of the
1335 following purposes:

1336 (i) religious purposes;

1337 (ii) charitable purposes; or

1338 (iii) educational purposes.

1339 (d) (i) "Farm machinery and equipment" means tractors, milking equipment and
1340 storage and cooling facilities, feed handling equipment, irrigation equipment, harvesters,
1341 choppers, grain drills and planters, tillage tools, scales, combines, spreaders, sprayers, haying
1342 equipment, including balers and cubers, and any other machinery or equipment used primarily
1343 for agricultural purposes.

1344 (ii) "Farm machinery and equipment" does not include vehicles required to be
1345 registered with the Motor Vehicle Division or vehicles or other equipment used for business
1346 purposes other than farming.

1347 (e) "Gift to the community" means:

1348 (i) the lessening of a government burden; or

1349 (ii) (A) the provision of a significant service to others without immediate expectation
1350 of material reward;

1351 (B) the use of the property is supported to a material degree by donations and gifts
1352 including volunteer service;

1353 (C) the recipients of the charitable activities provided on the property are not required
1354 to pay for the assistance received, in whole or in part, except that if in part, to a material
1355 degree;

1356 (D) the beneficiaries of the charitable activities provided on the property are
1357 unrestricted or, if restricted, the restriction bears a reasonable relationship to the charitable
1358 objectives of the nonprofit entity that owns the property; and

1359 (E) any commercial activities provided on the property are subordinate or incidental to
1360 charitable activities provided on the property.

1361 (f) "Government exemption" means a property tax exemption provided under
1362 Subsection (3)(a)(i), (ii), or (iii).

1363 (g) (i) "Nonprofit entity" means an entity:

1364 (A) that is organized on a nonprofit basis, that dedicates the entity's property to the
1365 entity's nonprofit purpose, and that makes no dividend or other form of financial benefit
1366 available to a private interest;

1367 (B) for which, upon dissolution, the entity's assets are distributable only for exempt
1368 purposes under state law or to the government for a public purpose; and

1369 (C) for which none of the net earnings or donations made to the entity inure to the
1370 benefit of private shareholders or other individuals, as the private inurement standard has been
1371 interpreted under Section 501(c)(3), Internal Revenue Code.

1372 (ii) "Nonprofit entity" includes an entity:

1373 (A) if the entity is treated as a disregarded entity for federal income tax purposes and
1374 wholly owned by, and controlled under the direction of, a nonprofit entity; and

1375 (B) for which none of the net earnings and profits of the entity inure to the benefit of
1376 any person other than a nonprofit entity.

1377 ~~[(h) "Tax relief" means an exemption, deferral, or abatement that is authorized by this~~
1378 ~~part, Part 18, Tax Deferral and Tax Abatement, or Part 19, Armed Forces Exemptions.]~~

1379 (2) (a) Except as provided in Subsection (2)(b) or (c), ~~[tax relief]~~ an exemption under
1380 this part may be allowed only if the claimant is the owner of the property as of January 1 of the
1381 year the exemption is claimed.

1382 (b) Notwithstanding Subsection (2)(a), a claimant shall collect and pay a proportional
1383 tax based upon the length of time that the property was not owned by the claimant if:

1384 (i) the claimant is a federal, state, or political subdivision entity described in
1385 Subsection (3)(a)(i), (ii), or (iii); or

1386 (ii) pursuant to Subsection (3)(a)(iv):

1387 (A) the claimant is a nonprofit entity; and

1388 (B) the property is used exclusively for religious, charitable, or educational purposes.

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

1390 ~~Forces Exemptions-]~~

1391 (3) (a) The following property is exempt from taxation:

1392 (i) property exempt under the laws of the United States;

1393 (ii) property of:

1394 (A) the state;

1395 (B) school districts; and

1396 (C) public libraries;

1397 (iii) except as provided in Title 11, Chapter 13, Interlocal Cooperation Act, property of:

1398 (A) counties;

1399 (B) cities;

1400 (C) towns;

1401 (D) local districts;

1402 (E) special service districts; and

1403 (F) all other political subdivisions of the state;

1404 (iv) except as provided in Subsection (6) or (7), property owned by a nonprofit entity

1405 used exclusively for one or more of the following purposes:

1406 (A) religious purposes;

1407 (B) charitable purposes; or

1408 (C) educational purposes;

1409 (v) places of burial not held or used for private or corporate benefit;

1410 (vi) farm machinery and equipment;

1411 (vii) a high tunnel, as defined in Section 10-9a-525;

1412 (viii) intangible property; and

1413 (ix) the ownership interest of an out-of-state public agency, as defined in Section

1414 11-13-103:

1415 (A) if that ownership interest is in property providing additional project capacity, as

1416 defined in Section 11-13-103; and

1417 (B) on which a fee in lieu of ad valorem property tax is payable under Section

1418 11-13-302.

1419 (b) For purposes of a property tax exemption for property of school districts under

1420 Subsection (3)(a)(ii)(B), a charter school under Title 53G, Chapter 5, Charter Schools, is

1421 considered to be a school district.

1422 (4) Subject to Subsection (5), if property that is allowed an exclusive use exemption or
1423 a government exemption ceases to qualify for the exemption because of a change in the
1424 ownership of the property:

1425 (a) the new owner of the property shall pay a proportional tax based upon the period of
1426 time:

1427 (i) beginning on the day that the new owner acquired the property; and

1428 (ii) ending on the last day of the calendar year during which the new owner acquired
1429 the property; and

1430 (b) the new owner of the property and the person from whom the new owner acquires
1431 the property shall notify the county assessor, in writing, of the change in ownership of the
1432 property within 30 days from the day that the new owner acquires the property.

1433 (5) Notwithstanding Subsection (4)(a), the proportional tax described in Subsection
1434 (4)(a):

1435 (a) is subject to any exclusive use exemption or government exemption that the
1436 property is entitled to under the new ownership of the property; and

1437 (b) applies only to property that is acquired after December 31, 2005.

1438 (6) (a) A property may not receive an exemption under Subsection (3)(a)(iv) if:

1439 (i) the nonprofit entity that owns the property participates in or intervenes in any
1440 political campaign on behalf of or in opposition to any candidate for public office, including
1441 the publishing or distribution of statements; or

1442 (ii) a substantial part of the activities of the nonprofit entity that owns the property
1443 consists of carrying on propaganda or otherwise attempting to influence legislation, except as
1444 provided under Subsection 501(h), Internal Revenue Code.

1445 (b) Whether a nonprofit entity is engaged in an activity described in Subsection (6)(a)
1446 shall be determined using the standards described in Section 501, Internal Revenue Code.

1447 (7) A property may not receive an exemption under Subsection (3)(a)(iv) if:

1448 (a) the property is used for a purpose that is not religious, charitable, or educational;
1449 and

1450 (b) the use for a purpose that is not religious, charitable, or educational is more than de
1451 minimis.

1452 (8) A county legislative body may adopt rules or ordinances to:

1453 (a) effectuate [~~the exemptions, deferrals, abatements, or other relief from taxation~~
1454 ~~provided in this part, Part 18, Tax Deferral and Tax Abatement, or Part 19, Armed Forces~~
1455 ~~Exemptions; and~~] an exemption under this part; and

1456 (b) designate one or more persons to perform the functions given to the county under
1457 this part[~~, Part 18, Tax Deferral and Tax Abatement, or Part 19, Armed Forces Exemptions~~].

1458 (9) If a person is dissatisfied with [~~a tax relief~~] an exemption decision made under
1459 designated decision-making authority as described in Subsection (8)(b), that person may appeal
1460 the decision to the commission under Section [59-2-1006](#).

1461 Section 13. Section **59-2-1102** is amended to read:

1462 **59-2-1102. Determination of exemptions by board of equalization -- Appeal --**
1463 **Application for exemption -- Annual statement -- Exceptions.**

1464 (1) (a) For property assessed under Part 3, County Assessment, the county board of
1465 equalization may, after giving notice in a manner prescribed by rule, determine whether certain
1466 property within the county is exempt from taxation.

1467 (b) The decision of the county board of equalization described in Subsection (1)(a)
1468 shall:

1469 (i) be in writing; and

1470 (ii) include:

1471 (A) a statement of facts; and

1472 (B) the statutory basis for its decision.

1473 (c) Except as provided in Subsection (10)(a), a copy of the decision described in
1474 Subsection (1)(a) shall be sent on or before May 15 to the person applying for the exemption.

1475 (2) Except as provided in Subsection (7) and subject to Subsection (8), a reduction in
1476 the value of property may not be made under this part [~~or Part 18, Tax Deferral and Tax~~
1477 ~~Abatement, and an exemption may not be granted under this part or Part 19, Armed Forces~~
1478 ~~Exemptions~~], unless the person affected or the person's agent:

1479 (a) submits a written application to the county board of equalization; and

1480 (b) verifies the application by signed statement.

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

1483 under oath.

1484 (b) If the county board of equalization requires a person making an application for
1485 exemption or reduction to appear before the county board of equalization, a reduction may not
1486 be made or exemption granted unless the person appears and answers all questions pertinent to
1487 the inquiry.

1488 (4) For the hearing on the application, the county board of equalization may subpoena
1489 any witnesses, and hear and take any evidence in relation to the pending application.

1490 (5) Except as provided in Subsection (10)(b), the county board of equalization shall
1491 hold hearings and render a written decision to determine any exemption on or before May 1 in
1492 each year.

1493 (6) Any property owner dissatisfied with the decision of the county board of
1494 equalization regarding any reduction or exemption may appeal to the commission under
1495 Section 59-2-1006.

1496 (7) Notwithstanding Subsection (2), a county board of equalization may not require an
1497 owner of property to file an application in accordance with this section in order to claim an
1498 exemption for the property under the following:

1499 (a) Subsections 59-2-1101(3)(a)(i) through (iii);

1500 (b) Subsection 59-2-1101(3)(a)(vi) or (viii);

1501 (c) Section 59-2-1110;

1502 (d) Section 59-2-1111;

1503 (e) Section 59-2-1112;

1504 (f) Section 59-2-1113; or

1505 (g) Section 59-2-1114.

1506 (8) (a) Except as provided in Subsection (8)(b), for property described in Subsection
1507 59-2-1101(3)(a)(iv) or (v), a county board of equalization shall, consistent with Subsection (9),
1508 require an owner of that property to file an application in accordance with this section in order
1509 to claim an exemption for that property.

1510 (b) Notwithstanding Subsection (8)(a), a county board of equalization may not require
1511 an owner of property described in Subsection 59-2-1101(3)(a)(iv) or (v) to file an application
1512 under Subsection (8)(a) if:

1513 (i) the owner filed an application under Subsection (8)(a);

1514 (ii) the county board of equalization determines that the owner may claim an
1515 exemption for that property; and
1516 (iii) the exemption described in Subsection (8)(b)(ii) is in effect.

1517 (c) (i) For the time period that an owner is granted an exemption in accordance with
1518 this section for property described in Subsection 59-2-1101(3)(a)(iv) or (v), a county board of
1519 equalization shall require the owner to file an annual statement on or before March 1 on a form
1520 prescribed by the commission establishing that the property continues to be eligible for the
1521 exemption.

1522 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1523 commission shall make rules providing:

1524 (A) the form for the annual statement required by Subsection (8)(c)(i);
1525 (B) the contents of the form for the annual statement required by Subsection (8)(c)(i);
1526 and

1527 (C) procedures and requirements for making the annual statement required by
1528 Subsection (8)(c)(i).

1529 (iii) The commission shall make the form described in Subsection (8)(c)(ii)(A)
1530 available to counties.

1531 (d) On or before April 1, a county board of equalization shall notify each property
1532 owner who fails to timely file an annual statement in accordance with Subsection (8)(c) of the
1533 county board of equalization's intent to revoke the exemption.

1534 (e) An owner of exempt property described in Subsection 59-2-1101(3)(a)(iv) may file
1535 the annual statement described in Subsection (8)(c) after March 1 if the property owner:

1536 (i) files the annual statement on or before March 31; and
1537 (ii) includes a statement of facts establishing that the property owner was unable to file
1538 the annual statement on or before March 1 due to one of the following conditions and no other
1539 responsible party was capable of filing the annual statement:

1540 (A) a medical emergency of the property owner, an immediate family member of the
1541 property owner, or the property owner's agent;
1542 (B) the death of the property owner, an immediate family member of the property
1543 owner, or the property owner's agent; or
1544 (C) other extraordinary and unanticipated circumstances.

1545 (9) (a) For purposes of this Subsection (9), "exclusive use exemption" [~~is as~~] means the
1546 same as that term is defined in Section 59-2-1101.

1547 (b) For purposes of Subsection (1)(a), when a person acquires property on or after
1548 January 1 that qualifies for an exclusive use exemption, that person may apply for the exclusive
1549 use exemption on or before the later of:

- 1550 (i) the day set by rule as the deadline for filing a property tax exemption application; or
- 1551 (ii) 120 days after the day on which the property is acquired.

1552 (10) (a) Notwithstanding Subsection (1)(c), if an application for an exemption is filed
1553 under Subsection (9), a county board of equalization shall send a copy of the decision described
1554 in Subsection (1)(c) to the person applying for the exemption on or before the later of:

- 1555 (i) May 15; or
- 1556 (ii) 45 days after the day on which the application for the exemption is filed.

1557 (b) Notwithstanding Subsection (5), if an application for an exemption is filed under
1558 Subsection (9), a county board of equalization shall hold the hearing and render the decision
1559 described in Subsection (5) on or before the later of:

- 1560 (i) May 1; or
- 1561 (ii) 30 days after the day on which the application for the exemption is filed.

1562 Section 14. Section **59-2-1710** is amended to read:

1563 **59-2-1710. Acquisition of land by governmental entity -- Requirements --**
1564 **Rollback tax -- One-time in lieu fee payment -- Passage of title.**

1565 (1) For purposes of this section, "governmental entity" means:

- 1566 (a) the United States;
- 1567 (b) the state;
- 1568 (c) a political subdivision of the state, including a county, city, town, school district,
1569 local district, or special service district; or
- 1570 (d) an entity created by the state or the United States, including an agency, board,
1571 bureau, commission, committee, department, division, institution, instrumentality, or office.

1572 (2) (a) Except as provided in Subsections (3) and (4), land acquired by a governmental
1573 entity is subject to the rollback tax imposed by this part if:

- 1574 (i) before the governmental entity acquires the land, the land is assessed under this
1575 part; and

1576 (ii) after the governmental entity acquires the land, the land does not meet the
1577 requirements of Section 59-2-1703 for assessment under this part.

1578 (b) A person dedicating a public right-of-way to a governmental entity shall pay the
1579 rollback tax imposed by this part if:

1580 (i) a portion of the public right-of-way is located within a subdivision as defined in
1581 Section 10-9a-103; or

1582 (ii) in exchange for the dedication, the person dedicating the public right-of-way
1583 receives money or other consideration.

1584 (3) (a) Land acquired by a governmental entity is not subject to the rollback tax
1585 imposed by this part, but is subject to a one-time in lieu fee payment as provided in Subsection
1586 (3)(b), if:

1587 (i) the governmental entity acquires the land by eminent domain;

1588 (ii) (A) the land is under the threat or imminence of eminent domain proceedings; and
1589 (B) the governmental entity provides written notice of the proceedings to the owner; or
1590 (iii) the land is donated to the governmental entity.

1591 (b) (i) If a governmental entity acquires land under Subsection (3)(a)(iii), the
1592 governmental entity shall make a one-time in lieu fee payment:

1593 (A) to the county treasurer of the county in which the land is located; and
1594 (B) in an amount equal to the amount of rollback tax calculated under Section
1595 59-2-1705.

1596 (ii) A governmental entity that acquires land under Subsection (3)(a)(i) or (ii) shall
1597 make a one-time in lieu fee payment to the county treasurer of the county in which the land is
1598 located:

1599 (A) if the land remaining after the acquisition by the governmental entity meets the
1600 requirements of Section 59-2-1703, in an amount equal to the rollback tax under Section
1601 59-2-1705 on the land acquired by the governmental entity; or

1602 (B) if the land remaining after the acquisition by the governmental entity is less than
1603 [~~two acres~~] one acre, in an amount equal to the rollback tax under Section 59-2-1705 on the
1604 land acquired by the governmental entity and the land remaining after the acquisition by the
1605 governmental entity.

1606 (c) A county receiving an in lieu fee payment under Subsection (3)(b) shall distribute

1607 the revenues collected from the payment:

1608 (i) to the taxing entities in which the land is located; and

1609 (ii) in the same proportion as the revenue from real property taxes is distributed.

1610 (4) If a governmental entity acquires land subject to assessment under this part, title to

1611 the land may not pass to the governmental entity until any tax, one-time in lieu fee payment,

1612 and applicable interest due under this part are paid to the county treasurer.

1613 Section 15. Section **59-2-1803** is amended to read:

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

1615 **Refund.**

1616 (1) In accordance with this part, a county may remit or abate the taxes of an indigent
1617 individual:

1618 (a) if the indigent individual owned the property as of January 1 of the year for which
1619 the county remits or abates the taxes; and

1620 (b) in an amount not more than the lesser of:

1621 ~~[(a)]~~ (i) the amount provided as a homeowner's credit for the lowest household income
1622 bracket as described in Section 59-2-1208; or

1623 ~~[(b)]~~ (ii) 50% of the total tax levied for the indigent individual for the current year.

1624 (2) A county that grants an abatement to an indigent individual shall refund to the
1625 indigent individual an amount that is equal to the amount by which the indigent individual's
1626 property taxes paid exceed the indigent individual's property taxes due, if the amount is at least
1627 \$1.

1628 Section 16. Section **59-2-1806** is enacted to read:

1629 **59-2-1806. County legislative body authority to adopt rules or ordinances.**

1630 A county legislative body may adopt rules or ordinances to:

1631 (1) effectuate an abatement or exemption; or

1632 (2) designate one or more persons to perform the functions given to the county under
1633 this part.

1634 Section 17. Section **59-2-1906** is enacted to read:

1635 **59-2-1906. County legislative body authority to adopt rules or ordinances.**

1636 A county legislative body may adopt rules or ordinances to:

1637 (1) effectuate an exemption under this part; or

1638 (2) designate one or more persons to perform the functions given to the county under
1639 this part.

1640 Section 18. Section **59-10-552** is amended to read:

1641 **59-10-552. Carry forward of expired or repealed tax credit.**

1642 When a nonrefundable individual income tax credit, under Part 10, Nonrefundable Tax
1643 Credit Act, expires or is repealed, the commission shall allow a claimant, estate, or trust to
1644 carry forward any amount of the tax credit that remains for the period of time described in the
1645 tax credit for the taxable year in which the [~~estate, claimant, or estate~~] claimant, estate, or trust
1646 first claimed the tax credit.

1647 Section 19. Section **59-12-103** is amended to read:

1648 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
1649 **tax revenues.**

1650 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
1651 sales price for amounts paid or charged for the following transactions:

1652 (a) retail sales of tangible personal property made within the state;

1653 (b) amounts paid for:

1654 (i) telecommunications service, other than mobile telecommunications service, that
1655 originates and terminates within the boundaries of this state;

1656 (ii) mobile telecommunications service that originates and terminates within the
1657 boundaries of one state only to the extent permitted by the Mobile Telecommunications

1658 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

1659 (iii) an ancillary service associated with a:

1660 (A) telecommunications service described in Subsection (1)(b)(i); or

1661 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

1662 (c) sales of the following for commercial use:

1663 (i) gas;

1664 (ii) electricity;

1665 (iii) heat;

1666 (iv) coal;

1667 (v) fuel oil; or

1668 (vi) other fuels;

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

1700 (k) amounts paid or charged for leases or rentals of tangible personal property if within
1701 this state the tangible personal property is:

1702 (i) stored;

1703 (ii) used; or

1704 (iii) otherwise consumed;

1705 (l) amounts paid or charged for tangible personal property if within this state the
1706 tangible personal property is:

1707 (i) stored;

1708 (ii) used; or

1709 (iii) consumed; and

1710 (m) amounts paid or charged for a sale:

1711 (i) (A) of a product transferred electronically; or

1712 (B) of a repair or renovation of a product transferred electronically; and

1713 (ii) regardless of whether the sale provides:

1714 (A) a right of permanent use of the product; or

1715 (B) a right to use the product that is less than a permanent use, including a right:

1716 (I) for a definite or specified length of time; and

1717 (II) that terminates upon the occurrence of a condition.

1718 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
1719 are imposed on a transaction described in Subsection (1) equal to the sum of:

1720 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

1721 (A) 4.70% plus the rate specified in Subsection [~~(12)(a)~~] (11)(a); and

1722 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
1723 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
1724 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
1725 State Sales and Use Tax Act; and

1726 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
1727 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
1728 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
1729 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

1730 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the

1731 transaction under this chapter other than this part.

1732 (b) Except as provided in Subsection (2)(e) or (f) and subject to Subsection (2)(k), a
1733 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
1734 the sum of:

1735 (i) a state tax imposed on the transaction at a tax rate of 2%; and

1736 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
1737 transaction under this chapter other than this part.

1738 (c) Except as provided in Subsection (2)(e) or (f), a state tax and a local tax are
1739 imposed on amounts paid or charged for food and food ingredients equal to the sum of:

1740 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
1741 a tax rate of 1.75%; and

1742 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
1743 amounts paid or charged for food and food ingredients under this chapter other than this part.

1744 (d) Except as provided in Subsection (2)(e) or (f), a state tax is imposed on amounts
1745 paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at
1746 a rate of 4.85%.

1747 (e) (i) For a bundled transaction that is attributable to food and food ingredients and
1748 tangible personal property other than food and food ingredients, a state tax and a local tax is
1749 imposed on the entire bundled transaction equal to the sum of:

1750 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

1751 (I) the tax rate described in Subsection (2)(a)(i)(A); and

1752 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
1753 Sales and Use Tax Act, if the location of the transaction as determined under Sections
1754 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
1755 Additional State Sales and Use Tax Act; and

1756 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
1757 Sales and Use Tax Act, if the location of the transaction as determined under Sections
1758 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
1759 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

1760 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
1761 described in Subsection (2)(a)(ii).

1762 (ii) If an optional computer software maintenance contract is a bundled transaction that
1763 consists of taxable and nontaxable products that are not separately itemized on an invoice or
1764 similar billing document, the purchase of the optional computer software maintenance contract
1765 is 40% taxable under this chapter and 60% nontaxable under this chapter.

1766 (iii) Subject to Subsection (2)(e)(iv), for a bundled transaction other than a bundled
1767 transaction described in Subsection (2)(e)(i) or (ii):

1768 (A) if the sales price of the bundled transaction is attributable to tangible personal
1769 property, a product, or a service that is subject to taxation under this chapter and tangible
1770 personal property, a product, or service that is not subject to taxation under this chapter, the
1771 entire bundled transaction is subject to taxation under this chapter unless:

1772 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1773 personal property, product, or service that is not subject to taxation under this chapter from the
1774 books and records the seller keeps in the seller's regular course of business; or

1775 (II) state or federal law provides otherwise; or

1776 (B) if the sales price of a bundled transaction is attributable to two or more items of
1777 tangible personal property, products, or services that are subject to taxation under this chapter
1778 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
1779 higher tax rate unless:

1780 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1781 personal property, product, or service that is subject to taxation under this chapter at the lower
1782 tax rate from the books and records the seller keeps in the seller's regular course of business; or

1783 (II) state or federal law provides otherwise.

1784 (iv) For purposes of Subsection (2)(e)(iii), books and records that a seller keeps in the
1785 seller's regular course of business includes books and records the seller keeps in the regular
1786 course of business for nontax purposes.

1787 (f) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(f)(ii)
1788 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
1789 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
1790 of tangible personal property, other property, a product, or a service that is not subject to
1791 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
1792 the seller, at the time of the transaction:

1793 (A) separately states the portion of the transaction that is not subject to taxation under
1794 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

1795 (B) is able to identify by reasonable and verifiable standards, from the books and
1796 records the seller keeps in the seller's regular course of business, the portion of the transaction
1797 that is not subject to taxation under this chapter.

1798 (ii) A purchaser and a seller may correct the taxability of a transaction if:

1799 (A) after the transaction occurs, the purchaser and the seller discover that the portion of
1800 the transaction that is not subject to taxation under this chapter was not separately stated on an
1801 invoice, bill of sale, or similar document provided to the purchaser because of an error or
1802 ignorance of the law; and

1803 (B) the seller is able to identify by reasonable and verifiable standards, from the books
1804 and records the seller keeps in the seller's regular course of business, the portion of the
1805 transaction that is not subject to taxation under this chapter.

1806 (iii) For purposes of Subsections (2)(f)(i) and (ii), books and records that a seller keeps
1807 in the seller's regular course of business includes books and records the seller keeps in the
1808 regular course of business for nontax purposes.

1809 (g) (i) If the sales price of a transaction is attributable to two or more items of tangible
1810 personal property, products, or services that are subject to taxation under this chapter at
1811 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate
1812 unless the seller, at the time of the transaction:

1813 (A) separately states the items subject to taxation under this chapter at each of the
1814 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

1815 (B) is able to identify by reasonable and verifiable standards the tangible personal
1816 property, product, or service that is subject to taxation under this chapter at the lower tax rate
1817 from the books and records the seller keeps in the seller's regular course of business.

1818 (ii) For purposes of Subsection (2)(g)(i), books and records that a seller keeps in the
1819 seller's regular course of business includes books and records the seller keeps in the regular
1820 course of business for nontax purposes.

1821 (h) Subject to Subsections (2)(i) and (j), a tax rate repeal or tax rate change for a tax
1822 rate imposed under the following shall take effect on the first day of a calendar quarter:

1823 (i) Subsection (2)(a)(i)(A);

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

1855 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.
1856 (ii) Subsection (2)(k)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
1857 or other fuel is furnished through a single meter for two or more of the following uses:
1858 (A) a commercial use;
1859 (B) an industrial use; or
1860 (C) a residential use.
1861 (3) (a) The following state taxes shall be deposited into the General Fund:
1862 (i) the tax imposed by Subsection (2)(a)(i)(A);
1863 (ii) the tax imposed by Subsection (2)(b)(i);
1864 (iii) the tax imposed by Subsection (2)(c)(i); and
1865 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).
1866 (b) The following local taxes shall be distributed to a county, city, or town as provided
1867 in this chapter:
1868 (i) the tax imposed by Subsection (2)(a)(ii);
1869 (ii) the tax imposed by Subsection (2)(b)(ii);
1870 (iii) the tax imposed by Subsection (2)(c)(ii); and
1871 (iv) the tax imposed by Subsection (2)(e)(i)(B).
1872 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
1873 Fund.
1874 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1875 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
1876 through (g):
1877 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
1878 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
1879 (B) for the fiscal year; or
1880 (ii) \$17,500,000.
1881 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
1882 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
1883 revenue to the Department of Natural Resources to:
1884 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
1885 protect sensitive plant and animal species; or

1886 (B) award grants, up to the amount authorized by the Legislature in an appropriations
1887 act, to political subdivisions of the state to implement the measures described in Subsections
1888 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

1889 (ii) Money transferred to the Department of Natural Resources under Subsection
1890 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
1891 person to list or attempt to have listed a species as threatened or endangered under the
1892 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

1893 (iii) At the end of each fiscal year:

1894 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
1895 Water Resources Conservation and Development Fund created in Section 73-10-24;

1896 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1897 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

1898 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1899 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

1900 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
1901 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
1902 created in Section 4-18-106.

1903 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
1904 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to
1905 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for
1906 the adjudication of water rights.

1907 (ii) At the end of each fiscal year:

1908 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
1909 Water Resources Conservation and Development Fund created in Section 73-10-24;

1910 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1911 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

1912 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1913 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

1914 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
1915 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and
1916 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

1917 (ii) In addition to the uses allowed of the Water Resources Conservation and
1918 Development Fund under Section 73-10-24, the Water Resources Conservation and
1919 Development Fund may also be used to:

1920 (A) conduct hydrologic and geotechnical investigations by the Division of Water
1921 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
1922 quantifying surface and ground water resources and describing the hydrologic systems of an
1923 area in sufficient detail so as to enable local and state resource managers to plan for and
1924 accommodate growth in water use without jeopardizing the resource;

1925 (B) fund state required dam safety improvements; and

1926 (C) protect the state's interest in interstate water compact allocations, including the
1927 hiring of technical and legal staff.

1928 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1929 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
1930 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

1931 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1932 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
1933 created in Section 73-10c-5 for use by the Division of Drinking Water to:

1934 (i) provide for the installation and repair of collection, treatment, storage, and
1935 distribution facilities for any public water system, as defined in Section 19-4-102;

1936 (ii) develop underground sources of water, including springs and wells; and

1937 (iii) develop surface water sources.

1938 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1939 2006, the difference between the following amounts shall be expended as provided in this
1940 Subsection (5), if that difference is greater than \$1:

1941 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
1942 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

1943 (ii) \$17,500,000.

1944 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

1945 (A) transferred each fiscal year to the Department of Natural Resources as designated
1946 sales and use tax revenue; and

1947 (B) expended by the Department of Natural Resources for watershed rehabilitation or

1948 restoration.

1949 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1950 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
1951 and Development Fund created in Section 73-10-24.

1952 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
1953 remaining difference described in Subsection (5)(a) shall be:

1954 (A) transferred each fiscal year to the Division of Water Resources as designated sales
1955 and use tax revenue; and

1956 (B) expended by the Division of Water Resources for cloud-seeding projects
1957 authorized by Title 73, Chapter 15, Modification of Weather.

1958 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1959 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
1960 and Development Fund created in Section 73-10-24.

1961 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
1962 remaining difference described in Subsection (5)(a) shall be deposited into the Water
1963 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
1964 Division of Water Resources for:

1965 (i) preconstruction costs:

1966 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
1967 26, Bear River Development Act; and

1968 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
1969 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

1970 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
1971 Chapter 26, Bear River Development Act;

1972 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
1973 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

1974 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
1975 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

1976 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
1977 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water
1978 Rights Restricted Account created by Section 73-2-1.6.

1979 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a),
 1980 each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account
 1981 created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the
 1982 transactions described in Subsection (1) for the fiscal year [shall be deposited as follows].

1983 [~~(a) for fiscal year 2020-21 only:~~]

1984 [(i) 20% of the revenue described in this Subsection (6) shall be deposited into the
 1985 Transportation Investment Fund of 2005 created by Section ~~72-2-124~~; and]

1986 [(ii) 80% of the revenue described in this Subsection (6) shall be deposited into the
 1987 Water Infrastructure Restricted Account created by Section ~~73-10g-103~~; and]

1988 [(b) for a fiscal year beginning on or after July 1, 2021, 100% of the revenue described
 1989 in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account
 1990 created by Section ~~73-10g-103~~.]

1991 (7) (a) Notwithstanding Subsection (3)(a)[, in addition to the amounts deposited in
 1992 Subsection (6), and subject to Subsection (7)(b)] and subject to Subsection (7)(b), for a fiscal
 1993 year beginning on or after July 1, [2012] 2023, the [~~Division of Finance~~] commission shall
 1994 deposit into the Transportation Investment Fund of 2005 created by Section ~~72-2-124~~[:]

1995 [~~(i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of~~
 1996 ~~the revenues collected from the following taxes, which represents a portion of the~~
 1997 ~~approximately 17% of sales and use tax revenues generated annually by the sales and use tax~~
 1998 ~~on vehicles and vehicle-related products]~~ a portion of the taxes listed under Subsection (3)(a)
 1999 equal to 17% of the revenue collected from the following sales and use taxes:

2000 [~~(A)~~] (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

2001 [~~(B)~~] (ii) the tax imposed by Subsection (2)(b)(i);

2002 [~~(C)~~] (iii) the tax imposed by Subsection (2)(c)(i); and

2003 [~~(D)~~] (iv) the tax imposed by Subsection (2)(e)(i)(A)(I)[; plus].

2004 [(ii) an amount equal to 30% of the growth in the amount of revenues collected in the
 2005 current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through
 2006 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
 2007 (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.]

2008 [(b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of
 2009 the sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total

2010 lower percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D)
2011 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
2012 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
2013 (7)(a) equal to the product of:]

2014 [~~(A) the total percentage of sales and use taxes deposited under Subsection (7)(a) in the~~
2015 ~~previous fiscal year; and]~~

2016 [~~(B) the total sales and use tax revenue generated by the taxes described in Subsections~~
2017 ~~(7)(a)(i)(A) through (D) in the current fiscal year.]~~

2018 [~~(ii) In any fiscal year in which the portion of the sales and use taxes deposited under~~
2019 ~~Subsection (7)(a) would exceed 17% of the revenues collected from the sales and use taxes~~
2020 ~~described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year, the Division of~~
2021 ~~Finance shall deposit 17% of the revenues collected from the sales and use taxes described in~~
2022 ~~Subsections (7)(a)(i)(A) through (D) for the current fiscal year under Subsection (7)(a).]~~

2023 [~~(iii) Subject to Subsection (7)(b)(iv)(E), in all subsequent fiscal years after a year in~~
2024 ~~which 17% of the revenues collected from the sales and use taxes described in Subsections~~
2025 ~~(7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of Finance shall~~
2026 ~~annually deposit 17% of the revenues collected from the sales and use taxes described in~~
2027 ~~Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection (7)(a).]~~

2028 (b) [(iv)] (i) As used in this Subsection (7)(b):

2029 (A) [~~As used in this Subsection (7)(b)(iv);~~] "additional growth revenue" means the
2030 amount of relevant revenue collected in the current fiscal year that exceeds by more than 3%
2031 the relevant revenue collected in the previous fiscal year[-];

2032 (B) [~~As used in this Subsection (7)(b)(iv);~~] "combined amount" means the combined
2033 total amount of money deposited into the Cottonwood Canyons fund under Subsections
2034 [~~(7)(b)(iv)(F) and (8)(d)(vi)] (7)(b)(iii) and (8)(d)(iii) in any single fiscal year[-];~~

2035 (C) [~~As used in this Subsection (7)(b)(iv);~~] "Cottonwood Canyons fund" means the
2036 Cottonwood Canyons Transportation Investment Fund created in Subsection [72-2-124\(10\)](#)[-];
2037 and

2038 (D) [~~As used in this Subsection (7)(b)(iv);~~] "relevant revenue" means the portion of
2039 taxes listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes
2040 described in Subsections [~~(7)(a)(i)(A) through (D)] (7)(a)(i) through (iv).~~

2041 ~~[(E)]~~ (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
 2042 annually reduce the deposit under Subsection ~~[(7)(b)(iii)]~~ (7)(a) into the Transportation
 2043 Investment Fund of 2005 by an amount equal to the amount of the deposit under this
 2044 Subsection ~~[(7)(b)(iv)]~~ (7)(b) to the Cottonwood Canyons fund in the previous fiscal year plus
 2045 25% of additional growth revenue, subject to the limit in Subsection ~~[(7)(b)(iv)(F)]~~ (7)(b)(iii).

2046 ~~[(F)]~~ (iii) The commission shall annually deposit the amount described in Subsection
 2047 ~~[(7)(b)(iv)(E)]~~ (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum
 2048 combined amount for any single fiscal year of \$20,000,000.

2049 ~~[(G)]~~ (iv) If the amount of relevant revenue declines in a fiscal year compared to the
 2050 previous fiscal year, the commission shall decrease the amount of the contribution to the
 2051 Cottonwood Canyons fund under this Subsection ~~[(7)(b)(iv)]~~ (7)(b) in the same proportion as
 2052 the decline in relevant revenue.

2053 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
 2054 ~~[Subsections (6) and]~~ Subsection (7), and subject to Subsections (8)(b) and ~~[(d)(v)]~~ (d)(ii), for a
 2055 fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the
 2056 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes
 2057 listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the
 2058 following taxes:

2059 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

2060 (ii) the tax imposed by Subsection (2)(b)(i);

2061 (iii) the tax imposed by Subsection (2)(c)(i); and

2062 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

2063 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
 2064 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by
 2065 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
 2066 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale
 2067 or use in this state that exceeds 29.4 cents per gallon.

2068 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
 2069 into the Transit Transportation Investment Fund created in Section 72-2-124.

2070 (d) (i) As used in this Subsection (8)(d)[;]:

2071 (A) ~~["additional"]~~ "Additional growth revenue" means the amount of relevant revenue

2072 collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected
2073 in the previous fiscal year.

2074 [(ii)] (B) [~~As used in this Subsection (8)(d), "combined~~] "Combined amount" means
2075 the combined total amount of money deposited into the Cottonwood Canyons fund under
2076 Subsections [~~(7)(b)(iv)(F) and (8)(d)(vi)~~] (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

2077 [(iii)] (C) [~~As used in this Subsection (8)(d),~~] "Cottonwood Canyons fund" means the
2078 Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).

2079 [(iv)] (D) [~~As used in this Subsection (8)(d), "relevant~~] "Relevant revenue" means the
2080 portion of taxes listed under Subsection (3)(a) that equals 3.68% of the revenue collected from
2081 taxes described in Subsections (8)(a)(i) through (iv).

2082 [(v)] (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
2083 annually reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of
2084 2005 by an amount equal to the amount of the deposit under this Subsection (8)(d) to the
2085 Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue,
2086 subject to the limit in Subsection [~~(8)(d)(vi)~~] (8)(d)(iii).

2087 [(vi)] (iii) The commission shall annually deposit the amount described in Subsection
2088 [~~(8)(d)(v)~~] (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum
2089 combined amount for any single fiscal year of \$20,000,000.

2090 [(vii)] (iv) If the amount of relevant revenue declines in a fiscal year compared to the
2091 previous fiscal year, the commission shall decrease the amount of the contribution to the
2092 Cottonwood Canyons fund under this Subsection (8)(d) in the same proportion as the decline in
2093 relevant revenue.

2094 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
2095 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
2096 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

2097 [(10)(a)] ~~Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(b),~~
2098 ~~and in addition to any amounts deposited under Subsections (6), (7), and (8), the Division of~~
2099 ~~Finance shall deposit into the Transportation Investment Fund of 2005 created by Section~~
2100 72-2-124 the amount of revenue described as follows:]

2101 [(i)] ~~for fiscal year 2020-21 only, 33.33% of the amount of revenue generated by a .05%~~
2102 ~~tax rate on the transactions described in Subsection (1); and]~~

2103 ~~[(ii) for fiscal year 2021-22 only, 16.67% of the amount of revenue generated by a~~
2104 ~~.05% tax rate on the transactions described in Subsection (1).]~~

2105 ~~[(b) For purposes of Subsection (10)(a), the Division of Finance may not deposit into~~
2106 ~~the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or~~
2107 ~~charged for food and food ingredients, except for tax revenue generated by a bundled~~
2108 ~~transaction attributable to food and food ingredients and tangible personal property other than~~
2109 ~~food and food ingredients described in Subsection (2)(c).]~~

2110 ~~[(H)]~~ (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after
2111 the fiscal year during which the ~~[Division of Finance]~~ commission receives notice under
2112 Section [63N-2-510](#) that construction on a qualified hotel, as defined in Section [63N-2-502](#), has
2113 begun, the ~~[Division of Finance]~~ commission shall, for two consecutive fiscal years, annually
2114 deposit \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the
2115 Hotel Impact Mitigation Fund, created in Section [63N-2-512](#).

2116 ~~[(I2)]~~ (11) (a) The rate specified in this subsection is 0.15%.

2117 (b) Notwithstanding Subsection (3)(a), the ~~[Division of Finance]~~ commission shall, for
2118 a fiscal year beginning on or after July 1, 2019, annually transfer the amount of revenue
2119 collected from the rate described in Subsection ~~[(I2)(a)]~~ (11)(a) on the transactions that are
2120 subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion
2121 Fund created in Section [26-36b-208](#).

2122 ~~[(I3)]~~ (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with
2123 fiscal year 2020-21, the ~~[Division of Finance]~~ commission shall deposit \$200,000 into the
2124 General Fund as a dedicated credit solely for use of the Search and Rescue Financial Assistance
2125 Program created in, and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and
2126 Rescue Act.

2127 ~~[(I4)]~~ (13) (a) For each fiscal year beginning with fiscal year 2020-21, the ~~[Division of~~
2128 ~~Finance]~~ commission shall annually transfer \$1,813,400 of the revenue deposited into the
2129 Transportation Investment Fund of 2005 under Subsections ~~[(6) through]~~ (7) and (8) to the
2130 General Fund.

2131 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
2132 under Subsections ~~[(6) through]~~ (7) and (8) is less than \$1,813,400 for a fiscal year, the
2133 ~~[Division of Finance]~~ commission shall transfer the total revenue deposited into the

2134 Transportation Investment Fund of 2005 under Subsections [~~(6) through~~] (7) and (8) during the
2135 fiscal year to the General Fund.

2136 [~~(15)~~] (14) Notwithstanding Subsection (3)(a), and as described in Section [63N-3-610](#),
2137 beginning the first day of the calendar quarter one year after the sales and use tax boundary for
2138 a housing and transit reinvestment zone is established, the commission, at least annually, shall
2139 transfer an amount equal to 15% of the sales and use tax increment within an established sales
2140 and use tax boundary, as defined in Section [63N-3-602](#), into the Transit Transportation
2141 Investment Fund created in Section [72-2-124](#).

2142 [~~(16)~~] (15) Notwithstanding Subsection (3)(a), the [~~Division of Finance~~] commission
2143 shall, for a fiscal year beginning on or after July 1, 2022, transfer into the Outdoor Adventure
2144 Infrastructure Restricted Account, created in Section [51-9-902](#), a portion of the taxes listed
2145 under Subsection (3)(a) equal to 1% of the revenues collected from the following sales and use
2146 taxes:

2147 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

2148 (b) the tax imposed by Subsection (2)(b)(i);

2149 (c) the tax imposed by Subsection (2)(c)(i); and

2150 (d) the tax imposed by Subsection (2)(e)(i)(A)(I).

2151 Section 20. Section [59-12-205](#) is amended to read:

2152 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
2153 **tax revenue -- Determination of population.**

2154 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
2155 [59-12-204](#), a county, city, or town shall adopt amendments to the county's, city's, or town's
2156 sales and use tax ordinances:

2157 (a) within 30 days of the day on which the state makes an amendment to an applicable
2158 provision of Part 1, Tax Collection; and

2159 (b) as required to conform to the amendments to Part 1, Tax Collection.

2160 (2) (a) Except as provided in Subsections [~~(3) through (5)~~] (3) and (4) and subject to
2161 Subsection [~~(6)~~] (5):

2162 (i) 50% of each dollar collected from the sales and use tax authorized by this part shall
2163 be distributed to each county, city, and town on the basis of the percentage that the population
2164 of the county, city, or town bears to the total population of all counties, cities, and towns in the

2165 state; and

2166 (ii) (A) except as provided in Subsections (2)(a)(ii)(B), (C), and (D), 50% of each
2167 dollar collected from the sales and use tax authorized by this part shall be distributed to each
2168 county, city, and town on the basis of the location of the transaction as determined under
2169 Sections 59-12-211 through 59-12-215;

2170 (B) 50% of each dollar collected from the sales and use tax authorized by this part
2171 within a project area described in a project area plan adopted by the military installation
2172 development authority under Title 63H, Chapter 1, Military Installation Development
2173 Authority Act, shall be distributed to the military installation development authority created in
2174 Section 63H-1-201;

2175 (C) beginning July 1, 2022, 50% of each dollar collected from the sales and use tax
2176 authorized by this part within a project area under Title 11, Chapter 58, Utah Inland Port
2177 Authority Act, shall be distributed to the Utah Inland Port Authority, created in Section
2178 11-58-201; and

2179 (D) 50% of each dollar collected from the sales and use tax authorized by this part
2180 within the lake authority boundary, as defined in Section 11-65-101, shall be distributed to the
2181 Utah Lake Authority, created in Section 11-65-201, beginning the next full calendar quarter
2182 following the creation of the Utah Lake Authority.

2183 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before
2184 July 1, 2022.

2185 ~~[(3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall~~
2186 ~~distribute annually to a county, city, or town the distribution required by this Subsection (3) if:]~~

2187 ~~[(i) the county, city, or town is a:]~~

2188 ~~[(A) county of the third, fourth, fifth, or sixth class;]~~

2189 ~~[(B) city of the fifth class; or]~~

2190 ~~[(C) town;]~~

2191 ~~[(ii) the county, city, or town received a distribution under this section for the calendar~~
2192 ~~year beginning on January 1, 2008, that was less than the distribution under this section that the~~
2193 ~~county, city, or town received for the calendar year beginning on January 1, 2007;]~~

2194 ~~[(iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located~~
2195 ~~within the unincorporated area of the county for one or more days during the calendar year~~

2196 ~~beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,~~
2197 ~~Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North~~
2198 ~~American Industry Classification System of the federal Executive Office of the President,~~
2199 ~~Office of Management and Budget; or]~~

2200 ~~[(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection~~
2201 ~~(3)(a)(i)(C), the city or town had located within the city or town for one or more days during~~
2202 ~~the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry~~
2203 ~~Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the~~
2204 ~~2002 North American Industry Classification System of the federal Executive Office of the~~
2205 ~~President, Office of Management and Budget; and]~~

2206 ~~[(iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment~~
2207 ~~described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for~~
2208 ~~one or more days during the calendar year beginning on January 1, 2008, was not the holder of~~
2209 ~~a direct payment permit under Section 59-12-107.1; or]~~

2210 ~~[(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection~~
2211 ~~(3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a~~
2212 ~~city or town for one or more days during the calendar year beginning on January 1, 2008, was~~
2213 ~~not the holder of a direct payment permit under Section 59-12-107.1.]~~

2214 ~~[(b) The commission shall make the distribution required by this Subsection (3) to a~~
2215 ~~county, city, or town described in Subsection (3)(a).]~~

2216 ~~[(i) from the distribution required by Subsection (2)(a); and]~~

2217 ~~[(ii) before making any other distribution required by this section.]~~

2218 ~~[(c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by~~
2219 ~~multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.]~~

2220 ~~[(ii) For purposes of Subsection (3)(c)(i):]~~

2221 ~~[(A) the numerator of the fraction is the difference calculated by subtracting the~~
2222 ~~distribution a county, city, or town described in Subsection (3)(a) received under this section~~
2223 ~~for the calendar year beginning on January 1, 2008, from the distribution under this section that~~
2224 ~~the county, city, or town received for the calendar year beginning on January 1, 2007; and]~~

2225 ~~[(B) the denominator of the fraction is \$333,583.]~~

2226 ~~[(d) A distribution required by this Subsection (3) is in addition to any other~~

2227 ~~distribution required by this section.]~~

2228 ~~[(4)] (3) (a) As used in this Subsection [(4)] (3):~~

2229 ~~(i) "Eligible county, city, or town" means a county, city, or town that:~~

2230 ~~(A) for fiscal year 2012-13, received a tax revenue distribution under Subsection~~

2231 ~~[(4)(b)] (3)(b) equal to the amount described in Subsection [(4)(b)(i)] (3)(b)(i); and~~

2232 ~~(B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,~~

2233 ~~2016.~~

2234 ~~(ii) "Minimum tax revenue distribution" means the total amount of tax revenue~~

2235 ~~distributions an eligible county, city, or town received from a tax imposed in accordance with~~

2236 ~~this part for fiscal year 2004-05.~~

2237 ~~(b) An eligible county, city, or town shall receive a tax revenue distribution for a tax~~

2238 ~~imposed in accordance with this part equal to the greater of:~~

2239 ~~(i) the payment required by Subsection (2); or~~

2240 ~~(ii) the minimum tax revenue distribution.~~

2241 ~~[(5)] (4) (a) For purposes of this Subsection [(5)] (4):~~

2242 ~~(i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to~~

2243 ~~1.8% of the participating local government's tax revenue distribution amount under Subsection~~

2244 ~~(2)(a) for the previous fiscal year.~~

2245 ~~(ii) "Participating local government" means a county or municipality, as defined in~~

2246 ~~Section 10-1-104, that is not an eligible municipality certified in accordance with Section~~

2247 ~~35A-16-404.~~

2248 ~~(b) For revenue collected from the tax authorized by this part that is distributed on or~~

2249 ~~after January 1, 2019, the commission, before making a tax revenue distribution under~~

2250 ~~Subsection (2)(a) to a participating local government, shall:~~

2251 ~~(i) subtract one-twelfth of the annual local contribution for each participating local~~

2252 ~~government from the participating local government's tax revenue distribution under~~

2253 ~~Subsection (2)(a); and~~

2254 ~~(ii) deposit the amount described in Subsection [(5)(b)(i)] (4)(b)(i) into the Homeless~~

2255 ~~Shelter Cities Mitigation Restricted Account created in Section 35A-16-402.~~

2256 ~~(c) For a participating local government that qualifies to receive a distribution~~

2257 ~~described in Subsection (3) [or (4)], the commission shall apply the provisions of this~~

2258 Subsection [~~(5)~~] (4) after the commission applies the provisions of [~~Subsections (3) and (4)~~]
2259 Subsection (3).

2260 [~~(6)~~] (5) (a) Population figures for purposes of this section shall be based on the most
2261 recent official census or census estimate of the United States Bureau of the Census.

2262 (b) If a needed population estimate is not available from the United States Bureau of
2263 the Census, population figures shall be derived from the estimate from the Utah Population
2264 Committee.

2265 (c) The population of a county for purposes of this section shall be determined only
2266 from the unincorporated area of the county.

2267 Section 21. Section **59-12-302** is amended to read:

2268 **59-12-302. Collection of tax -- Administrative charge.**

2269 (1) Except as provided in Subsections (2), (3), and (4), the tax authorized under this
2270 part shall be administered, collected, and enforced in accordance with:

2271 (a) the same procedures used to administer, collect, and enforce the tax under:

2272 (i) Part 1, Tax Collection; or

2273 (ii) Part 2, Local Sales and Use Tax Act; and

2274 (b) Chapter 1, General Taxation Policies.

2275 (2) The location of a transaction shall be determined in accordance with Sections
2276 [59-12-211](#) through [59-12-215](#).

2277 (3) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or
2278 Subsections [59-12-205](#)(2) through [~~(6)~~] (5).

2279 (4) A county auditor may make referrals to the commission to assist the commission in
2280 determining whether to require an audit of any person that is required to remit a tax authorized
2281 under this part.

2282 (5) The commission:

2283 (a) shall distribute the revenue collected from the tax to the county within which the
2284 revenue was collected; and

2285 (b) shall retain and deposit an administrative charge in accordance with Section
2286 [59-1-306](#) from revenue the commission collects from a tax under this part.

2287 Section 22. Section **59-12-354** is amended to read:

2288 **59-12-354. Collection of tax -- Administrative charge.**

2289 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part
2290 shall be administered, collected, and enforced in accordance with:

2291 (a) the same procedures used to administer, collect, and enforce the tax under:

2292 (i) Part 1, Tax Collection; or

2293 (ii) Part 2, Local Sales and Use Tax Act; and

2294 (b) Chapter 1, General Taxation Policies.

2295 (2) (a) The location of a transaction shall be determined in accordance with Sections
2296 59-12-211 through 59-12-215.

2297 (b) The commission:

2298 (i) except as provided in Subsection (2)(b)(ii), shall distribute the revenue collected
2299 from the tax to the municipality within which the revenue was collected; and

2300 (ii) shall retain and deposit an administrative charge in accordance with Section
2301 59-1-306 from the revenue the commission collects from a tax under this part.

2302 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
2303 Subsections 59-12-205(2) through [~~6~~] (5).

2304 Section 23. Section 59-12-403 is amended to read:

2305 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**

2306 **Notice requirements -- Administration, collection, and enforcement of tax --**

2307 **Administrative charge.**

2308 (1) For purposes of this section:

2309 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
2310 4, Annexation.

2311 (b) "Annexing area" means an area that is annexed into a city or town.

2312 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a
2313 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
2314 repeal, or change shall take effect:

2315 (i) on the first day of a calendar quarter; and

2316 (ii) after a 90-day period beginning on the date the commission receives notice meeting
2317 the requirements of Subsection (2)(b) from the city or town.

2318 (b) The notice described in Subsection (2)(a)(ii) shall state:

2319 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this

2320 part;

2321 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);

2322 (iii) the effective date of the tax described in Subsection (2)(b)(i); and

2323 (iv) if the city or town enacts the tax or changes the rate of the tax described in

2324 Subsection (2)(b)(i), the rate of the tax.

2325 (c) (i) If the billing period for a transaction begins before the effective date of the
2326 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
2327 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the
2328 first billing period that begins on or after the effective date of the enactment of the tax or the
2329 tax rate increase.

2330 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
2331 statement for the billing period is produced on or after the effective date of the repeal of the tax
2332 or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or 59-12-402.1.

2333 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
2334 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
2335 a tax described in Subsection (2)(a) takes effect:

2336 (A) on the first day of a calendar quarter; and

2337 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
2338 rate of the tax under Subsection (2)(a).

2339 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2340 commission may by rule define the term "catalogue sale."

2341 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
2342 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
2343 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
2344 effect:

2345 (i) on the first day of a calendar quarter; and

2346 (ii) after a 90-day period beginning on the date the commission receives notice meeting
2347 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

2348 (b) The notice described in Subsection (3)(a)(ii) shall state:

2349 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
2350 repeal, or change in the rate of a tax under this part for the annexing area;

- 2351 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);
- 2352 (iii) the effective date of the tax described in Subsection (3)(b)(i); and
- 2353 (iv) if the city or town enacts the tax or changes the rate of the tax described in
- 2354 Subsection (3)(b)(i), the rate of the tax.
- 2355 (c) (i) If the billing period for a transaction begins before the effective date of the
- 2356 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
- 2357 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the
- 2358 first billing period that begins on or after the effective date of the enactment of the tax or the
- 2359 tax rate increase.
- 2360 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
- 2361 statement for the billing period is produced on or after the effective date of the repeal of the tax
- 2362 or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or 59-12-402.1.
- 2363 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 2364 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
- 2365 a tax described in Subsection (3)(a) takes effect:
- 2366 (A) on the first day of a calendar quarter; and
- 2367 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
- 2368 rate of the tax under Subsection (3)(a).
- 2369 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2370 commission may by rule define the term "catalogue sale."
- 2371 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be
- 2372 administered, collected, and enforced in accordance with:
- 2373 (i) the same procedures used to administer, collect, and enforce the tax under:
- 2374 (A) Part 1, Tax Collection; or
- 2375 (B) Part 2, Local Sales and Use Tax Act; and
- 2376 (ii) Chapter 1, General Taxation Policies.
- 2377 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(4)~~ (5).
- 2378 (5) The commission shall retain and deposit an administrative charge in accordance
- 2379 with Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 2380 Section 24. Section 59-12-603 is amended to read:
- 2381 **59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance**

2382 **required -- Advisory board -- Administration -- Collection -- Administrative charge --**
2383 **Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice**
2384 **requirements.**

2385 (1) (a) In addition to any other taxes, a county legislative body may, as provided in this
2386 part, impose a tax as follows:

2387 (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%
2388 on all short-term rentals of motor vehicles, except for short-term rentals of motor vehicles
2389 made for the purpose of temporarily replacing a person's motor vehicle that is being repaired
2390 pursuant to a repair or an insurance agreement; and

2391 (B) a county legislative body of any county imposing a tax under Subsection
2392 (1)(a)(i)(A) may, in addition to imposing the tax under Subsection (1)(a)(i)(A), impose a tax of
2393 not to exceed 4% on all short-term rentals of motor vehicles, except for short-term rentals of
2394 motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is
2395 being repaired pursuant to a repair or an insurance agreement;

2396 (ii) beginning on January 1, 2021, a county legislative body of any county may impose
2397 a tax of not to exceed 7% on all short-term rentals of off-highway vehicles and recreational
2398 vehicles;

2399 (iii) a county legislative body of any county may impose a tax of not to exceed 1% of
2400 all sales of the following that are sold by a restaurant:

2401 (A) alcoholic beverages;

2402 (B) food and food ingredients; or

2403 (C) prepared food; and

2404 (iv) a county legislative body of a county of the first class may impose a tax of not to
2405 exceed .5% on charges for the accommodations and services described in Subsection

2406 [59-12-103\(1\)\(i\)](#).

2407 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
2408 [17-31-5.5](#).

2409 (2) (a) Subject to Subsection (2)(b), a county may use revenue from the imposition of a
2410 tax under Subsection (1) for:

2411 (i) financing tourism promotion; and

2412 (ii) the development, operation, and maintenance of:

- 2413 (A) an airport facility;
- 2414 (B) a convention facility;
- 2415 (C) a cultural facility;
- 2416 (D) a recreation facility; or
- 2417 (E) a tourist facility.
- 2418 (b) A county of the first class shall expend at least \$450,000 each year of the revenue
- 2419 from the imposition of a tax authorized by Subsection (1)(a)(iv) within the county to fund a
- 2420 marketing and ticketing system designed to:
 - 2421 (i) promote tourism in ski areas within the county by persons that do not reside within
 - 2422 the state; and
 - 2423 (ii) combine the sale of:
 - 2424 (A) ski lift tickets; and
 - 2425 (B) accommodations and services described in Subsection 59-12-103(1)(i).
- 2426 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other
- 2427 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local
- 2428 Government Bonding Act, or a community reinvestment agency under Title 17C, Chapter 1,
- 2429 Part 5, Agency Bonds, to finance:
 - 2430 (a) an airport facility;
 - 2431 (b) a convention facility;
 - 2432 (c) a cultural facility;
 - 2433 (d) a recreation facility; or
 - 2434 (e) a tourist facility.
- 2435 (4) (a) To impose a tax under Subsection (1), the county legislative body shall adopt an
- 2436 ordinance imposing the tax.
 - 2437 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the
 - 2438 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on
 - 2439 those items and sales described in Subsection (1).
 - 2440 (c) The name of the county as the taxing agency shall be substituted for that of the state
 - 2441 where necessary, and an additional license is not required if one has been or is issued under
 - 2442 Section 59-12-106.
- 2443 (5) To maintain in effect a tax ordinance adopted under this part, each county

2444 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,
2445 Tax Collection, adopt amendments to the county's tax ordinance to conform with the applicable
2446 amendments to Part 1, Tax Collection.

2447 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory
2448 board in accordance with Section 17-31-8, the county legislative body of the county of the first
2449 class shall create a tax advisory board in accordance with this Subsection (6).

2450 (b) The tax advisory board shall be composed of nine members appointed as follows:

2451 (i) four members shall be residents of a county of the first class appointed by the
2452 county legislative body of the county of the first class; and

2453 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or
2454 towns within the county of the first class appointed by an organization representing all mayors
2455 of cities and towns within the county of the first class.

2456 (c) Five members of the tax advisory board constitute a quorum.

2457 (d) The county legislative body of the county of the first class shall determine:

2458 (i) terms of the members of the tax advisory board;

2459 (ii) procedures and requirements for removing a member of the tax advisory board;

2460 (iii) voting requirements, except that action of the tax advisory board shall be by at
2461 least a majority vote of a quorum of the tax advisory board;

2462 (iv) chairs or other officers of the tax advisory board;

2463 (v) how meetings are to be called and the frequency of meetings; and

2464 (vi) the compensation, if any, of members of the tax advisory board.

2465 (e) The tax advisory board under this Subsection (6) shall advise the county legislative
2466 body of the county of the first class on the expenditure of revenue collected within the county
2467 of the first class from the taxes described in Subsection (1)(a).

2468 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part
2469 shall be administered, collected, and enforced in accordance with:

2470 (A) the same procedures used to administer, collect, and enforce the tax under:

2471 (I) Part 1, Tax Collection; or

2472 (II) Part 2, Local Sales and Use Tax Act; and

2473 (B) Chapter 1, General Taxation Policies.

2474 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or

2475 Subsections 59-12-205(2) through [~~6~~] (5).

2476 (b) Except as provided in Subsection (7)(c):

2477 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
2478 commission shall distribute the revenue to the county imposing the tax; and

2479 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue
2480 according to the distribution formula provided in Subsection (8).

2481 (c) The commission shall retain and deposit an administrative charge in accordance
2482 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

2483 (8) The commission shall distribute the revenue generated by the tax under Subsection
2484 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the
2485 following formula:

2486 (a) the commission shall distribute 70% of the revenue based on the percentages
2487 generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by
2488 the total revenue collected by all counties under Subsection (1)(a)(i)(B); and

2489 (b) the commission shall distribute 30% of the revenue based on the percentages
2490 generated by dividing the population of each county collecting a tax under Subsection
2491 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

2492 (9) (a) For purposes of this Subsection (9):

2493 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
2494 County Annexation.

2495 (ii) "Annexing area" means an area that is annexed into a county.

2496 (b) (i) Except as provided in Subsection (9)(c), if a county enacts or repeals a tax or
2497 changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:

2498 (A) on the first day of a calendar quarter; and

2499 (B) after a 90-day period beginning on the day on which the commission receives
2500 notice meeting the requirements of Subsection (9)(b)(ii) from the county.

2501 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

2502 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

2503 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

2504 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

2505 (D) if the county enacts the tax or changes the rate of the tax described in Subsection

2506 (9)(b)(ii)(A), the rate of the tax.

2507 (c) (i) If the billing period for a transaction begins before the effective date of the
2508 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
2509 the tax or the tax rate increase shall take effect on the first day of the first billing period that
2510 begins after the effective date of the enactment of the tax or the tax rate increase.

2511 (ii) If the billing period for a transaction begins before the effective date of the repeal
2512 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
2513 rate decrease shall take effect on the first day of the last billing period that began before the
2514 effective date of the repeal of the tax or the tax rate decrease.

2515 (d) (i) Except as provided in Subsection (9)(e), if the annexation will result in the
2516 enactment, repeal, or change in the rate of a tax under this part for an annexing area, the
2517 enactment, repeal, or change shall take effect:

2518 (A) on the first day of a calendar quarter; and

2519 (B) after a 90-day period beginning on the day on which the commission receives
2520 notice meeting the requirements of Subsection (9)(d)(ii) from the county that annexes the
2521 annexing area.

2522 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

2523 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,
2524 repeal, or change in the rate of a tax under this part for the annexing area;

2525 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

2526 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

2527 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
2528 (9)(d)(ii)(A), the rate of the tax.

2529 (e) (i) If the billing period for a transaction begins before the effective date of the
2530 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
2531 the tax or the tax rate increase shall take effect on the first day of the first billing period that
2532 begins after the effective date of the enactment of the tax or the tax rate increase.

2533 (ii) If the billing period for a transaction begins before the effective date of the repeal
2534 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
2535 rate decrease shall take effect on the first day of the last billing period that began before the
2536 effective date of the repeal of the tax or the tax rate decrease.

2537 Section 25. Section 59-12-703 is amended to read:

2538 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**
2539 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**
2540 **-- Notice requirements.**

2541 (1) (a) Subject to the other provisions of this section, a county legislative body may
2542 submit an opinion question to the residents of that county, by majority vote of all members of
2543 the legislative body, so that each resident of the county, except residents in municipalities that
2544 have already imposed a sales and use tax under Part 14, City or Town Option Funding for
2545 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an
2546 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
2547 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

2548 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
2549 organizations, cultural organizations, and zoological organizations, and rural radio stations, in
2550 that county; or

2551 (ii) provide funding for a botanical organization, cultural organization, or zoological
2552 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
2553 furtherance of the botanical organization's, cultural organization's, or zoological organization's
2554 primary purpose.

2555 (b) The opinion question required by this section shall state:

2556 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and
2557 use tax for (list the purposes for which the revenue collected from the sales and use tax shall be
2558 expended)?"

2559 (c) A county legislative body may not impose a tax under this section on:

2560 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
2561 are exempt from taxation under Section 59-12-104;

2562 (ii) sales and uses within a municipality that has already imposed a sales and use tax
2563 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and
2564 Zoological Organizations or Facilities; and

2565 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
2566 food ingredients.

2567 (d) For purposes of this Subsection (1), the location of a transaction shall be

2568 determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

2569 (e) A county legislative body imposing a tax under this section shall impose the tax on
2570 the purchase price or sales price for amounts paid or charged for food and food ingredients if
2571 the food and food ingredients are sold as part of a bundled transaction attributable to food and
2572 food ingredients and tangible personal property other than food and food ingredients.

2573 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local
2574 Government Bonding Act.

2575 (2) (a) If the county legislative body determines that a majority of the county's
2576 registered voters voting on the imposition of the tax have voted in favor of the imposition of
2577 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a
2578 majority vote of all members of the legislative body on the transactions:

2579 (i) described in Subsection (1); and

2580 (ii) within the county, including the cities and towns located in the county, except those
2581 cities and towns that have already imposed a sales and use tax under Part 14, City or Town
2582 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
2583 Facilities.

2584 (b) A county legislative body may revise county ordinances to reflect statutory changes
2585 to the distribution formula or eligible recipients of revenue generated from a tax imposed under
2586 Subsection (2)(a) without submitting an opinion question to residents of the county.

2587 (3) Subject to Section [59-12-704](#), revenue collected from a tax imposed under
2588 Subsection (2) shall be expended:

2589 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
2590 within the county or a city or town located in the county, except a city or town that has already
2591 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,
2592 Cultural, Recreational, and Zoological Organizations or Facilities;

2593 (b) to fund ongoing operating expenses of:

2594 (i) recreational facilities described in Subsection (3)(a);

2595 (ii) botanical organizations, cultural organizations, and zoological organizations within
2596 the county; and

2597 (iii) rural radio stations within the county; and

2598 (c) as stated in the opinion question described in Subsection (1).

- 2599 (4) (a) A tax authorized under this part shall be:
- 2600 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
2601 accordance with:
- 2602 (A) the same procedures used to administer, collect, and enforce the tax under:
- 2603 (I) Part 1, Tax Collection; or
- 2604 (II) Part 2, Local Sales and Use Tax Act; and
- 2605 (B) Chapter 1, General Taxation Policies; and
- 2606 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
2607 period in accordance with this section.
- 2608 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~[(6)]~~ (5).
- 2609 (5) (a) For purposes of this Subsection (5):
- 2610 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
2611 County Annexation.
- 2612 (ii) "Annexing area" means an area that is annexed into a county.
- 2613 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
2614 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:
- 2615 (A) on the first day of a calendar quarter; and
- 2616 (B) after a 90-day period beginning on the date the commission receives notice meeting
2617 the requirements of Subsection (5)(b)(ii) from the county.
- 2618 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
- 2619 (A) that the county will enact or repeal a tax under this part;
- 2620 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
- 2621 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
- 2622 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the
2623 tax.
- 2624 (c) (i) If the billing period for a transaction begins before the effective date of the
2625 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
2626 the first billing period that begins on or after the effective date of the enactment of the tax.
- 2627 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
2628 period is produced on or after the effective date of the repeal of the tax imposed under this
2629 section.

2630 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
2631 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
2632 Subsection (5)(b)(i) takes effect:

2633 (A) on the first day of a calendar quarter; and

2634 (B) beginning 60 days after the effective date of the enactment or repeal under
2635 Subsection (5)(b)(i).

2636 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2637 commission may by rule define the term "catalogue sale."

2638 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
2639 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
2640 part for an annexing area, the enactment or repeal shall take effect:

2641 (A) on the first day of a calendar quarter; and

2642 (B) after a 90-day period beginning on the date the commission receives notice meeting
2643 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

2644 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

2645 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
2646 repeal of a tax under this part for the annexing area;

2647 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

2648 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

2649 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

2650 (f) (i) If the billing period for a transaction begins before the effective date of the
2651 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
2652 the first billing period that begins on or after the effective date of the enactment of the tax.

2653 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
2654 period is produced on or after the effective date of the repeal of the tax imposed under this
2655 section.

2656 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
2657 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
2658 Subsection (5)(e)(i) takes effect:

2659 (A) on the first day of a calendar quarter; and

2660 (B) beginning 60 days after the effective date of the enactment or repeal under

2661 Subsection (5)(e)(i).

2662 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2663 commission may by rule define the term "catalogue sale."

2664 Section 26. Section **59-12-802** is amended to read:

2665 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**
2666 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**
2667 **Administrative charge.**

2668 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class
2669 may impose a sales and use tax of up to 1% on the transactions described in Subsection
2670 [59-12-103](#)(1) located within the county.

2671 (b) Subject to Subsection (3), the money collected from a tax under this section may be
2672 used to fund:

2673 (i) rural emergency medical services in that county;

2674 (ii) federally qualified health centers in that county;

2675 (iii) freestanding urgent care centers in that county;

2676 (iv) rural county health care facilities in that county;

2677 (v) rural health clinics in that county; or

2678 (vi) a combination of Subsections (1)(b)(i) through (v).

2679 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax
2680 under this section on:

2681 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses
2682 are exempt from taxation under Section [59-12-104](#);

2683 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in
2684 a city that imposes a tax under Section [59-12-804](#); and

2685 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
2686 food ingredients.

2687 (d) For purposes of this Subsection (1), the location of a transaction shall be
2688 determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

2689 (e) A county legislative body imposing a tax under this section shall impose the tax on
2690 the purchase price or sales price for amounts paid or charged for food and food ingredients if
2691 the food and food ingredients are sold as part of a bundled transaction attributable to food and

2692 food ingredients and tangible personal property other than food and food ingredients.
2693 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall
2694 obtain approval to impose the tax from a majority of the:
2695 (i) members of the county's legislative body; and
2696 (ii) county's registered voters voting on the imposition of the tax.
2697 (b) The county legislative body shall conduct the election according to the procedures
2698 and requirements of Title 11, Chapter 14, Local Government Bonding Act.
2699 (3) The money collected from a tax imposed under Subsection (1) may only be used to
2700 fund:
2701 (a) ongoing operating expenses of a center, clinic, or facility described in Subsection
2702 (1)(b) within that county;
2703 (b) the acquisition of land for a center, clinic, or facility described in Subsection (1)(b)
2704 within that county;
2705 (c) the design, construction, equipping, or furnishing of a center, clinic, or facility
2706 described in Subsection (1)(b) within that county; or
2707 (d) rural emergency medical services within that county.
2708 (4) (a) A tax under this section shall be:
2709 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
2710 accordance with:
2711 (A) the same procedures used to administer, collect, and enforce the tax under:
2712 (I) Part 1, Tax Collection; or
2713 (II) Part 2, Local Sales and Use Tax Act; and
2714 (B) Chapter 1, General Taxation Policies; and
2715 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
2716 period by the county legislative body as provided in Subsection (1).
2717 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [~~6~~]
2718 (5).
2719 (c) A county legislative body shall distribute money collected from a tax under this
2720 section quarterly.
2721 (5) The commission shall retain and deposit an administrative charge in accordance
2722 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

2723 Section 27. Section **59-12-804** is amended to read:

2724 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
2725 **collection, and enforcement of tax -- Administrative charge.**

2726 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

2727 (i) on the transactions described in Subsection **59-12-103**(1) located within the city;

2728 and

2729 (ii) to fund rural city hospitals in that city.

2730 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax

2731 under this section on:

2732 (i) the sales and uses described in Section **59-12-104** to the extent the sales and uses
2733 are exempt from taxation under Section **59-12-104**; and

2734 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food
2735 ingredients.

2736 (c) For purposes of this Subsection (1), the location of a transaction shall be

2737 determined in accordance with Sections **59-12-211** through **59-12-215**.

2738 (d) A city legislative body imposing a tax under this section shall impose the tax on the
2739 purchase price or sales price for amounts paid or charged for food and food ingredients if the
2740 food and food ingredients are sold as part of a bundled transaction attributable to food and food
2741 ingredients and tangible personal property other than food and food ingredients.

2742 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall

2743 obtain approval to impose the tax from a majority of the:

2744 (i) members of the city legislative body; and

2745 (ii) city's registered voters voting on the imposition of the tax.

2746 (b) The city legislative body shall conduct the election according to the procedures and

2747 requirements of Title 11, Chapter 14, Local Government Bonding Act.

2748 (3) The money collected from a tax imposed under Subsection (1) may only be used to

2749 fund:

2750 (a) ongoing operating expenses of a rural city hospital;

2751 (b) the acquisition of land for a rural city hospital; or

2752 (c) the design, construction, equipping, or furnishing of a rural city hospital.

2753 (4) (a) A tax under this section shall be:

2754 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
2755 accordance with:

2756 (A) the same procedures used to administer, collect, and enforce the tax under:

2757 (I) Part 1, Tax Collection; or

2758 (II) Part 2, Local Sales and Use Tax Act; and

2759 (B) Chapter 1, General Taxation Policies; and

2760 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
2761 period by the city legislative body as provided in Subsection (1).

2762 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [~~(6)~~]
2763 (5).

2764 (5) The commission shall retain and deposit an administrative charge in accordance
2765 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

2766 Section 28. Section 59-12-1102 is amended to read:

2767 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**

2768 **Administration -- Administrative charge -- Commission requirement to retain an amount**

2769 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**

2770 **of tax -- Effective date -- Notice requirements.**

2771 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax
2772 authorized by this chapter, a county may impose by ordinance a county option sales and use tax
2773 of .25% upon the transactions described in Subsection 59-12-103(1).

2774 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
2775 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
2776 exempt from taxation under Section 59-12-104.

2777 (b) For purposes of this Subsection (1), the location of a transaction shall be
2778 determined in accordance with Sections 59-12-211 through 59-12-215.

2779 (c) The county option sales and use tax under this section shall be imposed:

2780 (i) upon transactions that are located within the county, including transactions that are
2781 located within municipalities in the county; and

2782 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
2783 January:

2784 (A) of the next calendar year after adoption of the ordinance imposing the tax if the

2785 ordinance is adopted on or before May 25; or

2786 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
2787 ordinance is adopted after May 25.

2788 (d) The county option sales and use tax under this section shall be imposed:

2789 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
2790 September 4, 1997; or

2791 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
2792 but after September 4, 1997.

2793 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
2794 county shall hold two public hearings on separate days in geographically diverse locations in
2795 the county.

2796 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
2797 time of no earlier than 6 p.m.

2798 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
2799 days after the day the first advertisement required by Subsection (2)(c) is published.

2800 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
2801 shall advertise:

2802 (A) its intent to adopt a county option sales and use tax;

2803 (B) the date, time, and location of each public hearing; and

2804 (C) a statement that the purpose of each public hearing is to obtain public comments
2805 regarding the proposed tax.

2806 (ii) The advertisement shall be published:

2807 (A) in a newspaper of general circulation in the county once each week for the two
2808 weeks preceding the earlier of the two public hearings; and

2809 (B) on the Utah Public Notice Website created in Section [63A-16-601](#), for two weeks
2810 preceding the earlier of the two public hearings.

2811 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
2812 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
2813 border.

2814 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
2815 portion of the newspaper where legal notices and classified advertisements appear.

2816 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

2817 (A) the advertisement shall appear in a newspaper that is published at least five days a
2818 week, unless the only newspaper in the county is published less than five days a week; and

2819 (B) the newspaper selected shall be one of general interest and readership in the
2820 community, and not one of limited subject matter.

2821 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
2822 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
2823 6, Local Referenda - Procedures.

2824 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
2825 county option sales and use tax under Subsection (1) is less than 75% of the state population,
2826 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
2827 collected.

2828 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
2829 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
2830 population:

2831 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
2832 the county in which the tax was collected; and

2833 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
2834 (1) in each county shall be distributed proportionately among all counties imposing the tax,
2835 based on the total population of each county.

2836 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
2837 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
2838 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

2839 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
2840 be increased so that, when combined with the amount distributed to the county under
2841 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

2842 (ii) the amount to be distributed annually to all other counties under Subsection
2843 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
2844 Subsection (3)(c)(i).

2845 (d) The commission shall establish rules to implement the distribution of the tax under
2846 Subsections (3)(a), (b), and (c).

2847 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
2848 shall be administered, collected, and enforced in accordance with:

2849 (i) the same procedures used to administer, collect, and enforce the tax under:

2850 (A) Part 1, Tax Collection; or

2851 (B) Part 2, Local Sales and Use Tax Act; and

2852 (ii) Chapter 1, General Taxation Policies.

2853 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(6)~~ (5).

2854 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
2855 administrative charge in accordance with Section 59-1-306 from the revenue the commission
2856 collects from a tax under this part.

2857 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
2858 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
2859 the distribution amounts resulting after:

2860 (A) the applicable distribution calculations under Subsection (3) have been made; and

2861 (B) the commission retains the amount required by Subsection (5).

2862 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
2863 of the sales and use tax collected under this part as provided in this Subsection (5).

2864 (b) For a county that imposes a tax under this part, the commission shall calculate a
2865 percentage each month by dividing the sales and use tax collected under this part for that
2866 month within the boundaries of that county by the total sales and use tax collected under this
2867 part for that month within the boundaries of all of the counties that impose a tax under this part.

2868 (c) For a county that imposes a tax under this part, the commission shall retain each
2869 month an amount equal to the product of:

2870 (i) the percentage the commission determines for the month under Subsection (5)(b)
2871 for the county; and

2872 (ii) \$6,354.

2873 (d) The commission shall deposit an amount the commission retains in accordance
2874 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
2875 35A-8-1009.

2876 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
2877 Fund shall be expended as provided in Section 35A-8-1009.

2878 (6) (a) For purposes of this Subsection (6):
2879 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
2880 Consolidations and Annexations.
2881 (ii) "Annexing area" means an area that is annexed into a county.
2882 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a
2883 county enacts or repeals a tax under this part:
2884 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or
2885 (II) the repeal shall take effect on the first day of a calendar quarter; and
2886 (B) after a 90-day period beginning on the date the commission receives notice meeting
2887 the requirements of Subsection (6)(b)(ii) from the county.
2888 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:
2889 (A) that the county will enact or repeal a tax under this part;
2890 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);
2891 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and
2892 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the
2893 tax.
2894 (c) (i) If the billing period for a transaction begins before the effective date of the
2895 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day
2896 of the first billing period that begins on or after the effective date of the enactment of the tax.
2897 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
2898 period is produced on or after the effective date of the repeal of the tax imposed under
2899 Subsection (1).
2900 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
2901 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
2902 Subsection (6)(b)(i) takes effect:
2903 (A) on the first day of a calendar quarter; and
2904 (B) beginning 60 days after the effective date of the enactment or repeal under
2905 Subsection (6)(b)(i).
2906 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2907 commission may by rule define the term "catalogue sale."
2908 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs

2909 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
2910 part for an annexing area, the enactment or repeal shall take effect:

2911 (A) on the first day of a calendar quarter; and

2912 (B) after a 90-day period beginning on the date the commission receives notice meeting
2913 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

2914 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

2915 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
2916 repeal of a tax under this part for the annexing area;

2917 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

2918 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

2919 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

2920 (f) (i) If the billing period for a transaction begins before the effective date of the
2921 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day
2922 of the first billing period that begins on or after the effective date of the enactment of the tax.

2923 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
2924 period is produced on or after the effective date of the repeal of the tax imposed under
2925 Subsection (1).

2926 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
2927 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
2928 Subsection (6)(e)(i) takes effect:

2929 (A) on the first day of a calendar quarter; and

2930 (B) beginning 60 days after the effective date of the enactment or repeal under
2931 Subsection (6)(e)(i).

2932 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2933 commission may by rule define the term "catalogue sale."

2934 Section 29. Section **59-12-1201** is amended to read:

2935 **59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,**
2936 **collection, and enforcement of tax -- Administrative charge -- Deposits.**

2937 (1) (a) Except as provided in Subsection (3), there is imposed a tax of 2.5% on all
2938 short-term leases and rentals of motor vehicles not exceeding 30 days.

2939 (b) The tax imposed in this section is in addition to all other state, county, or municipal

2940 fees and taxes imposed on rentals of motor vehicles.

2941 (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax
2942 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

2943 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall
2944 take effect on the first day of the first billing period:

2945 (A) that begins after the effective date of the tax rate increase; and

2946 (B) if the billing period for the transaction begins before the effective date of a tax rate
2947 increase imposed under Subsection (1).

2948 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax
2949 rate decrease shall take effect on the first day of the last billing period:

2950 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
2951 and

2952 (B) if the billing period for the transaction begins before the effective date of the repeal
2953 of the tax or the tax rate decrease imposed under Subsection (1).

2954 (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

2955 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

2956 (b) the motor vehicle is rented as a personal household goods moving van; or

2957 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily
2958 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an
2959 insurance agreement.

2960 (4) (a) (i) The tax authorized under this section shall be administered, collected, and
2961 enforced in accordance with:

2962 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,
2963 Tax Collection; and

2964 (B) Chapter 1, General Taxation Policies.

2965 (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to
2966 Subsections [~~59-12-103(4) through (10)~~] 59-12-103(4) through (9) or Section 59-12-107.1 or
2967 59-12-123.

2968 (b) The commission shall retain and deposit an administrative charge in accordance
2969 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

2970 (c) Except as provided under Subsection (4)(b), all revenue received by the

2971 commission under this section shall be deposited daily with the state treasurer and credited
2972 monthly to the Marda Dillree Corridor Preservation Fund under Section 72-2-117.

2973 Section 30. Section 59-12-1302 is amended to read:

2974 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
2975 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
2976 **enforcement of tax -- Administrative charge.**

2977 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
2978 tax as provided in this part in an amount that does not exceed 1%.

2979 (2) A town may impose a tax as provided in this part if the town imposed a license fee
2980 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,
2981 1996.

2982 (3) A town imposing a tax under this section shall:

2983 (a) except as provided in Subsection (4), impose the tax on the transactions described
2984 in Subsection 59-12-103(1) located within the town; and

2985 (b) provide an effective date for the tax as provided in Subsection (5).

2986 (4) (a) A town may not impose a tax under this section on:

2987 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
2988 are exempt from taxation under Section 59-12-104; and

2989 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
2990 ingredients.

2991 (b) For purposes of this Subsection (4), the location of a transaction shall be
2992 determined in accordance with Sections 59-12-211 through 59-12-215.

2993 (c) A town imposing a tax under this section shall impose the tax on the purchase price
2994 or sales price for amounts paid or charged for food and food ingredients if the food and food
2995 ingredients are sold as part of a bundled transaction attributable to food and food ingredients
2996 and tangible personal property other than food and food ingredients.

2997 (5) (a) For purposes of this Subsection (5):

2998 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
2999 Annexation.

3000 (ii) "Annexing area" means an area that is annexed into a town.

3001 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a

3002 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,
3003 or change shall take effect:

3004 (A) on the first day of a calendar quarter; and

3005 (B) after a 90-day period beginning on the date the commission receives notice meeting
3006 the requirements of Subsection (5)(b)(ii) from the town.

3007 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

3008 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

3009 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

3010 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

3011 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
3012 (5)(b)(ii)(A), the rate of the tax.

3013 (c) (i) If the billing period for the transaction begins before the effective date of the
3014 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
3015 the tax or the tax rate increase takes effect on the first day of the first billing period that begins
3016 on or after the effective date of the enactment of the tax or the tax rate increase.

3017 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
3018 statement for the billing period is produced on or after the effective date of the repeal of the tax
3019 or the tax rate decrease imposed under Subsection (1).

3020 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
3021 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
3022 a tax described in Subsection (5)(b)(i) takes effect:

3023 (A) on the first day of a calendar quarter; and

3024 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
3025 rate of the tax under Subsection (5)(b)(i).

3026 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3027 commission may by rule define the term "catalogue sale."

3028 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
3029 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
3030 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
3031 effect:

3032 (A) on the first day of a calendar quarter; and

3033 (B) after a 90-day period beginning on the date the commission receives notice meeting
3034 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

3035 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

3036 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,
3037 repeal, or change in the rate of a tax under this part for the annexing area;

3038 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

3039 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

3040 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
3041 (5)(e)(ii)(A), the rate of the tax.

3042 (f) (i) If the billing period for a transaction begins before the effective date of the
3043 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
3044 the tax or the tax rate increase takes effect on the first day of the first billing period that begins
3045 on or after the effective date of the enactment of the tax or the tax rate increase.

3046 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
3047 statement for the billing period is produced on or after the effective date of the repeal of the tax
3048 or the tax rate decrease imposed under Subsection (1).

3049 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
3050 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
3051 a tax described in Subsection (5)(e)(i) takes effect:

3052 (A) on the first day of a calendar quarter; and

3053 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
3054 rate of the tax under Subsection (5)(e)(i).

3055 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3056 commission may by rule define the term "catalogue sale."

3057 (6) The commission shall:

3058 (a) distribute the revenue generated by the tax under this section to the town imposing
3059 the tax; and

3060 (b) except as provided in Subsection (8), administer, collect, and enforce the tax
3061 authorized under this section in accordance with:

3062 (i) the same procedures used to administer, collect, and enforce the tax under:

3063 (A) Part 1, Tax Collection; or

3064 (B) Part 2, Local Sales and Use Tax Act; and

3065 (ii) Chapter 1, General Taxation Policies.

3066 (7) The commission shall retain and deposit an administrative charge in accordance
3067 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

3068 (8) A tax under this section is not subject to Subsections 59-12-205(2) through [~~6~~]
3069 (5).

3070 Section 31. Section 59-12-1402 is amended to read:

3071 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**
3072 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**
3073 **requirements.**

3074 (1) (a) Subject to the other provisions of this section, a city or town legislative body
3075 subject to this part may submit an opinion question to the residents of that city or town, by
3076 majority vote of all members of the legislative body, so that each resident of the city or town
3077 has an opportunity to express the resident's opinion on the imposition of a local sales and use
3078 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or
3079 town, to:

3080 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical
3081 organizations, cultural organizations, and zoological organizations in that city or town; or

3082 (ii) provide funding for a botanical organization, cultural organization, or zoological
3083 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
3084 furtherance of the botanical organization's, cultural organization's, or zoological organization's
3085 primary purpose.

3086 (b) The opinion question required by this section shall state:

3087 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
3088 and use tax for (list the purposes for which the revenue collected from the sales and use tax
3089 shall be expended)?"

3090 (c) A city or town legislative body may not impose a tax under this section:

3091 (i) if the county in which the city or town is located imposes a tax under Part 7, County
3092 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
3093 Facilities;

3094 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and

3095 uses are exempt from taxation under Section 59-12-104; and

3096 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
3097 food ingredients.

3098 (d) For purposes of this Subsection (1), the location of a transaction shall be
3099 determined in accordance with Sections 59-12-211 through 59-12-215.

3100 (e) A city or town legislative body imposing a tax under this section shall impose the
3101 tax on the purchase price or sales price for amounts paid or charged for food and food
3102 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
3103 to food and food ingredients and tangible personal property other than food and food
3104 ingredients.

3105 (f) Except as provided in Subsection (6), the election shall be held at a regular general
3106 election or a municipal general election, as those terms are defined in Section 20A-1-102, and
3107 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

3108 (2) If the city or town legislative body determines that a majority of the city's or town's
3109 registered voters voting on the imposition of the tax have voted in favor of the imposition of
3110 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by
3111 a majority vote of all members of the legislative body.

3112 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under
3113 Subsection (2) shall be expended:

3114 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
3115 the city or town or within the geographic area of entities that are parties to an interlocal
3116 agreement, to which the city or town is a party, providing for cultural facilities, recreational
3117 facilities, or zoological facilities;

3118 (b) to finance ongoing operating expenses of:

3119 (i) recreational facilities described in Subsection (3)(a) within the city or town or
3120 within the geographic area of entities that are parties to an interlocal agreement, to which the
3121 city or town is a party, providing for recreational facilities; or

3122 (ii) botanical organizations, cultural organizations, and zoological organizations within
3123 the city or town or within the geographic area of entities that are parties to an interlocal
3124 agreement, to which the city or town is a party, providing for the support of botanical
3125 organizations, cultural organizations, or zoological organizations; and

3126 (c) as stated in the opinion question described in Subsection (1).
3127 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall
3128 be:
3129 (i) administered, collected, and enforced in accordance with:
3130 (A) the same procedures used to administer, collect, and enforce the tax under:
3131 (I) Part 1, Tax Collection; or
3132 (II) Part 2, Local Sales and Use Tax Act; and
3133 (B) Chapter 1, General Taxation Policies; and
3134 (ii) (A) levied for a period of eight years; and
3135 (B) may be reauthorized at the end of the eight-year period in accordance with this
3136 section.
3137 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the
3138 tax shall be levied for a period of 10 years.
3139 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
3140 after July 1, 2011, the tax shall be reauthorized for a ten-year period.
3141 (c) A tax under this section is not subject to Subsections 59-12-205(2) through [~~6~~]
3142 (5).
3143 (5) (a) For purposes of this Subsection (5):
3144 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
3145 4, Annexation.
3146 (ii) "Annexing area" means an area that is annexed into a city or town.
3147 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
3148 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:
3149 (A) on the first day of a calendar quarter; and
3150 (B) after a 90-day period beginning on the date the commission receives notice meeting
3151 the requirements of Subsection (5)(b)(ii) from the city or town.
3152 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
3153 (A) that the city or town will enact or repeal a tax under this part;
3154 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
3155 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
3156 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of

3157 the tax.

3158 (c) (i) If the billing period for a transaction begins before the effective date of the
3159 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
3160 the first billing period that begins on or after the effective date of the enactment of the tax.

3161 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
3162 period is produced on or after the effective date of the repeal of the tax imposed under this
3163 section.

3164 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
3165 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
3166 Subsection (5)(b)(i) takes effect:

3167 (A) on the first day of a calendar quarter; and

3168 (B) beginning 60 days after the effective date of the enactment or repeal under
3169 Subsection (5)(b)(i).

3170 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3171 commission may by rule define the term "catalogue sale."

3172 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
3173 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
3174 part for an annexing area, the enactment or repeal shall take effect:

3175 (A) on the first day of a calendar quarter; and

3176 (B) after a 90-day period beginning on the date the commission receives notice meeting
3177 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

3178 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

3179 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
3180 repeal a tax under this part for the annexing area;

3181 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

3182 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

3183 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

3184 (f) (i) If the billing period for a transaction begins before the effective date of the
3185 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
3186 the first billing period that begins on or after the effective date of the enactment of the tax.

3187 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing

3188 period is produced on or after the effective date of the repeal of the tax imposed under this
3189 section.

3190 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
3191 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
3192 Subsection (5)(e)(i) takes effect:

3193 (A) on the first day of a calendar quarter; and

3194 (B) beginning 60 days after the effective date of the enactment or repeal under
3195 Subsection (5)(e)(i).

3196 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3197 commission may by rule define the term "catalogue sale."

3198 (6) (a) Before a city or town legislative body submits an opinion question to the
3199 residents of the city or town under Subsection (1), the city or town legislative body shall:

3200 (i) submit to the county legislative body in which the city or town is located a written
3201 notice of the intent to submit the opinion question to the residents of the city or town; and

3202 (ii) receive from the county legislative body:

3203 (A) a written resolution passed by the county legislative body stating that the county
3204 legislative body is not seeking to impose a tax under Part 7, County Option Funding for
3205 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

3206 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
3207 opinion question submitted to the residents of the county under Part 7, County Option Funding
3208 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
3209 or town legislative body to submit the opinion question to the residents of the city or town in
3210 accordance with this part.

3211 (b) (i) Within 60 days after the day the county legislative body receives from a city or
3212 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
3213 opinion question to the residents of the city or town, the county legislative body shall provide
3214 the city or town legislative body:

3215 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

3216 (B) written notice that the county legislative body will submit an opinion question to
3217 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
3218 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under

3219 that part.

3220 (ii) If the county legislative body provides the city or town legislative body the written
3221 notice that the county legislative body will submit an opinion question as provided in
3222 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no
3223 later than, from the date the county legislative body sends the written notice, the later of:

3224 (A) a 12-month period;

3225 (B) the next regular primary election; or

3226 (C) the next regular general election.

3227 (iii) Within 30 days of the date of the canvass of the election at which the opinion
3228 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
3229 city or town legislative body described in Subsection (6)(a) written results of the opinion
3230 question submitted by the county legislative body under Part 7, County Option Funding for
3231 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

3232 (A) (I) the city or town legislative body may not impose a tax under this part because a
3233 majority of the county's registered voters voted in favor of the county imposing the tax and the
3234 county legislative body by a majority vote approved the imposition of the tax; or

3235 (II) for at least 12 months from the date the written results are submitted to the city or
3236 town legislative body, the city or town legislative body may not submit to the county legislative
3237 body a written notice of the intent to submit an opinion question under this part because a
3238 majority of the county's registered voters voted against the county imposing the tax and the
3239 majority of the registered voters who are residents of the city or town described in Subsection
3240 (6)(a) voted against the imposition of the county tax; or

3241 (B) the city or town legislative body may submit the opinion question to the residents
3242 of the city or town in accordance with this part because although a majority of the county's
3243 registered voters voted against the county imposing the tax, the majority of the registered voters
3244 who are residents of the city or town voted for the imposition of the county tax.

3245 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
3246 provide a city or town legislative body described in Subsection (6)(a) a written resolution
3247 passed by the county legislative body stating that the county legislative body is not seeking to
3248 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
3249 Zoological Organizations or Facilities, which permits the city or town legislative body to

3250 submit under Subsection (1) an opinion question to the city's or town's residents.

3251 Section 32. Section **59-12-2103** is amended to read:

3252 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**
3253 **from the tax -- Administration, collection, and enforcement of tax by commission --**
3254 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

3255 (1) (a) As used in this section, "eligible city or town" means a city or town that
3256 imposed a tax under this part on July 1, 2016.

3257 (b) Subject to the other provisions of this section and except as provided in Subsection
3258 (2) or (3), the legislative body of an eligible city or town may impose a sales and use tax of up
3259 to .20% on the transactions:

3260 (i) described in Subsection [59-12-103](#)(1); and

3261 (ii) within the city or town.

3262 (c) A city or town legislative body that imposes a tax under Subsection (1)(b) shall
3263 expend the revenue collected from the tax for the same purposes for which the city or town
3264 may expend the city's or town's general fund revenue.

3265 (d) For purposes of this Subsection (1), the location of a transaction shall be
3266 determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

3267 (2) (a) A city or town legislative body may not impose a tax under this section on:

3268 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses
3269 are exempt from taxation under Section [59-12-104](#); and

3270 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
3271 ingredients.

3272 (b) A city or town legislative body imposing a tax under this section shall impose the
3273 tax on the purchase price or sales price for amounts paid or charged for food and food
3274 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
3275 to food and food ingredients and tangible personal property other than food and food
3276 ingredients.

3277 (3) An eligible city or town may impose a tax under this part until no later than June
3278 30, 2030.

3279 (4) The commission shall transmit revenue collected within a city or town from a tax
3280 under this part:

- 3281 (a) to the city or town legislative body;
- 3282 (b) monthly; and
- 3283 (c) by electronic funds transfer.
- 3284 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
- 3285 collect, and enforce a tax under this part in accordance with:
- 3286 (i) the same procedures used to administer, collect, and enforce the tax under:
- 3287 (A) Part 1, Tax Collection; or
- 3288 (B) Part 2, Local Sales and Use Tax Act; and
- 3289 (ii) Chapter 1, General Taxation Policies.
- 3290 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~[(6)]~~ (5).
- 3291 (6) The commission shall retain and deposit an administrative charge in accordance
- 3292 with Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 3293 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
- 3294 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
- 3295 repeal, or change shall take effect:
- 3296 (A) on the first day of a calendar quarter; and
- 3297 (B) after a 90-day period beginning on the date the commission receives notice meeting
- 3298 the requirements of Subsection (7)(a)(i) from the city or town.
- 3299 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:
- 3300 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
- 3301 this part;
- 3302 (B) the statutory authority for the tax described in Subsection (7)(a)(i)(A);
- 3303 (C) the effective date of the tax described in Subsection (7)(a)(i)(A); and
- 3304 (D) if the city or town enacts the tax or changes the rate of the tax described in
- 3305 Subsection (7)(a)(i)(A), the rate of the tax.
- 3306 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
- 3307 the tax rate increase under Subsection (1), the enactment of the tax or the tax rate increase takes
- 3308 effect on the first day of the first billing period that begins on or after the effective date of the
- 3309 enactment of the tax or the tax rate increase.
- 3310 (ii) If the billing period for a transaction begins before the effective date of the repeal
- 3311 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax

3312 rate decrease applies to a billing period if the billing statement for the billing period is rendered
3313 on or after the effective date of the repeal of the tax or the tax rate decrease.

3314 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
3315 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
3316 described in Subsection (7)(a)(i) takes effect:

3317 (A) on the first day of a calendar quarter; and

3318 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
3319 rate of the tax under Subsection (7)(a)(i).

3320 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3321 commission may by rule define the term "catalogue sale."

3322 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
3323 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
3324 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
3325 effect:

3326 (A) on the first day of a calendar quarter; and

3327 (B) after a 90-day period beginning on the date the commission receives notice meeting
3328 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

3329 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

3330 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
3331 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

3332 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

3333 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

3334 (D) if the city or town enacts the tax or changes the rate of the tax described in
3335 Subsection (7)(d)(ii)(A), the rate of the tax.

3336 (e) (i) If the billing period for a transaction begins before the effective date of the
3337 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
3338 rate increase takes effect on the first day of the first billing period that begins on or after the
3339 effective date of the enactment of the tax or the tax rate increase.

3340 (ii) If the billing period for a transaction begins before the effective date of the repeal
3341 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
3342 rate decrease applies to a billing period if the billing statement for the billing period is rendered

3343 on or after the effective date of the repeal of the tax or the tax rate decrease.

3344 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
3345 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
3346 described in Subsection (7)(d)(i) takes effect:

3347 (A) on the first day of a calendar quarter; and

3348 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
3349 Subsection (7)(d)(i).

3350 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3351 commission may by rule define the term "catalogue sale."

3352 Section 33. Section **59-12-2206** is amended to read:

3353 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**
3354 **under this part -- Transmission of revenue monthly by electronic funds transfer --**
3355 **Transfer of revenue to a public transit district or eligible political subdivision.**

3356 (1) Except as provided in Subsection (2), the commission shall administer, collect, and
3357 enforce a sales and use tax imposed under this part.

3358 (2) The commission shall administer, collect, and enforce a sales and use tax imposed
3359 under this part in accordance with:

3360 (a) the same procedures used to administer, collect, and enforce a tax under:

3361 (i) Part 1, Tax Collection; or

3362 (ii) Part 2, Local Sales and Use Tax Act; and

3363 (b) Chapter 1, General Taxation Policies.

3364 (3) A sales and use tax under this part is not subject to Subsections [59-12-205](#)(2)
3365 through ~~(6)~~ [\(5\)](#).

3366 (4) Subject to Section [59-12-2207](#) and except as provided in Subsection (5) or another
3367 provision of this part, the state treasurer shall transmit revenue collected within a county, city,
3368 or town from a sales and use tax under this part to the county, city, or town legislative body
3369 monthly by electronic funds transfer.

3370 (5) (a) Subject to Section [59-12-2207](#), and except as provided in Subsection (5)(b), the
3371 state treasurer shall transfer revenue collected within a county, city, or town from a sales and
3372 use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a,
3373 Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section

3374 59-12-2219, if the county, city, or town legislative body:

3375 (i) provides written notice to the commission and the state treasurer requesting the
3376 transfer; and

3377 (ii) designates the public transit district or eligible political subdivision to which the
3378 county, city, or town legislative body requests the state treasurer to transfer the revenue.

3379 (b) The commission shall transmit a portion of the revenue collected within a county,
3380 city, or town from a sales and use tax under this part that would be transferred to a public
3381 transit district or an eligible political subdivision under Subsection (5)(a) to the county, city, or
3382 town to fund public transit fixed guideway safety oversight under Section 72-1-214 if the
3383 county, city, or town legislative body:

3384 (i) provides written notice to the commission and the state treasurer requesting the
3385 transfer; and

3386 (ii) specifies the amount of revenue required to be transmitted to the county, city, or
3387 town.

3388 Section 34. Section 63G-2-302 is amended to read:

3389 **63G-2-302. Private records.**

3390 (1) The following records are private:

3391 (a) records concerning an individual's eligibility for unemployment insurance benefits,
3392 social services, welfare benefits, or the determination of benefit levels;

3393 (b) records containing data on individuals describing medical history, diagnosis,
3394 condition, treatment, evaluation, or similar medical data;

3395 (c) records of publicly funded libraries that when examined alone or with other records
3396 identify a patron;

3397 (d) records received by or generated by or for:

3398 (i) the Independent Legislative Ethics Commission, except for:

3399 (A) the commission's summary data report that is required under legislative rule; and

3400 (B) any other document that is classified as public under legislative rule; or

3401 (ii) a Senate or House Ethics Committee in relation to the review of ethics complaints,
3402 unless the record is classified as public under legislative rule;

3403 (e) records received by, or generated by or for, the Independent Executive Branch

3404 Ethics Commission, except as otherwise expressly provided in Title 63A, Chapter 14, Review

3405 of Executive Branch Ethics Complaints;

3406 (f) records received or generated for a Senate confirmation committee concerning
3407 character, professional competence, or physical or mental health of an individual:

3408 (i) if, prior to the meeting, the chair of the committee determines release of the records:

3409 (A) reasonably could be expected to interfere with the investigation undertaken by the
3410 committee; or

3411 (B) would create a danger of depriving a person of a right to a fair proceeding or
3412 impartial hearing; and

3413 (ii) after the meeting, if the meeting was closed to the public;

3414 (g) employment records concerning a current or former employee of, or applicant for
3415 employment with, a governmental entity that would disclose that individual's home address,
3416 home telephone number, social security number, insurance coverage, marital status, or payroll
3417 deductions;

3418 (h) records or parts of records under Section [63G-2-303](#) that a current or former
3419 employee identifies as private according to the requirements of that section;

3420 (i) that part of a record indicating a person's social security number or federal employer
3421 identification number if provided under Section [31A-23a-104](#), [31A-25-202](#), [31A-26-202](#),
3422 [58-1-301](#), [58-55-302](#), [61-1-4](#), or [61-2f-203](#);

3423 (j) that part of a voter registration record identifying a voter's:

3424 (i) driver license or identification card number;

3425 (ii) social security number, or last four digits of the social security number;

3426 (iii) email address;

3427 (iv) date of birth; or

3428 (v) phone number;

3429 (k) a voter registration record that is classified as a private record by the lieutenant
3430 governor or a county clerk under Subsection [20A-2-101.1\(5\)\(a\)](#), [20A-2-104\(4\)\(h\)](#), or
3431 [20A-2-204\(4\)\(b\)](#);

3432 (l) a voter registration record that is withheld under Subsection [20A-2-104\(7\)](#);

3433 (m) a withholding request form described in Subsections [20A-2-104\(7\)](#) and (8) and any
3434 verification submitted in support of the form;

3435 (n) a record that:

- 3436 (i) contains information about an individual;
- 3437 (ii) is voluntarily provided by the individual; and
- 3438 (iii) goes into an electronic database that:
 - 3439 (A) is designated by and administered under the authority of the Chief Information
 - 3440 Officer; and
 - 3441 (B) acts as a repository of information about the individual that can be electronically
 - 3442 retrieved and used to facilitate the individual's online interaction with a state agency;
 - 3443 (o) information provided to the Commissioner of Insurance under:
 - 3444 (i) Subsection [31A-23a-115\(3\)\(a\)](#);
 - 3445 (ii) Subsection [31A-23a-302\(4\)](#); or
 - 3446 (iii) Subsection [31A-26-210\(4\)](#);
 - 3447 (p) information obtained through a criminal background check under Title 11, Chapter
 - 3448 40, Criminal Background Checks by Political Subdivisions Operating Water Systems;
 - 3449 (q) information provided by an offender that is:
 - 3450 (i) required by the registration requirements of Title 77, Chapter 41, Sex and Kidnap
 - 3451 Offender Registry or Title 77, Chapter 43, Child Abuse Offender Registry; and
 - 3452 (ii) not required to be made available to the public under Subsection [77-41-110\(4\)](#) or
 - 3453 [77-43-108\(4\)](#);
 - 3454 (r) a statement and any supporting documentation filed with the attorney general in
 - 3455 accordance with Section [34-45-107](#), if the federal law or action supporting the filing involves
 - 3456 homeland security;
 - 3457 (s) electronic toll collection customer account information received or collected under
 - 3458 Section [72-6-118](#) and customer information described in Section [17B-2a-815](#) received or
 - 3459 collected by a public transit district, including contact and payment information and customer
 - 3460 travel data;
 - 3461 (t) an email address provided by a military or overseas voter under Section
 - 3462 [20A-16-501](#);
 - 3463 (u) a completed military-overseas ballot that is electronically transmitted under Title
 - 3464 20A, Chapter 16, Uniform Military and Overseas Voters Act;
 - 3465 (v) records received by or generated by or for the Political Subdivisions Ethics Review
 - 3466 Commission established in Section [63A-15-201](#), except for:

- 3467 (i) the commission's summary data report that is required in Section 63A-15-202; and
3468 (ii) any other document that is classified as public in accordance with Title 63A,
3469 Chapter 15, Political Subdivisions Ethics Review Commission;
- 3470 (w) a record described in Section 53G-9-604 that verifies that a parent was notified of
3471 an incident or threat;
- 3472 (x) a criminal background check or credit history report conducted in accordance with
3473 Section 63A-3-201;
- 3474 (y) a record described in Subsection 53-5a-104(7);
- 3475 (z) on a record maintained by a county for the purpose of administering property taxes,
3476 an individual's:
- 3477 (i) email address;
3478 (ii) phone number; or
3479 (iii) personal financial information related to a person's payment method;
- 3480 (aa) a record submitted by a taxpayer to establish the taxpayer's eligibility for an
3481 exemption, deferral, abatement, or relief under:
- 3482 (i) [~~Title 59, Chapter 2, Part 11, Exemptions, Deferrals, and Abatements~~] Title 59,
3483 Chapter 2, Part 11, Exemptions;
- 3484 (ii) Title 59, Chapter 2, Part 12, Property Tax Relief;
3485 (iii) Title 59, Chapter 2, Part 18, Tax Deferral and Tax Abatement; or
3486 (iv) Title 59, Chapter 2, Part 19, Armed Forces Exemptions;
- 3487 (bb) a record provided by the State Tax Commission in response to a request under
3488 Subsection 59-1-403(4)(y)(iii);
- 3489 (cc) a record of the Child Welfare Legislative Oversight Panel regarding an individual
3490 child welfare case, as described in Subsection 36-33-103(3); and
- 3491 (dd) a record relating to drug or alcohol testing of a state employee under Section
3492 63A-17-1004.
- 3493 (2) The following records are private if properly classified by a governmental entity:
- 3494 (a) records concerning a current or former employee of, or applicant for employment
3495 with a governmental entity, including performance evaluations and personal status information
3496 such as race, religion, or disabilities, but not including records that are public under Subsection
3497 63G-2-301(2)(b) or 63G-2-301(3)(o) or private under Subsection (1)(b);

- 3498 (b) records describing an individual's finances, except that the following are public:
- 3499 (i) records described in Subsection 63G-2-301(2);
- 3500 (ii) information provided to the governmental entity for the purpose of complying with
- 3501 a financial assurance requirement; or
- 3502 (iii) records that must be disclosed in accordance with another statute;
- 3503 (c) records of independent state agencies if the disclosure of those records would
- 3504 conflict with the fiduciary obligations of the agency;
- 3505 (d) other records containing data on individuals the disclosure of which constitutes a
- 3506 clearly unwarranted invasion of personal privacy;
- 3507 (e) records provided by the United States or by a government entity outside the state
- 3508 that are given with the requirement that the records be managed as private records, if the
- 3509 providing entity states in writing that the record would not be subject to public disclosure if
- 3510 retained by it;
- 3511 (f) any portion of a record in the custody of the Division of Aging and Adult Services,
- 3512 created in Section 62A-3-102, that may disclose, or lead to the discovery of, the identity of a
- 3513 person who made a report of alleged abuse, neglect, or exploitation of a vulnerable adult; and
- 3514 (g) audio and video recordings created by a body-worn camera, as defined in Section
- 3515 77-7a-103, that record sound or images inside a home or residence except for recordings that:
- 3516 (i) depict the commission of an alleged crime;
- 3517 (ii) record any encounter between a law enforcement officer and a person that results in
- 3518 death or bodily injury, or includes an instance when an officer fires a weapon;
- 3519 (iii) record any encounter that is the subject of a complaint or a legal proceeding
- 3520 against a law enforcement officer or law enforcement agency;
- 3521 (iv) contain an officer involved critical incident as defined in Subsection
- 3522 76-2-408(1)(f); or
- 3523 (v) have been requested for reclassification as a public record by a subject or
- 3524 authorized agent of a subject featured in the recording.
- 3525 (3) (a) As used in this Subsection (3), "medical records" means medical reports,
- 3526 records, statements, history, diagnosis, condition, treatment, and evaluation.
- 3527 (b) Medical records in the possession of the University of Utah Hospital, its clinics,
- 3528 doctors, or affiliated entities are not private records or controlled records under Section

3529 [63G-2-304](#) when the records are sought:

3530 (i) in connection with any legal or administrative proceeding in which the patient's
3531 physical, mental, or emotional condition is an element of any claim or defense; or

3532 (ii) after a patient's death, in any legal or administrative proceeding in which any party
3533 relies upon the condition as an element of the claim or defense.

3534 (c) Medical records are subject to production in a legal or administrative proceeding
3535 according to state or federal statutes or rules of procedure and evidence as if the medical
3536 records were in the possession of a nongovernmental medical care provider.

3537 Section 35. Section **63N-2-510** is amended to read:

3538 **63N-2-510. Report by office -- Posting of report.**

3539 (1) The office shall include the following information in the office's annual written
3540 report described in Section [63N-1a-306](#):

3541 (a) the state's success in attracting new conventions and corresponding new state
3542 revenue;

3543 (b) the estimated amount of convention incentive commitments and the associated
3544 calculation made by the office and the period of time over which convention incentives are
3545 expected to be paid;

3546 (c) the economic impact on the state related to generating new state revenue and
3547 providing convention incentives; and

3548 (d) the estimated and actual costs and economic benefits of the convention incentive
3549 commitments that the office made.

3550 (2) Upon the commencement of the construction of a qualified hotel, the office shall
3551 send a written notice to the Division of Finance:

3552 (a) referring to the two annual deposits required under Subsection [~~59-12-103(11)]~~
3553 [59-12-103\(10\)](#); and

3554 (b) notifying the Division of Finance that construction on the qualified hotel has begun.

3555 Section 36. Section **63N-2-512** is amended to read:

3556 **63N-2-512. Hotel Impact Mitigation Fund.**

3557 (1) As used in this section:

3558 (a) "Affected hotel" means a hotel built in the state before July 1, 2014.

3559 (b) "Direct losses" means affected hotels' losses of hotel guest business attributable to

3560 the qualified hotel room supply being added to the market in the state.

3561 (c) "Mitigation fund" means the Hotel Impact Mitigation Fund, created in Subsection
3562 (2).

3563 (2) There is created an expendable special revenue fund known as the Hotel Impact
3564 Mitigation Fund.

3565 (3) The mitigation fund shall:

3566 (a) be administered by the GO Utah board;

3567 (b) earn interest; and

3568 (c) be funded by:

3569 (i) payments required to be deposited into the mitigation fund by the Division of
3570 Finance under Subsection [~~59-12-103(11)~~] 59-12-103(10);

3571 (ii) money required to be deposited into the mitigation fund under Subsection
3572 17-31-9(2) by the county in which a qualified hotel is located; and

3573 (iii) any money deposited into the mitigation fund under Subsection (6).

3574 (4) Interest earned by the mitigation fund shall be deposited into the mitigation fund.

3575 (5) (a) In accordance with office rules, the GO Utah board shall annually pay up to
3576 \$2,100,000 of money in the mitigation fund:

3577 (i) to affected hotels;

3578 (ii) for four consecutive years, beginning 12 months after the date of initial occupancy
3579 of the qualified hotel occurs; and

3580 (iii) to mitigate direct losses.

3581 (b) (i) If the amount the GO Utah board pays under Subsection (5)(a) in any year is less
3582 than \$2,100,000, the GO Utah board shall pay to the Stay Another Day and Bounce Back Fund,
3583 created in Section 63N-2-511, the difference between \$2,100,000 and the amount paid under
3584 Subsection (5)(a).

3585 (ii) The GO Utah board shall make any required payment under Subsection (5)(b)(i)
3586 within 90 days after the end of the year for which a determination is made of how much the GO
3587 Utah board is required to pay to affected hotels under Subsection (5)(a).

3588 (6) A host local government or qualified hotel owner may make payments to the
3589 Division of Finance for deposit into the mitigation fund.

3590 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

3591 office shall, in consultation with the Utah Hotel and Lodging Association and the county in
3592 which the qualified hotel is located, make rules establishing procedures and criteria governing
3593 payments under Subsection (5)(a) to affected hotels.

3594 Section 37. **Repealer.**

3595 This bill repeals:

3596 Section **59-7-613**, Tax credits for machinery, equipment, or both primarily used
3597 for conducting qualified research or basic research -- Carry forward -- Commission to
3598 report modification or repeal of certain federal provisions -- Revenue and Taxation
3599 Interim Committee study.

3600 Section **59-7-614.9**, Nonrefundable tax credit for employing a recently deployed
3601 veteran.

3602 Section **59-7-617**, Nonrefundable tax credit for employment of a person who is
3603 homeless.

3604 Section **59-7-622**, Nonrefundable tax credit for small employer's participation in
3605 retirement.

3606 Section **59-10-1013**, Tax credits for machinery, equipment, or both primarily used
3607 for conducting qualified research or basic research -- Carry forward -- Commission to
3608 report modification or repeal of certain federal provisions -- Revenue and Taxation
3609 Interim Committee study.

3610 Section **59-10-1040**, Nonrefundable tax credit for small employer's participation in
3611 retirement.

3612 Section 38. **Retrospective operation.**

3613 Section 59-2-919.1 has retrospective operation to January 1, 2023.