

1 **Major Sporting Event Venue Financing Amendments**

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor:

3 **LONG TITLE**

4 **General Description:**

5 This bill enacts the Major Sporting Event Venue Zone Act and related provisions.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ defines terms;

9 ▶ establishes objectives and requirements for a municipality or county to create a major
10 sporting event venue zone to capture property tax increment and sales and use tax
11 increment within a defined area around a major sporting event venue;

12 ▶ defines permitted uses and administration of property tax increment and sales and use tax
13 increment generated pursuant to a major sporting event venue zone;

14 ▶ authorizes a creating entity of a major sporting event venue to impose, under certain
15 circumstances:

16 • an accommodation tax within a major sporting event venue zone;

17 • a resort communities sales and use tax within a major sporting event venue zone;

18 • an additional resort communities sales and use tax within a major sporting event venue
19 zone;

20 • if the creating entity is a county, a municipal energy tax within a major sporting event
21 venue zone; and

22 • if the creating entity is a county, a municipal telecommunications tax within a major
23 sporting event venue zone;

24 ▶ provides that certain counties of the third class can implement a resort communities tax,
25 the same as if the county of the third class were an eligible municipality;

26 ▶ authorizes a creating entity of a major sporting event venue zone to designate a
27 community reinvestment agency or a public infrastructure district as a fiscal agent for
28 major sporting event venue zone funds;

29 ▶ authorizes a creating entity to enter into an agreement with a person to utilize major
30 sporting event venue zone funds in regard to:

- 31 • owning, leasing, or operating a major sporting event venue; or
- 32 • developing affordable housing in the major sporting event venue zone or impacted
- 33 primary project area of a major sporting event venue zone;
- 34 ▸ authorizes a creating entity to utilize major sporting venue zone funds to bond;
- 35 ▸ requires a municipality or county to submit a major sporting event venue zone proposal to
- 36 the Governor's Office of Economic Opportunity;
- 37 ▸ requires the Governor's Office of Economic Opportunity to initiate an analysis of the
- 38 feasibility of the major sporting event venue zone proposal;
- 39 ▸ creates and defines the membership of a committee to review a proposed major sporting
- 40 event venue zone;
- 41 ▸ requires the committee to evaluate the proposed major sporting event venue zone and, if
- 42 certain criteria are met, approve the proposal with or without modifications;
- 43 ▸ requires participation from local taxing entities if the major sporting event venue zone
- 44 meets statutory requirements;
- 45 ▸ provides procedures for a major sports event venue that overlaps with a community
- 46 reinvestment project, a housing and transit reinvestment zone, a first home investment
- 47 zone, or a revitalization zone; and
- 48 ▸ makes technical and conforming changes.

49 **Money Appropriated in this Bill:**

50 None

51 **Other Special Clauses:**

52 None

53 **Utah Code Sections Affected:**

54 AMENDS:

55 **10-1-303**, as last amended by Laws of Utah 2024, Chapters 419, 438

56 **10-1-304**, as last amended by Laws of Utah 2024, Chapter 419

57 **10-1-403**, as last amended by Laws of Utah 2024, Chapter 419

58 **59-2-924**, as last amended by Laws of Utah 2024, Chapter 258

59 **59-12-103**, as last amended by Laws of Utah 2024, Chapters 88, 501

60 **59-12-205**, as last amended by Laws of Utah 2024, Chapter 535

61 **59-12-352**, as last amended by Laws of Utah 2024, Chapters 413, 419

62 **59-12-354**, as last amended by Laws of Utah 2024, Chapter 419

63 **59-12-401**, as last amended by Laws of Utah 2024, Chapter 419

64 **59-12-402**, as last amended by Laws of Utah 2024, Chapter 419

65 **59-12-405**, as last amended by Laws of Utah 2019, Chapter 245

66 ENACTS:

- 67 **11-71-101**, Utah Code Annotated 1953
 68 **11-71-201**, Utah Code Annotated 1953
 69 **11-71-202**, Utah Code Annotated 1953
 70 **11-71-203**, Utah Code Annotated 1953
 71 **11-71-204**, Utah Code Annotated 1953
 72 **11-71-301**, Utah Code Annotated 1953
 73 **11-71-302**, Utah Code Annotated 1953
 74 **63N-3-1701**, Utah Code Annotated 1953
 75 **63N-3-1702**, Utah Code Annotated 1953
 76 **63N-3-1703**, Utah Code Annotated 1953
 77 **63N-3-1704**, Utah Code Annotated 1953
 78 **63N-3-1705**, Utah Code Annotated 1953
 79 **63N-3-1706**, Utah Code Annotated 1953
 80 **63N-3-1707**, Utah Code Annotated 1953
 81 **63N-3-1708**, Utah Code Annotated 1953
 82 **63N-3-1709**, Utah Code Annotated 1953
 83 **63N-3-1710**, Utah Code Annotated 1953
 84 **63N-3-1711**, Utah Code Annotated 1953
 85 **63N-3-1712**, Utah Code Annotated 1953

86

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

88 Section 1. Section **10-1-303** is amended to read:

89 **10-1-303 . Definitions.**

90 As used in this part:

91 (1) "Commission" means the State Tax Commission.

92 (2) "Contractual franchise fee" means:

93 (a) a fee:

94 (i) provided for in a franchise agreement; and

95 (ii) that is consideration for the franchise agreement; or

96 (b)(i) a fee similar to Subsection (2)(a); or

97 (ii) any combination of Subsections (2)(a) and (b).

98 (3)(a) "Delivered value" means the fair market value of the taxable energy delivered for

- 99 sale or use in the municipality and includes:
- 100 (i) the value of the energy itself; and
- 101 (ii) any transportation, freight, customer demand charges, services charges, or other
- 102 costs typically incurred in providing taxable energy in usable form to each class of
- 103 customer in the municipality.
- 104 (b) "Delivered value" does not include the amount of a tax paid under:
- 105 (i) Title 59, Chapter 12, Sales and Use Tax Act; or
- 106 (ii) this part.
- 107 (4) "De minimis amount" means an amount of taxable energy that does not exceed the
- 108 greater of:
- 109 (a) 5% of the energy supplier's estimated total Utah gross receipts from sales of property
- 110 or services; or
- 111 (b) \$10,000.
- 112 (5) "Energy supplier" means a person supplying taxable energy, except that the commission
- 113 may by rule exclude from this definition a person supplying a de minimis amount of
- 114 taxable energy.
- 115 (6) "Fairpark district" means the Utah Fairpark Area Investment and Restoration District,
- 116 created in Section 11-70-201.
- 117 (7) "Franchise agreement" means a franchise or an ordinance, contract, or agreement
- 118 granting a franchise.
- 119 (8) "Franchise tax" means:
- 120 (a) a franchise tax;
- 121 (b) a tax similar to a franchise tax; or
- 122 (c) any combination of Subsections (8)(a) and (b).
- 123 (9) "Major sporting event venue zone" means the same as that term is defined in Section
- 124 63N-3-1701.
- 125 [~~(9)~~] (10) "Military authority" means the Military Installation Development Authority,
- 126 created in Section 63H-1-201.
- 127 [~~(10)~~] (11) "Municipality" means a city or town.
- 128 [~~(11)~~] (12) "Person" is as defined in Section 59-12-102.
- 129 [~~(12)~~] (13) "Point of the mountain authority" means the Point of the Mountain State Land
- 130 Authority, created in Section 11-59-201.
- 131 [~~(13)~~] (14) "Taxable energy" means gas and electricity.
- 132 Section 2. Section **10-1-304** is amended to read:

133 **10-1-304 . Energy sales and use tax -- Rate -- Imposition or repeal of tax -- Tax**
134 **rate change -- Effective date -- Notice requirements -- Exemptions.**

- 135 (1)(a) Except as provided in Subsections (4) and (5), a municipality may levy a
136 municipal energy sales and use tax on the sale or use of taxable energy within the
137 municipality:
- 138 (i) by ordinance as provided in Section 10-1-305; and
 - 139 (ii) of up to 6% of the delivered value of the taxable energy.
- 140 (b) Subject to Section 63H-1-203, the military authority may levy a municipal energy
141 sales and use tax under this part within a project area described in a project area plan
142 adopted by the military authority under Title 63H, Chapter 1, Military Installation
143 Development Authority Act, as though the military authority were a municipality.
- 144 (c)(i) Beginning July 1, 2022, the point of the mountain authority may by resolution
145 levy a municipal energy sales and use tax under this part within the area that
146 constitutes the point of the mountain state land, as defined in Section 11-59-102,
147 as though the point of the mountain authority were a municipality.
- 148 (ii) The point of the mountain authority's adoption of a resolution under Subsection
149 (1)(c)(i) that otherwise complies with the requirements under this part applicable
150 to an ordinance is considered the equivalent of adopting an ordinance under this
151 part.
- 152 (d)(i) Beginning October 1, 2024, the fairpark district may by resolution levy a
153 municipal energy sales and use tax under this part within the district sales tax area,
154 as defined in Section 11-70-101, as though the fairpark district were a
155 municipality.
- 156 (ii) The fairpark district's adoption of a resolution under Subsection (1)(d)(i) that
157 otherwise complies with the requirements under this part applicable to an
158 ordinance is considered the equivalent of adopting an ordinance under this part.
- 159 (e) Beginning January 1, 2026, the legislative body of a county with a major sporting
160 event venue zone on unincorporated county land may, by ordinance, levy a municipal
161 energy sales and use tax on the sale or use of taxable energy within the portion of the
162 major sporting event venue zone that is on unincorporated county land, as though the
163 county were a municipality.
- 164 (2) A municipal energy sales and use tax imposed under this part may be in addition to any
165 sales and use tax imposed by the municipality under Title 59, Chapter 12, Sales and Use
166 Tax Act.

- 167 (3)(a) For purposes of this Subsection (3):
- 168 (i) "Annexation" means an annexation to a municipality under Chapter 2, Part 4,
- 169 Annexation.
- 170 (ii) "Annexing area" means an area that is annexed into a municipality.
- 171 (b)(i) If, on or after May 1, 2000, a city or town enacts or repeals a tax or changes the
- 172 rate of a tax under this part, the enactment, repeal, or change shall take effect:
- 173 (A) on the first day of a calendar quarter; and
- 174 (B) after a 90-day period beginning on the date the commission receives notice
- 175 meeting the requirements of Subsection (3)(b)(ii) from the municipality.
- 176 (ii) The notice described in Subsection (3)(b)(i)(B) shall state:
- 177 (A) that the city or town will enact or repeal a tax or change the rate of a tax under
- 178 this part;
- 179 (B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);
- 180 (C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and
- 181 (D) if the city or town enacts the tax or changes the rate of the tax described in
- 182 Subsection (3)(b)(ii)(A), the new rate of the tax.
- 183 (c)(i) If, for an annexation that occurs on or after May 1, 2000, the annexation will
- 184 result in a change in the rate of a tax under this part for an annexing area, the
- 185 change shall take effect:
- 186 (A) on the first day of a calendar quarter; and
- 187 (B) after a 90-day period beginning on the date the commission receives notice
- 188 meeting the requirements of Subsection (3)(c)(ii) from the municipality that
- 189 annexes the annexing area.
- 190 (ii) The notice described in Subsection (3)(c)(i)(B) shall state:
- 191 (A) that the annexation described in Subsection (3)(c)(i) will result in a change in
- 192 the rate of a tax under this part for the annexing area;
- 193 (B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);
- 194 (C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and
- 195 (D) the new rate of the tax described in Subsection (3)(c)(ii)(A).
- 196 (4)(a) Subject to Subsection (4)(b), a sale or use of electricity within a municipality is
- 197 exempt from the tax authorized by this section if the sale or use is made under a tariff
- 198 adopted by the Public Service Commission [~~of Utah~~] only for purchase of electricity
- 199 produced from a new source of alternative energy, as defined in Section 59-12-102,
- 200 as designated in the tariff by the Public Service Commission [~~of Utah~~].

201 (b) The exemption under Subsection (4)(a) applies to the portion of the tariff rate a
 202 customer pays under the tariff described in Subsection (4)(a) that exceeds the tariff
 203 rate under the tariff described in Subsection (4)(a) that the customer would have paid
 204 absent the tariff.

205 (5)(a) A municipality may not levy a municipal energy sales and use tax:

206 (i) within any portion of the municipality that is within a project area described in a
 207 project area plan adopted by the military authority under Title 63H, Chapter 1,
 208 Military Installation Development Authority Act;

209 (ii) on or after July 1, 2022, within the point of the mountain state land, as defined in
 210 Section 11-59-102; or

211 (iii) on or after October 1, 2024, within the district sales tax area, as defined in
 212 Section 11-70-101.

213 (b) Subsection (5)(a) does not apply to:

214 (i) the military authority's levy of a municipal energy sales and use tax;

215 (ii) the point of the mountain authority's levy of a municipal energy sales and use tax;
 216 or

217 (iii) the fairpark district's levy of a municipal energy sales and use tax.

218 (6) A tax levied under this part by the military authority, point of the mountain authority, [
 219 ~~or~~]fairpark district, or county with a major sporting event venue zone shall be
 220 administered and collected on behalf of and paid to the military authority, point of the
 221 mountain authority, [~~or~~]fairpark district, or county with a major sporting event venue
 222 zone respectively, in the same way that a tax levied under this part by a municipality is
 223 administered and collected on behalf of and paid to the municipality.

224 Section 3. Section **10-1-403** is amended to read:

225 **10-1-403 . Levy of telecommunications license tax -- Recovery from customers --**
 226 **Enactment, repeal, or change in rate of tax -- Annexation.**

227 (1)(a)(i) Subject to the provisions of this section, beginning July 1, 2004, a
 228 municipality may levy on and provide that there is collected from a
 229 telecommunications provider a municipal telecommunications license tax on the
 230 telecommunications provider's gross receipts from telecommunications service
 231 that are attributed to the municipality in accordance with Section 10-1-407.

232 (ii) Subject to Section 63H-1-203, the military installation development authority
 233 created in Section 63H-1-201 may levy and collect a municipal
 234 telecommunications license tax under this part for telecommunications service

235 provided within a project area described in a project area plan adopted by the
236 authority under Title 63H, Chapter 1, Military Installation Development Authority
237 Act, as though the authority were a municipality.

238 (iii) Beginning October 1, 2024, the Utah Fairpark Area Investment and Restoration
239 District, created in Section 11-70-201, may levy and collect a municipal
240 telecommunications license tax under this part for telecommunications service
241 provided within the district sales tax area, as defined in Section 11-70-101, to the
242 same extent and in the same manner that a municipality is authorized to levy and
243 collect a municipal telecommunications license tax under this part.

244 (iv) Beginning January 1, 2026, a county with a major sporting event venue zone
245 may by ordinance levy a municipal telecommunications license tax under this part
246 for telecommunications service provided within the portion of the major sporting
247 event venue zone that is on unincorporated county land as though the county were
248 a municipality.

249 (b) To levy and provide for the collection of a municipal telecommunications license tax
250 under this part, the municipality shall adopt an ordinance that complies with the
251 requirements of Section 10-1-404.

252 (c) Beginning on July 1, 2007, a municipal telecommunications license tax imposed
253 under this part shall be at a rate of up to 3.5% of the telecommunications provider's
254 gross receipts from telecommunications service that are attributed to the municipality
255 in accordance with Section 10-1-407.

256 (2) A telecommunications provider may recover the amounts paid in municipal
257 telecommunications license taxes from the customers of the telecommunications
258 provider within the municipality imposing the municipal telecommunications license tax
259 through a charge that is separately identified in the statement of the transaction with the
260 customer as the recovery of a tax.

261 (3)(a) For purposes of this Subsection (3):

262 (i) "Annexation" means an annexation to a municipality under [~~Title 10~~], Chapter 2,
263 Part 4, Annexation.

264 (ii) "Annexing area" means an area that is annexed into a municipality.

265 (b)(i) If, on or after July 1, 2004, a municipality enacts or repeals a tax or changes the
266 rate of the tax under this part, the enactment, repeal, or change shall take effect:

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

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

- 269 meeting the requirements of Subsection (3)(b)(ii) from the municipality.
- 270 (ii) The notice described in Subsection (3)(b)(i)(B) shall state:
- 271 (A) that the municipality will enact or repeal a tax under this part or change the
- 272 rate of the tax;
- 273 (B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);
- 274 (C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and
- 275 (D) if the municipality enacts the municipal telecommunications license tax or
- 276 changes the rate of the tax, the new rate of the tax.
- 277 (c)(i) If, for an annexation that occurs on or after July 1, 2004, the annexation will
- 278 result in a change in the rate of the tax under this part for an annexing area, the
- 279 change shall take effect:
- 280 (A) on the first day of a calendar quarter; and
- 281 (B) after a 90-day period beginning on the date the commission receives notice
- 282 meeting the requirements of Subsection (3)(c)(ii) from the municipality that
- 283 annexes the annexing area.
- 284 (ii) The notice described in Subsection (3)(c)(i)(B) shall state:
- 285 (A) that the annexation described in Subsection (3)(c)(i) will result in a change in
- 286 the rate of a tax under this part for the annexing area;
- 287 (B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);
- 288 (C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and
- 289 (D) the new rate of the tax described in Subsection (3)(c)(ii)(A).
- 290 (4) Notwithstanding Subsection (3)(b), for purposes of a change in a municipal
- 291 telecommunications license tax rate that takes effect on July 1, 2007, a municipality is
- 292 not subject to the notice requirements of Subsection (3)(b) if:
- 293 (a) on June 30, 2007, the municipality has in effect an ordinance that levies a municipal
- 294 telecommunications license tax at a rate that exceeds 3.5%; and
- 295 (b) on July 1, 2007, the municipality has in effect an ordinance that levies a municipal
- 296 telecommunications license tax at a rate of 3.5%.
- 297 (5) Notwithstanding Subsection (3)(b), for purposes of a change in a municipal
- 298 telecommunications license tax rate that takes effect on July 1, 2007, the 90-day period
- 299 described in Subsection (3)(b)(i)(B) is considered to be a 30-day period if:
- 300 (a) on June 30, 2007, the municipality has in effect an ordinance that levies a municipal
- 301 telecommunications license tax at a rate that exceeds 3.5%; and
- 302 (b) on July 1, 2007, the municipality has in effect an ordinance that levies a municipal

303 telecommunications license tax at a rate that is less than 3.5%.

304 (6)(a)(i) A municipality may not levy or collect a municipal telecommunications
 305 license tax for telecommunications service provided within any portion of the
 306 municipality that is within a project area described in a project area plan adopted
 307 by the military installation development authority under Title 63H, Chapter 1,
 308 Military Installation Development Authority Act.

309 (ii) Beginning October 1, 2024, a municipality may not levy or collect a municipal
 310 telecommunications license fee for telecommunications service provided within
 311 any portion of the municipality that is within the district sales tax area, as defined
 312 in Section 11-70-101.

313 (b) Subsection (6)(a) does not apply to:

314 (i) the military installation development authority's levy of a municipal
 315 telecommunications license tax; or

316 (ii) the levy of a municipal telecommunications license tax by the Utah Fairpark Area
 317 Investment and Restoration District, created in Section 11-70-201.

318 (7)(a) The State Tax Commission shall provide to the military installation development
 319 authority the collection data necessary to verify that revenue collected by the State
 320 Tax Commission is distributed to the military installation development authority in
 321 accordance with this part.

322 (b) The data described in Subsection (7)(a) shall include the State Tax Commission's
 323 breakdown of military installation development authority revenue, including reports
 324 of collections and distributions.

325 Section 4. Section **11-71-101** is enacted to read:

326 **CHAPTER 71. MAJOR SPORTING EVENT VENUE ZONES**

327 **Part 1. General Provisions**

328 **11-71-101 . Definitions.**

329 As used in this chapter:

330 (1) "Accommodations and services" means an accommodation or service described in
 331 Subsection 59-12-103(1)(i).

332 (2) "Affordable housing" means a dwelling:

333 (a) offered for sale to a potential owner-occupier at a purchase price affordable to a
 334 household with a gross income of no more than 120% of area median income for the
 335 county in which the residential unit is offered for sale; or

- 336 (b) offered for rent at a rental price affordable to a household with a gross income of no
337 more than 80% of area median income for the county in which the residential unit is
338 offered for rent.
- 339 (3) "Agency" means a community reinvestment agency established by a creating entity
340 under Title 17C, Limited Purpose Local Government Entities - Community
341 Reinvestment Agencies.
- 342 (4) "Committee" means a major sporting event venue zone committee convened under Title
343 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act.
- 344 (5) "Creating entity" means:
- 345 (a) a municipality or county with an approved major sporting event venue zone in the
346 jurisdictional boundaries of the municipality or county; or
- 347 (b) one or more municipalities, one or more counties, or a municipality and a county that:
348 (i) have entered into an interlocal agreement to form a major sporting event venue
349 zone; and
- 350 (ii) have an approved major sporting event venue zone, as described in Title 63N,
351 Chapter 3, Part 17, Major Sporting Event Venue Zone Act.
- 352 (6) "Development" means:
- 353 (a) construction of a new major sporting event venue, including public infrastructure and
354 improvements;
- 355 (b) demolition, reconstruction, modification, upgrade, or expansion of an existing but
356 aging major sporting event venue, including new public infrastructure, public
357 infrastructure upgrades, or public infrastructure improvements; and
- 358 (c) the planning of, arranging for, or participation in activities listed in Subsections (5)(a)
359 and (b).
- 360 (7) "Fiscal agent" means:
- 361 (a) an agency; or
- 362 (b) a public infrastructure financing district created under Title 17D, Chapter 4, Public
363 Infrastructure District Act.
- 364 (8) "Impacted primary area" means the same as that term is defined in Section 63N-3-1701.
- 365 (9) "Major sporting event venue zone" means the area within a municipality or county
366 approved by a major sporting event venue zone committee, as described in Title 63N,
367 Chapter 3, Part 17, Major Sporting Event Venue Zone Act.
- 368 (10) "Major sporting event venue zone revenue" means the same as that term is defined in
369 Section 63N-3-1701.

- 370 (11) "Owner-occupier" means an individual who owns, solely or jointly, a housing unit in
371 which the individual lives as the individual's primary residence.
- 372 (12) "Primary project area" means the same as that term is defined in Section 63N-3-1701.
- 373 (13)(a) "Public infrastructure and improvements" means infrastructure, improvements,
374 facilities, or buildings that:
- 375 (i)(A) benefit the public and are owned by a public entity or a public utility; or
376 (B) benefit the public and are publicly maintained or operated by a public entity; or
377 (ii)(A) are privately owned;
378 (B) benefit the public;
379 (C) as determined by the legislative body of the creating entity, provide a
380 substantial benefit to the development and operation of a major sporting event
381 venue zone or affordable housing units built in association with a major
382 sporting event venue zone; and
383 (D) are built according to applicable county or municipal design and safety
384 standards.
- 385 (b) "Public infrastructure and improvements" includes:
- 386 (i) facilities, lines, or systems that provide water, sewer, storm drainage, natural gas,
387 electricity, energy storage, clean energy, microgrids, or telecommunications
388 service; and
389 (ii) a transportation system or components of a transportation system.
- 390 (14) "Qualified development zone" means the same as that term is defined in Section
391 63N-3-1701.
- 392 (15) "Secondary project area" means the same as that term is defined in Section 63N-3-1701.
- 393 (16) "Transportation system" means the same as the term is defined in Section 63N-3-1701.
394 Section 5. Section 11-71-201 is enacted to read:
- 395 **11-71-201 . Taxes within and for the benefit of a major sporting event venue zone.**
- 396 (1) The legislative body of a creating entity may, by ordinance, impose within the
397 boundaries of a qualified development zone for a major sporting event venue:
- 398 (a)(i) the accommodations tax described in Section 11-71-202; or
399 (ii)(A) a transient room tax, as described in Section 59-12-352;
400 (B) a resort communities sales and use tax, as described in Section 59-12-401; and
401 (C) an additional resort communities sales and use tax, as described in Section
402 59-12-402; and
403 (b) for a creating entity county:

- 404 (i) a municipal energy sales and use tax on the sale or use of taxable energy within
405 the part of the qualified development zone on the county's unincorporated land, as
406 described in Section 10-1-304; and
- 407 (ii) a municipal telecommunications license tax under this part for
408 telecommunications service provided within the part of the qualified development
409 zone on the county's unincorporated land, as described in Section 10-1-403.
- 410 (2) Revenue generated by a tax described in Subsection (1) is governed by Section
411 11-71-203.
- 412 Section 6. Section **11-71-202** is enacted to read:
- 413 **11-71-202 . Accommodations tax.**
- 414 (1) A creating entity may impose by ordinance an accommodations tax on a provider for
415 amounts paid or charged for accommodations and services, if the place of
416 accommodation is:
- 417 (a) located within a qualified development zone of a major sporting event venue; and
418 (b) located on:
- 419 (i) municipality-owned or county-owned property;
420 (ii) privately owned property on which the creating entity owns some or all of the
421 place of accommodation; or
422 (iii) privately owned property on which the creating entity legislative body finds that
423 a private owner is receiving significant benefit due to the proximity of the major
424 sporting event venue to the privately owned property
- 425 (2) The maximum rate of the accommodations tax authorized by this section is 15% of the
426 amounts paid to or charged by the provider for accommodations and services.
- 427 (3) A provider may recover an amount equal to the accommodations tax authorized in this
428 section from customers, if the provider includes the amount as a separate billing line
429 item.
- 430 (4) If a creating entity imposes the tax described in this section for an area within a
431 qualified development zone, the creating entity may not also impose on the amounts
432 paid or charged for accommodations and services in the same area any other tax
433 described in:
- 434 (a) Title 59, Chapter 12, Sales and Use Tax Act; or
435 (b) Title 59, Chapter 28, State Transient Room Tax Act.
- 436 (5) Except as provided in Subsection (6) or (7), the tax imposed under this section shall be
437 administered, collected, and enforced in accordance with:

- 438 (a) the same procedures used to administer, collect, and enforce the tax under:
439 (i) Title 59, Chapter 12, Part 1, Tax Collection; or
440 (ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and
441 (b) Title 59, Chapter 1, General Taxation Policies.
- 442 (6) The location of a transaction shall be determined in accordance with Sections 59-12-211
443 through 59-12-215.
- 444 (7)(a) A tax under this section is not subject to Section 59-12-107.1 or 59-12-123 or
445 Subsections 59-12-205(2) through (5).
- 446 (b) The exemptions described in Sections 59-12-104, 59-12-104.1, and 59-12-104.6 do
447 not apply to a tax imposed under this section.
- 448 (8) The State Tax Commission shall:
- 449 (a) except as provided in Subsection (8)(b), distribute the revenue collected from the tax
450 to the creating entity; and
- 451 (b) retain and deposit an administrative charge in accordance with Section 59-1-306
452 from revenue the commission collects from a tax under this section.
- 453 (9)(a) If the creating entity imposes, repeals, or changes the rate of tax under this
454 section, the implementation, repeal, or change shall take effect:
- 455 (i) on the first day of a calendar quarter; and
456 (ii) after a 90-day period beginning on the date the State Tax Commission receives
457 the notice described in Subsection (9)(b) from the creating entity.
- 458 (b) The notice required in Subsection (9)(a)(ii) shall state:
- 459 (i) that the creating entity will impose, repeal, or change the rate of a tax under this
460 section;
- 461 (ii) the effective date of the implementation, repeal, or change of the tax; and
462 (iii) the rate of the tax.
- 463 Section 7. Section **11-71-203** is enacted to read:
464 **11-71-203 . Major sporting event venue zone revenue.**
- 465 (1) The following are approved revenue sources for a major sporting event venue zone:
- 466 (a) property tax increment for:
- 467 (i) the major sporting event venue zone, for at least 25 years but no more than 40, as
468 approved by the committee; and
- 469 (ii) if applicable, the secondary project area, for at least 25 years but no more than 40,
470 as approved by the committee;
- 471 (b) sales and use tax increment for the major sporting event venue zone, for at least 25

- 472 years but no more than 40, as approved by the committee; and
- 473 (c) the revenue generated by a tax described in Section 11-71-201.
- 474 (2) Revenue generated from a source described in Subsection (1):
- 475 (a) is major sporting event venue zone revenue; and
- 476 (b) shall be administered by the creating entity or a fiscal agent designated by the
- 477 creating entity.
- 478 (3) If a creating entity designates a fiscal agent to administer major sporting event venue
- 479 zone revenue, the creating entity and fiscal agent shall first enter into an interlocal
- 480 agreement:
- 481 (a) governing the administration, distribution, use, and management of major sporting
- 482 event zone revenue; and
- 483 (b) with terms that are consistent with this chapter and Title 63N, Chapter 3, Part 17,
- 484 Major Sporting Event Venue Zone Act.
- 485 Section 8. Section **11-71-204** is enacted to read:
- 486 **11-71-204 . Allowable uses of major sporting event venue zone revenue.**
- 487 (1) A creating entity or fiscal agent shall use major sporting event venue zone revenue
- 488 within, or for the direct benefit of:
- 489 (a) the major sporting event venue zone;
- 490 (b) a secondary project area, if any; and
- 491 (c) an impacted primary area, if:
- 492 (i) the creating entity finds that the use of the major sporting event venue zone
- 493 revenue will directly benefit the major sporting event venue; or
- 494 (ii) the major sporting event venue zone revenue is used to support the development
- 495 of affordable housing in the impacted primary area.
- 496 (2) A creating entity that receives major sporting event venue zone revenue, as described in
- 497 Section 11-22-203, shall allocate the revenue to:
- 498 (a) development in the major sporting event venue zone, including:
- 499 (i) constructing, furnishing, maintaining, or operating a major sporting event venue;
- 500 (ii) demolishing or remodeling an existing major sporting event venue, or portions of
- 501 a major sporting event venue;
- 502 (iii) public infrastructure and improvements supporting the major sporting event
- 503 venue; and
- 504 (iv) realigning public infrastructure within the primary project area to better support
- 505 the major sporting event venue;

- 506 (b) public infrastructure and improvements in a secondary project area, if any;
507 (c) public infrastructure and improvements in an impacted primary area, if the purpose is
508 to support the development of affordable housing; and
509 (d) making the annual payment of principal, interest, premiums, and necessary reserves
510 for any of the aggregate of bonds authorized under Subsection (3).
- 511 (3) A creating entity of a major sporting event venue zone may issue bonds, or cause bonds
512 to be issued, as permitted by law, to pay all or part of the costs incurred for the purposes
513 described in Subsections (2)(a) through (c), including the cost to issue and repay the
514 bonds including interest.
- 515 (4)(a) A creating entity or fiscal agent designated by a creating entity may create one or
516 more public infrastructure districts within the major sporting event venue zone under
517 Title 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the
518 major sporting event venue zone funds to guarantee the payment of public
519 infrastructure bonds issued by a public infrastructure district.
- 520 (b) A public infrastructure district created by a creating entity may be designated a fiscal
521 agent by the creating entity.
- 522 (5) In addition to the purposes described in Subsection (2), a creating entity or fiscal agent
523 may also allocate major sporting event venue zone funding:
- 524 (a) to promote the major sporting event venue;
525 (b) to mitigate the impacts of the major sporting event venue on local services, including
526 solid waste disposal operations, law enforcement, and road repair and road upgrades;
527 and
528 (c) as described in Subsection (7).
- 529 (6)(a) The creating entity may use major sporting event venue zone revenue to cover the
530 costs of the creating entity to administer the major sporting event venue zone, not to
531 exceed:
- 532 (i) 2% of the total annual major sporting event venue zone revenue collected by the
533 creating entity for the benefit of the major sporting event venue zone; or
534 (ii) if the creating entity provides some major sporting event venue zone revenue to a
535 fiscal agent, 2% of the total annual major sporting event zone revenue retained by
536 the creating entity for the benefit of the major sporting event venue zone.
- 537 (b) If the creating entity provides some or all of the major sporting event venue zone
538 revenue to a fiscal agent, the interlocal agreement described in Subsection
539 11-71-203(3) shall provide that the fiscal agent expends no more than 2% of the

540 major sporting event venue zone revenue allocated by the creating entity to the fiscal
 541 agent on the fiscal agent's administrative costs.

542 (7) A creating entity may provide major sporting event venue zone revenue to a person
 543 pursuant to a participation agreement or an agreement described in Section 11-71-301 or
 544 11-71-302.

545 Section 9. Section **11-71-301** is enacted to read:

546 **11-71-301 . Private-public partnerships for a major sporting event venue.**

547 (1) A person that seeks to enter into a private-public partnership with a creating entity shall
 548 provide the creating entity with an application that:

549 (a) demonstrates the applicant is qualified to operate, in whole or in part, a major
 550 sporting event venue; and

551 (b) provides any additional information required by the creating entity.

552 (2) A creating entity may enter into a private-public partnership:

553 (a) if, after reviewing the application described in Subsection (1), the creating entity
 554 determines a private-public partnership will promote the objectives of the major
 555 sporting event venue zone; and

556 (b) through an agreement described in this section.

557 (3) An agreement to create a private-public partnership between a person and a creating
 558 entity:

559 (a) may establish or recognize an ownership interest in the major sporting event venue
 560 for the person, in consideration of the person's financial investment in the major
 561 sporting event venue;

562 (b) may establish an ownership interest in the major sporting event venue for the
 563 creating entity, in consideration of the creating entity's financial investment in the
 564 major sporting event venue zone and primary project area; and

565 (c) may create a lease interest for the person in the major sporting event venue.

566 Section 10. Section **11-71-302** is enacted to read:

567 **11-71-302 . Private-public partnerships for affordable housing projects.**

568 (1) A creating entity may provide major sporting event venue zone revenue to a participant,
 569 if the creating entity and participant enter into a participation agreement which requires
 570 the participant to use the major sporting event venue zone revenue:

571 (a) to develop affordable housing; and

572 (b) as described in this chapter and Title 63N, Chapter 3, Part 17, Major Sporting Event
 573 Venue Zone Act.

574 (2) Major sporting event venue zone revenue provided to a participant as described in this
 575 section is not a retail facility incentives payment, as described in Chapter 41, Prohibition
 576 on Retail Facility Incentive Payments Act.

577 Section 11. Section **59-2-924** is amended to read:

578 **59-2-924 . Definitions -- Report of valuation of property to county auditor and**
 579 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**
 580 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**
 581 **commission.**

582 (1) As used in this section:

583 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with
 584 this chapter.

585 (ii) "Ad valorem property tax revenue" does not include:

586 (A) interest;

587 (B) penalties;

588 (C) collections from redemptions; or

589 (D) revenue received by a taxing entity from personal property that is
 590 semiconductor manufacturing equipment assessed by a county assessor in
 591 accordance with Part 3, County Assessment.

592 (b) "Adjusted tax increment" means the same as that term is defined in Section
 593 17C-1-102.

594 (c)(i) "Aggregate taxable value of all property taxed" means:

595 (A) the aggregate taxable value of all real property a county assessor assesses in
 596 accordance with Part 3, County Assessment, for the current year;

597 (B) the aggregate taxable value of all real and personal property the commission
 598 assesses in accordance with Part 2, Assessment of Property, for the current
 599 year; and

600 (C) the aggregate year end taxable value of all personal property a county assessor
 601 assesses in accordance with Part 3, County Assessment, contained on the prior
 602 year's tax rolls of the taxing entity.

603 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
 604 year end taxable value of personal property that is:

605 (A) semiconductor manufacturing equipment assessed by a county assessor in
 606 accordance with Part 3, County Assessment; and

607 (B) contained on the prior year's tax rolls of the taxing entity.

- 608 (d) "Base taxable value" means:
- 609 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 610 in Section 11-58-102;
- 611 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 612 the same as that term is defined in Section 11-59-207;
- 613 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 614 11-70-201, the same as that term is defined in Section 11-70-101;
- 615 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
- 616 defined in Section 17C-1-102;
- 617 (v) for an authority created under Section 63H-1-201, the same as that term is defined
- 618 in Section 63H-1-102;
- 619 (vi) for a host local government, the same as that term is defined in Section
- 620 63N-2-502;
- 621 (vii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
- 622 Part 6, Housing and Transit Reinvestment Zone Act, a property's taxable value as
- 623 shown upon the assessment roll last equalized during the base year, as that term is
- 624 defined in Section 63N-3-602;
- 625 (viii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
- 626 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
- 627 27a, Part 12, Home Ownership Promotion Zone for Counties, a property's taxable
- 628 value as shown upon the assessment roll last equalized during the base year, as
- 629 that term is defined in Section 10-9a-1001 or Section 17-27a-1201; ~~or~~
- 630 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 631 First Home Investment Zone Act, a property's taxable value as shown upon the
- 632 assessment roll last equalized during the base year, as that term is defined in
- 633 Section 63N-3-1601~~[-]~~ ; or
- 634 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 635 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
- 636 upon the assessment roll last equalized during the base year, as that term is
- 637 defined in Section 63N-3-1701.
- 638 (e) "Centrally assessed benchmark value" means an amount equal to the average year
- 639 end taxable value of real and personal property the commission assesses in
- 640 accordance with Part 2, Assessment of Property, for the previous three calendar
- 641 years, adjusted for taxable value attributable to:

- 642 (i) an annexation to a taxing entity;
- 643 (ii) an incorrect allocation of taxable value of real or personal property the
644 commission assesses in accordance with Part 2, Assessment of Property; or
- 645 (iii) a change in value as a result of a change in the method of apportioning the value
646 prescribed by the Legislature, a court, or the commission in an administrative rule
647 or administrative order.
- 648 (f)(i) "Centrally assessed new growth" means the greater of:
- 649 (A) zero; or
- 650 (B) the amount calculated by subtracting the centrally assessed benchmark value
651 adjusted for prior year end incremental value from the taxable value of real and
652 personal property the commission assesses in accordance with Part 2,
653 Assessment of Property, for the current year, adjusted for current year
654 incremental value.
- 655 (ii) "Centrally assessed new growth" does not include a change in value as a result of
656 a change in the method of apportioning the value prescribed by the Legislature, a
657 court, or the commission in an administrative rule or administrative order.
- 658 (g) "Certified tax rate" means a tax rate that will provide the same ad valorem property
659 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 660 (h) "Community reinvestment agency" means the same as that term is defined in Section
661 17C-1-102.
- 662 (i) "Eligible new growth" means the greater of:
- 663 (i) zero; or
- 664 (ii) the sum of:
- 665 (A) locally assessed new growth;
- 666 (B) centrally assessed new growth; and
- 667 (C) project area new growth or hotel property new growth.
- 668 (j) "Host local government" means the same as that term is defined in Section 63N-2-502.
- 669 (k) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 670 (l) "Hotel property new growth" means an amount equal to the incremental value that is
671 no longer provided to a host local government as incremental property tax revenue.
- 672 (m) "Incremental property tax revenue" means the same as that term is defined in
673 Section 63N-2-502.
- 674 (n) "Incremental value" means:
- 675 (i) for an authority created under Section 11-58-201, the amount calculated by

- 676 multiplying:
- 677 (A) the difference between the taxable value and the base taxable value of the
- 678 property that is located within a project area and on which property tax
- 679 differential is collected; and
- 680 (B) the number that represents the percentage of the property tax differential that
- 681 is paid to the authority;
- 682 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 683 an amount calculated by multiplying:
- 684 (A) the difference between the current assessed value of the property and the base
- 685 taxable value; and
- 686 (B) the number that represents the percentage of the property tax augmentation, as
- 687 defined in Section 11-59-207, that is paid to the Point of the Mountain State
- 688 Land Authority;
- 689 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 690 11-70-201, the amount calculated by multiplying:
- 691 (A) the difference between the taxable value for the current year and the base
- 692 taxable value of the property that is located within a project area; and
- 693 (B) the number that represents the percentage of enhanced property tax revenue,
- 694 as defined in Section 11-70-101;
- 695 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
- 696 multiplying:
- 697 (A) the difference between the taxable value and the base taxable value of the
- 698 property located within a project area and on which tax increment is collected;
- 699 and
- 700 (B) the number that represents the adjusted tax increment from that project area
- 701 that is paid to the agency;
- 702 (v) for an authority created under Section 63H-1-201, the amount calculated by
- 703 multiplying:
- 704 (A) the difference between the taxable value and the base taxable value of the
- 705 property located within a project area and on which property tax allocation is
- 706 collected; and
- 707 (B) the number that represents the percentage of the property tax allocation from
- 708 that project area that is paid to the authority;
- 709 (vi) for a housing and transit reinvestment zone created pursuant to Title 63N,

- 710 Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount
 711 calculated by multiplying:
- 712 (A) the difference between the taxable value and the base taxable value of the
 713 property that is located within a housing and transit reinvestment zone and on
 714 which tax increment is collected; and
- 715 (B) the number that represents the percentage of the tax increment that is paid to
 716 the housing and transit reinvestment zone;
- 717 (vii) for a host local government, an amount calculated by multiplying:
- 718 (A) the difference between the taxable value and the base taxable value of the
 719 hotel property on which incremental property tax revenue is collected; and
- 720 (B) the number that represents the percentage of the incremental property tax
 721 revenue from that hotel property that is paid to the host local government;
- 722 (viii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
 723 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
 724 27a, Part 12, Home Ownership Promotion Zone for Counties, an amount
 725 calculated by multiplying:
- 726 (A) the difference between the taxable value and the base taxable value of the
 727 property that is located within a home ownership promotion zone and on which
 728 tax increment is collected; and
- 729 (B) the number that represents the percentage of the tax increment that is paid to
 730 the home ownership promotion zone; [ø]
- 731 (ix) for a first home investment zone created pursuant to Title 63N, Chapter 3, Part
 732 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 733 (A) the difference between the taxable value and the base taxable value of the
 734 property that is located within a first home investment zone and on which tax
 735 increment is collected; and
- 736 (B) the number that represents the percentage of the tax increment that is paid to
 737 the first home investment zone[-]; or
- 738 (x) for a major sporting event venue zone created pursuant to Title 63N, Chapter 3,
 739 Part 17, Major Sporting Event Venue Zone Act, an amount calculated by
 740 multiplying:
- 741 (A) the difference between the taxable value and the base taxable value of the
 742 property located within a major sporting event venue zone and a primary
 743 project area and upon which tax increment is collected; and

- 744 (B) the number that represents the percentage of tax increment that is paid to the
 745 major sporting event venue zone.
- 746 (o)(i) "Locally assessed new growth" means the greater of:
- 747 (A) zero; or
- 748 (B) the amount calculated by subtracting the year end taxable value of real
 749 property the county assessor assesses in accordance with Part 3, County
 750 Assessment, for the previous year, adjusted for prior year end incremental
 751 value from the taxable value of real property the county assessor assesses in
 752 accordance with Part 3, County Assessment, for the current year, adjusted for
 753 current year incremental value.
- 754 (ii) "Locally assessed new growth" does not include a change in:
- 755 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
 756 or another adjustment;
- 757 (B) assessed value based on whether a property is allowed a residential exemption
 758 for a primary residence under Section 59-2-103;
- 759 (C) assessed value based on whether a property is assessed under Part 5, Farmland
 760 Assessment Act; or
- 761 (D) assessed value based on whether a property is assessed under Part 17, Urban
 762 Farming Assessment Act.
- 763 (p) "Project area" means:
- 764 (i) for an authority created under Section 11-58-201, the same as that term is defined
 765 in Section 11-58-102;
- 766 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
 767 11-70-201, the same as that term is defined in Section 11-70-101;
- 768 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
 769 defined in Section 17C-1-102; ~~or~~
- 770 (iv) for an authority created under Section 63H-1-201, the same as that term is
 771 defined in Section 63H-1-102[-] ; or
- 772 (v) for a major sporting event venue zone established under Title 63N, Chapter 3,
 773 Part 17, the major sporting event venue zone and primary project area as defined
 774 in Section 63N-3-1701.
- 775 (q) "Project area new growth" means:
- 776 (i) for an authority created under Section 11-58-201, an amount equal to the
 777 incremental value that is no longer provided to an authority as property tax

- 778 differential;
- 779 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
780 an amount equal to the incremental value that is no longer provided to the Point of
781 the Mountain State Land Authority as property tax augmentation, as defined in
782 Section 11-59-207;
- 783 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
784 11-70-201, an amount equal to the incremental value that is no longer provided to
785 the Utah Fairpark Area Investment and Restoration District;
- 786 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
787 incremental value that is no longer provided to an agency as tax increment;
- 788 (v) for an authority created under Section 63H-1-201, an amount equal to the
789 incremental value that is no longer provided to an authority as property tax
790 allocation;
- 791 (vi) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
792 Part 6, Housing and Transit Reinvestment Zone Act, an amount equal to the
793 incremental value that is no longer provided to a housing and transit reinvestment
794 zone as tax increment;
- 795 (vii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
796 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
797 27a, Part 12, Home Ownership Promotion Zone for Counties, an amount equal to
798 the incremental value that is no longer provided to a home ownership promotion
799 zone as tax increment; [øf]
- 800 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
801 First Home Investment Zone Act, an amount equal to the incremental value that is
802 no longer provided to a first home investment zone as tax increment[-] ; or
- 803 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
804 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental
805 value that is no longer provided to a major sporting event venue zone as tax
806 increment.
- 807 (r) "Project area incremental revenue" means the same as that term is defined in Section
808 17C-1-1001.
- 809 (s) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 810 (t) "Property tax differential" means the same as that term is defined in Section
811 11-58-102.

- 812 (u) "Qualifying exempt revenue" means revenue received:
- 813 (i) for the previous calendar year;
- 814 (ii) by a taxing entity;
- 815 (iii) from tangible personal property contained on the prior year's tax rolls that is
- 816 exempt from property tax under Subsection 59-2-1115(2)(b) for a calendar year
- 817 beginning on January 1, 2022; and
- 818 (iv) on the aggregate 2021 year end taxable value of the tangible personal property
- 819 that exceeds \$15,300.
- 820 (v) "Tax increment" means:
- 821 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
- 822 in Section 17C-1-102;
- 823 (ii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
- 824 Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is
- 825 defined in Section 63N-3-602;
- 826 (iii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
- 827 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
- 828 27a, Part 12, Home Ownership Promotion Zone for Counties, the same as that
- 829 term is defined in Section 10-9a-1001 or Section 17-27a-1201; [or]
- 830 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 831 First Home Investment Zone Act, the same as that term is defined in Section
- 832 63N-3-1601[-] ; or
- 833 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 834 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
- 835 defined in Section 63N-3-1701.
- 836 (2) Before June 1 of each year, the county assessor of each county shall deliver to the
- 837 county auditor and the commission the following statements:
- 838 (a) a statement containing the aggregate valuation of all taxable real property a county
- 839 assessor assesses in accordance with Part 3, County Assessment, for each taxing
- 840 entity; and
- 841 (b) a statement containing the taxable value of all personal property a county assessor
- 842 assesses in accordance with Part 3, County Assessment, from the prior year end
- 843 values.
- 844 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
- 845 taxing entity:

- 846 (a) the statements described in Subsections (2)(a) and (b);
847 (b) an estimate of the revenue from personal property;
848 (c) the certified tax rate; and
849 (d) all forms necessary to submit a tax levy request.
- 850 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
851 calculated by dividing the ad valorem property tax revenue that a taxing entity
852 budgeted for the prior year minus the qualifying exempt revenue by the amount
853 calculated under Subsection (4)(b).
- 854 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
855 calculate an amount as follows:
- 856 (i) calculate for the taxing entity the difference between:
857 (A) the aggregate taxable value of all property taxed; and
858 (B) any adjustments for current year incremental value;
- 859 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
860 determined by increasing or decreasing the amount calculated under Subsection
861 (4)(b)(i) by the average of the percentage net change in the value of taxable
862 property for the equalization period for the three calendar years immediately
863 preceding the current calendar year;
- 864 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
865 product of:
866 (A) the amount calculated under Subsection (4)(b)(ii); and
867 (B) the percentage of property taxes collected for the five calendar years
868 immediately preceding the current calendar year; and
- 869 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
870 amount determined by:
871 (A) multiplying the percentage of property taxes collected for the five calendar
872 years immediately preceding the current calendar year by eligible new growth;
873 and
874 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
875 amount calculated under Subsection (4)(b)(iii).
- 876 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
877 as follows:
- 878 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
879 tax rate is zero;

- 880 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 881 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
- 882 services under Sections 17-34-1 and 17-36-9; and
- 883 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
- 884 purposes and such other levies imposed solely for the municipal-type services
- 885 identified in Section 17-34-1 and Subsection 17-36-3(23);
- 886 (c) for a community reinvestment agency that received all or a portion of a taxing
- 887 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
- 888 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
- 889 Subsection (4) except that the commission shall treat the total revenue transferred to
- 890 the community reinvestment agency as ad valorem property tax revenue that the
- 891 taxing entity budgeted for the prior year; and
- 892 (d) for debt service voted on by the public, the certified tax rate is the actual levy
- 893 imposed by that section, except that a certified tax rate for the following levies shall
- 894 be calculated in accordance with Section 59-2-913 and this section:
- 895 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
- 896 (ii) a levy to pay for the costs of state legislative mandates or judicial or
- 897 administrative orders under Section 59-2-1602.
- 898 (6)(a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be imposed
- 899 at a rate that is sufficient to generate only the revenue required to satisfy one or more
- 900 eligible judgments.
- 901 (b) The ad valorem property tax revenue generated by a judgment levy described in
- 902 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
- 903 certified tax rate.
- 904 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 905 (i) the taxable value of real property:
- 906 (A) the county assessor assesses in accordance with Part 3, County Assessment;
- 907 and
- 908 (B) contained on the assessment roll;
- 909 (ii) the year end taxable value of personal property:
- 910 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 911 (B) contained on the prior year's assessment roll; and
- 912 (iii) the taxable value of real and personal property the commission assesses in
- 913 accordance with Part 2, Assessment of Property.

- 914 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
915 growth.
- 916 (8)(a) On or before June 30, a taxing entity shall annually adopt a tentative budget.
- 917 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
918 the county auditor of:
- 919 (i) the taxing entity's intent to exceed the certified tax rate; and
920 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 921 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
922 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 923 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
924 electronic means on or before July 31, to a taxing entity and the Revenue and
925 Taxation Interim Committee if:
- 926 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
927 taxable value of the real and personal property the commission assesses in
928 accordance with Part 2, Assessment of Property, for the previous year, adjusted
929 for prior year end incremental value; and
- 930 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
931 end taxable value of the real and personal property of a taxpayer the commission
932 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 933 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
934 subtracting the taxable value of real and personal property the commission assesses
935 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
936 current year incremental value, from the year end taxable value of the real and
937 personal property the commission assesses in accordance with Part 2, Assessment of
938 Property, for the previous year, adjusted for prior year end incremental value.
- 939 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
940 subtracting the total taxable value of real and personal property of a taxpayer the
941 commission assesses in accordance with Part 2, Assessment of Property, for the
942 current year, from the total year end taxable value of the real and personal property of
943 a taxpayer the commission assesses in accordance with Part 2, Assessment of
944 Property, for the previous year.
- 945 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
946 requirement under Subsection (9)(a)(ii).
- 947 Section 12. Section **59-12-103** is amended to read:

948 **59-12-103 . Sales and use tax base -- Rates -- Effective dates -- Use of sales and**
949 **use tax revenue.**

- 950 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales
951 price for amounts paid or charged for the following transactions:
- 952 (a) retail sales of tangible personal property made within the state;
 - 953 (b) amounts paid for:
 - 954 (i) telecommunications service, other than mobile telecommunications service, that
955 originates and terminates within the boundaries of this state;
 - 956 (ii) mobile telecommunications service that originates and terminates within the
957 boundaries of one state only to the extent permitted by the Mobile
958 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
 - 959 (iii) an ancillary service associated with a:
 - 960 (A) telecommunications service described in Subsection (1)(b)(i); or
 - 961 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
 - 962 (c) sales of the following for commercial use:
 - 963 (i) gas;
 - 964 (ii) electricity;
 - 965 (iii) heat;
 - 966 (iv) coal;
 - 967 (v) fuel oil; or
 - 968 (vi) other fuels;
 - 969 (d) sales of the following for residential use:
 - 970 (i) gas;
 - 971 (ii) electricity;
 - 972 (iii) heat;
 - 973 (iv) coal;
 - 974 (v) fuel oil; or
 - 975 (vi) other fuels;
 - 976 (e) sales of prepared food;
 - 977 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
978 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
979 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
980 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
981 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling

- 982 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
983 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
984 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
985 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
986 activity;
- 987 (g) amounts paid or charged for services for repairs or renovations of tangible personal
988 property, unless Section 59-12-104 provides for an exemption from sales and use tax
989 for:
- 990 (i) the tangible personal property; and
991 (ii) parts used in the repairs or renovations of the tangible personal property described
992 in Subsection (1)(g)(i), regardless of whether:
- 993 (A) any parts are actually used in the repairs or renovations of that tangible
994 personal property; or
995 (B) the particular parts used in the repairs or renovations of that tangible personal
996 property are exempt from a tax under this chapter;
- 997 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
998 cleaning or washing of tangible personal property;
- 999 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer
1000 court accommodations and services;
- 1001 (j) amounts paid or charged for laundry or dry cleaning services;
- 1002 (k) amounts paid or charged for leases or rentals of tangible personal property if within
1003 this state the tangible personal property is:
- 1004 (i) stored;
1005 (ii) used; or
1006 (iii) otherwise consumed;
- 1007 (l) amounts paid or charged for tangible personal property if within this state the tangible
1008 personal property is:
- 1009 (i) stored;
1010 (ii) used; or
1011 (iii) consumed;
- 1012 (m) amounts paid or charged for a sale:
- 1013 (i)(A) of a product transferred electronically; or
1014 (B) of a repair or renovation of a product transferred electronically; and
1015 (ii) regardless of whether the sale provides:

- 1016 (A) a right of permanent use of the product; or
- 1017 (B) a right to use the product that is less than a permanent use, including a right:
- 1018 (I) for a definite or specified length of time; and
- 1019 (II) that terminates upon the occurrence of a condition; and
- 1020 (n) sales of leased tangible personal property from the lessor to the lessee made in the
- 1021 state.
- 1022 (2)(a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax are
- 1023 imposed on a transaction described in Subsection (1) equal to the sum of:
- 1024 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 1025 (A) 4.70% plus the rate specified in Subsection (11)(a); and
- 1026 (B)(I) the tax rate the state imposes in accordance with Part 18, Additional
- 1027 State Sales and Use Tax Act, if the location of the transaction as determined
- 1028 under Sections 59-12-211 through 59-12-215 is in a county in which the
- 1029 state imposes the tax under Part 18, Additional State Sales and Use Tax Act;
- 1030 and
- 1031 (II) the tax rate the state imposes in accordance with Part 20, Supplemental
- 1032 State Sales and Use Tax Act, if the location of the transaction as determined
- 1033 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
- 1034 unincorporated area of a county in which the state imposes the tax under
- 1035 Part 20, Supplemental State Sales and Use Tax Act; and
- 1036 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 1037 transaction under this chapter other than this part.
- 1038 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
- 1039 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
- 1040 to the sum of:
- 1041 (i) a state tax imposed on the transaction at a tax rate of 2%; and
- 1042 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 1043 transaction under this chapter other than this part.
- 1044 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed
- 1045 on amounts paid or charged for food and food ingredients equal to the sum of:
- 1046 (i) a state tax imposed on the amounts paid or charged for food and food ingredients
- 1047 at a tax rate of 1.75%; and
- 1048 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 1049 amounts paid or charged for food and food ingredients under this chapter other

- 1050 than this part.
- 1051 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid
1052 or charged for fuel to a common carrier that is a railroad for use in a locomotive
1053 engine at a rate of 4.85%.
- 1054 (e)(i)(A) If a shared vehicle owner certifies to the commission, on a form
1055 prescribed by the commission, that the shared vehicle is an individual-owned
1056 shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to
1057 car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle
1058 owner.
- 1059 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
1060 required once during the time that the shared vehicle owner owns the shared
1061 vehicle.
- 1062 (C) The commission shall verify that a shared vehicle is an individual-owned
1063 shared vehicle by verifying that the applicable Utah taxes imposed under this
1064 chapter were paid on the purchase of the shared vehicle.
- 1065 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
1066 individual-owned shared vehicle shared through a car-sharing program even if
1067 non-certified shared vehicles are also available to be shared through the same
1068 car-sharing program.
- 1069 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
- 1070 (iii)(A) A car-sharing program may rely in good faith on a shared vehicle owner's
1071 representation that the shared vehicle is an individual-owned shared vehicle
1072 certified with the commission as described in Subsection (2)(e)(i).
- 1073 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
1074 representation that the shared vehicle is an individual-owned shared vehicle
1075 certified with the commission as described in Subsection (2)(e)(i), the
1076 car-sharing program is not liable for any tax, penalty, fee, or other sanction
1077 imposed on the shared vehicle owner.
- 1078 (iv) If all shared vehicles shared through a car-sharing program are certified as
1079 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has
1080 no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax
1081 period.
- 1082 (v) A car-sharing program is not required to list or otherwise identify an
1083 individual-owned shared vehicle on a return or an attachment to a return.

- 1084 (vi) A car-sharing program shall:
- 1085 (A) retain tax information for each car-sharing program transaction; and
- 1086 (B) provide the information described in Subsection (2)(e)(vi)(A) to the
- 1087 commission at the commission's request.
- 1088 (f)(i) For a bundled transaction that is attributable to food and food ingredients and
- 1089 tangible personal property other than food and food ingredients, a state tax and a
- 1090 local tax is imposed on the entire bundled transaction equal to the sum of:
- 1091 (A) a state tax imposed on the entire bundled transaction equal to the sum of:
- 1092 (I) the tax rate described in Subsection (2)(a)(i)(A); and
- 1093 (II)(Aa) the tax rate the state imposes in accordance with Part 18,
- 1094 Additional State Sales and Use Tax Act, if the location of the transaction
- 1095 as determined under Sections 59-12-211 through 59-12-215 is in a
- 1096 county in which the state imposes the tax under Part 18, Additional State
- 1097 Sales and Use Tax Act; and
- 1098 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental
- 1099 State Sales and Use Tax Act, if the location of the transaction as
- 1100 determined under Sections 59-12-211 through 59-12-215 is in a city,
- 1101 town, or the unincorporated area of a county in which the state imposes
- 1102 the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- 1103 (B) a local tax imposed on the entire bundled transaction at the sum of the tax
- 1104 rates described in Subsection (2)(a)(ii).
- 1105 (ii) If an optional computer software maintenance contract is a bundled transaction
- 1106 that consists of taxable and nontaxable products that are not separately itemized
- 1107 on an invoice or similar billing document, the purchase of the optional computer
- 1108 software maintenance contract is 40% taxable under this chapter and 60%
- 1109 nontaxable under this chapter.
- 1110 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
- 1111 transaction described in Subsection (2)(f)(i) or (ii):
- 1112 (A) if the sales price of the bundled transaction is attributable to tangible personal
- 1113 property, a product, or a service that is subject to taxation under this chapter
- 1114 and tangible personal property, a product, or service that is not subject to
- 1115 taxation under this chapter, the entire bundled transaction is subject to taxation
- 1116 under this chapter unless:
- 1117 (I) the seller is able to identify by reasonable and verifiable standards the

- 1118 tangible personal property, product, or service that is not subject to taxation
1119 under this chapter from the books and records the seller keeps in the seller's
1120 regular course of business; or
- 1121 (II) state or federal law provides otherwise; or
- 1122 (B) if the sales price of a bundled transaction is attributable to two or more items
1123 of tangible personal property, products, or services that are subject to taxation
1124 under this chapter at different rates, the entire bundled transaction is subject to
1125 taxation under this chapter at the higher tax rate unless:
- 1126 (I) the seller is able to identify by reasonable and verifiable standards the
1127 tangible personal property, product, or service that is subject to taxation
1128 under this chapter at the lower tax rate from the books and records the seller
1129 keeps in the seller's regular course of business; or
- 1130 (II) state or federal law provides otherwise.
- 1131 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
1132 seller's regular course of business includes books and records the seller keeps in
1133 the regular course of business for nontax purposes.
- 1134 (g)(i) Except as otherwise provided in this chapter and subject to Subsections
1135 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible
1136 personal property, a product, or a service that is subject to taxation under this
1137 chapter, and the sale, lease, or rental of tangible personal property, other property,
1138 a product, or a service that is not subject to taxation under this chapter, the entire
1139 transaction is subject to taxation under this chapter unless the seller, at the time of
1140 the transaction:
- 1141 (A) separately states the portion of the transaction that is not subject to taxation
1142 under this chapter on an invoice, bill of sale, or similar document provided to
1143 the purchaser; or
- 1144 (B) is able to identify by reasonable and verifiable standards, from the books and
1145 records the seller keeps in the seller's regular course of business, the portion of
1146 the transaction that is not subject to taxation under this chapter.
- 1147 (ii) A purchaser and a seller may correct the taxability of a transaction if:
- 1148 (A) after the transaction occurs, the purchaser and the seller discover that the
1149 portion of the transaction that is not subject to taxation under this chapter was
1150 not separately stated on an invoice, bill of sale, or similar document provided
1151 to the purchaser because of an error or ignorance of the law; and

- 1152 (B) the seller is able to identify by reasonable and verifiable standards, from the
1153 books and records the seller keeps in the seller's regular course of business, the
1154 portion of the transaction that is not subject to taxation under this chapter.
- 1155 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
1156 keeps in the seller's regular course of business includes books and records the
1157 seller keeps in the regular course of business for nontax purposes.
- 1158 (h)(i) If the sales price of a transaction is attributable to two or more items of tangible
1159 personal property, products, or services that are subject to taxation under this
1160 chapter at different rates, the entire purchase is subject to taxation under this
1161 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 1162 (A) separately states the items subject to taxation under this chapter at each of the
1163 different rates on an invoice, bill of sale, or similar document provided to the
1164 purchaser; or
- 1165 (B) is able to identify by reasonable and verifiable standards the tangible personal
1166 property, product, or service that is subject to taxation under this chapter at the
1167 lower tax rate from the books and records the seller keeps in the seller's regular
1168 course of business.
- 1169 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
1170 seller's regular course of business includes books and records the seller keeps in
1171 the regular course of business for nontax purposes.
- 1172 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
1173 imposed under the following shall take effect on the first day of a calendar quarter:
- 1174 (i) Subsection (2)(a)(i)(A);
1175 (ii) Subsection (2)(b)(i);
1176 (iii) Subsection (2)(c)(i); or
1177 (iv) Subsection (2)(f)(i)(A)(I).
- 1178 (j)(i) A tax rate increase takes effect on the first day of the first billing period that
1179 begins on or after the effective date of the tax rate increase if the billing period for
1180 the transaction begins before the effective date of a tax rate increase imposed
1181 under:
- 1182 (A) Subsection (2)(a)(i)(A);
1183 (B) Subsection (2)(b)(i);
1184 (C) Subsection (2)(c)(i); or
1185 (D) Subsection (2)(f)(i)(A)(I).

- 1186 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
 1187 statement for the billing period is rendered on or after the effective date of the
 1188 repeal of the tax or the tax rate decrease imposed under:
- 1189 (A) Subsection (2)(a)(i)(A);
 - 1190 (B) Subsection (2)(b)(i);
 - 1191 (C) Subsection (2)(c)(i); or
 - 1192 (D) Subsection (2)(f)(i)(A)(I).
- 1193 (k)(i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
 1194 is computed on the basis of sales and use tax rates published in the catalogue, a
 1195 tax rate repeal or change in a tax rate takes effect:
- 1196 (A) on the first day of a calendar quarter; and
 - 1197 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
 1198 change.
- 1199 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 1200 (A) Subsection (2)(a)(i)(A);
 - 1201 (B) Subsection (2)(b)(i);
 - 1202 (C) Subsection (2)(c)(i); or
 - 1203 (D) Subsection (2)(f)(i)(A)(I).
- 1204 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
 1205 the commission may by rule define the term "catalogue sale."
- 1206 (l)(i) For a location described in Subsection (2)(l)(ii), the commission shall determine
 1207 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel
 1208 based on the predominant use of the gas, electricity, heat, coal, fuel oil, or other
 1209 fuel at the location.
- 1210 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
 1211 or other fuel is furnished through a single meter for two or more of the following
 1212 uses:
- 1213 (A) a commercial use;
 - 1214 (B) an industrial use; or
 - 1215 (C) a residential use.
- 1216 (3)(a) The following state taxes shall be deposited into the General Fund:
- 1217 (i) the tax imposed by Subsection (2)(a)(i)(A);
 - 1218 (ii) the tax imposed by Subsection (2)(b)(i);
 - 1219 (iii) the tax imposed by Subsection (2)(c)(i); and

- 1220 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 1221 (b) The following local taxes shall be distributed to a county, city, or town as provided
- 1222 in this chapter:
- 1223 (i) the tax imposed by Subsection (2)(a)(ii);
- 1224 (ii) the tax imposed by Subsection (2)(b)(ii);
- 1225 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 1226 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 1227 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.
- 1228 (4)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
- 1229 2003, the lesser of the following amounts shall be expended as provided in
- 1230 Subsections (4)(b) through (g):
- 1231 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
- 1232 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
- 1233 (B) for the fiscal year; or
- 1234 (ii) \$17,500,000.
- 1235 (b)(i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
- 1236 described in Subsection (4)(a) shall be transferred each year as designated sales
- 1237 and use tax revenue to the Division of Wildlife Resources to:
- 1238 (A) implement the measures described in Subsections 23A-3-214(3)(a) through (d)
- 1239 to protect sensitive plant and animal species; or
- 1240 (B) award grants, up to the amount authorized by the Legislature in an
- 1241 appropriations act, to political subdivisions of the state to implement the
- 1242 measures described in Subsections 23A-3-214(3)(a) through (d) to protect
- 1243 sensitive plant and animal species.
- 1244 (ii) Money transferred to the Division of Wildlife Resources under Subsection
- 1245 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or
- 1246 any other person to list or attempt to have listed a species as threatened or
- 1247 endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et
- 1248 seq.
- 1249 (iii) At the end of each fiscal year:
- 1250 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
- 1251 the Water Resources Conservation and Development Fund created in Section
- 1252 73-10-24;
- 1253 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the

- 1254 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
1255 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1256 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 1257 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
1258 Subsection (4)(a) shall be deposited each year in the Agriculture Resource
1259 Development Fund created in Section 4-18-106.
- 1260 (d)(i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount
1261 described in Subsection (4)(a) shall be transferred each year as designated sales
1262 and use tax revenue to the Division of Water Rights to cover the costs incurred in
1263 hiring legal and technical staff for the adjudication of water rights.
- 1264 (ii) At the end of each fiscal year:
- 1265 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
1266 the Water Resources Conservation and Development Fund created in Section
1267 73-10-24;
- 1268 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1269 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- 1270 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1271 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 1272 (e)(i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount
1273 described in Subsection (4)(a) shall be deposited into the Water Resources
1274 Conservation and Development Fund created in Section 73-10-24 for use by the
1275 Division of Water Resources.
- 1276 (ii) In addition to the uses allowed of the Water Resources Conservation and
1277 Development Fund under Section 73-10-24, the Water Resources Conservation
1278 and Development Fund may also be used to:
- 1279 (A) conduct hydrologic and geotechnical investigations by the Division of Water
1280 Resources in a cooperative effort with other state, federal, or local entities, for
1281 the purpose of quantifying surface and ground water resources and describing
1282 the hydrologic systems of an area in sufficient detail so as to enable local and
1283 state resource managers to plan for and accommodate growth in water use
1284 without jeopardizing the resource;
- 1285 (B) fund state required dam safety improvements; and
- 1286 (C) protect the state's interest in interstate water compact allocations, including the
1287 hiring of technical and legal staff.

- 1288 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in
1289 Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program
1290 Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund
1291 wastewater projects.
- 1292 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1293 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program
1294 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
1295 (i) provide for the installation and repair of collection, treatment, storage, and
1296 distribution facilities for any public water system, as defined in Section 19-4-102;
1297 (ii) develop underground sources of water, including springs and wells; and
1298 (iii) develop surface water sources.
- 1299 (5)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1300 2006, the difference between the following amounts shall be expended as provided in
1301 this Subsection (5), if that difference is greater than \$1:
1302 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for
1303 the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1);
1304 and
1305 (ii) \$17,500,000.
- 1306 (b)(i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
1307 (A) transferred each fiscal year to the Department of Natural Resources as
1308 designated sales and use tax revenue; and
1309 (B) expended by the Department of Natural Resources for watershed rehabilitation
1310 or restoration.
- 1311 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1312 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources
1313 Conservation and Development Fund created in Section 73-10-24.
- 1314 (c)(i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
1315 remaining difference described in Subsection (5)(a) shall be:
1316 (A) transferred each fiscal year to the Division of Water Resources as designated
1317 sales and use tax revenue; and
1318 (B) expended by the Division of Water Resources for cloud-seeding projects
1319 authorized by Title 73, Chapter 15, Modification of Weather.
- 1320 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1321 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources

- 1322 Conservation and Development Fund created in Section 73-10-24.
- 1323 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
1324 remaining difference described in Subsection (5)(a) shall be deposited into the Water
1325 Resources Conservation and Development Fund created in Section 73-10-24 for use
1326 by the Division of Water Resources for:
- 1327 (i) preconstruction costs:
- 1328 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
1329 Chapter 26, Bear River Development Act; and
- 1330 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
1331 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
- 1332 (ii) the cost of employing a civil engineer to oversee any project authorized by Title
1333 73, Chapter 26, Bear River Development Act;
- 1334 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
1335 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
1336 Act; and
- 1337 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
1338 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)
1339 through (iii).
- 1340 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
1341 remaining difference described in Subsection (5)(a) shall be deposited each year into
1342 the Water Rights Restricted Account created by Section 73-2-1.6.
- 1343 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each
1344 fiscal year, the commission shall deposit into the Water Infrastructure Restricted
1345 Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax
1346 rate on the transactions described in Subsection (1) for the fiscal year.
- 1347 (7)(a) Notwithstanding Subsection (3)(a) and subject to Subsections (7)(b), (c), and (d),
1348 for a fiscal year beginning on or after July 1, 2023, the commission shall deposit into
1349 the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of
1350 the taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from
1351 the following sales and use taxes:
- 1352 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 1353 (ii) the tax imposed by Subsection (2)(b)(i);
- 1354 (iii) the tax imposed by Subsection (2)(c)(i); and
- 1355 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

- 1356 (b)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall
1357 annually reduce the deposit under Subsection (7)(a) into the Transportation
1358 Investment Fund of 2005 by an amount equal to .44% of the revenue collected
1359 from the following sales and use taxes:
- 1360 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - 1361 (B) the tax imposed by Subsection (2)(b)(i);
 - 1362 (C) the tax imposed by Subsection (2)(c)(i); and
 - 1363 (D) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 1364 (ii) The commission shall annually deposit the amount described in Subsection
1365 (7)(b)(i) into the Cottonwood Canyons Transportation Investment Fund created in
1366 Section 72-2-124.
- 1367 (c)(i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
1368 2023, the commission shall annually reduce the deposit into the Transportation
1369 Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is
1370 equal to 5% of:
- 1371 (A) the amount of revenue generated in the current fiscal year by the portion of
1372 taxes listed under Subsection (3)(a) that equals 20.68% of the revenue
1373 collected from taxes described in Subsections (7)(a)(i) through (iv);
 - 1374 (B) the amount of revenue generated in the current fiscal year by registration fees
1375 designated under Section 41-1a-1201 to be deposited into the Transportation
1376 Investment Fund of 2005; and
 - 1377 (C) revenue transferred by the Division of Finance to the Transportation
1378 Investment Fund of 2005 in accordance with Section 72-2-106 in the current
1379 fiscal year.
- 1380 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
1381 given fiscal year.
- 1382 (iii) The commission shall annually deposit the amount described in Subsection
1383 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection
1384 72-2-124(11).
- 1385 (d)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall
1386 annually reduce the deposit into the Transportation Investment Fund of 2005
1387 under this Subsection (7) by an amount that is equal to 1% of the revenue
1388 collected from the following sales and use taxes:
- 1389 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

- 1390 (B) the tax imposed by Subsection (2)(b)(i);
- 1391 (C) the tax imposed by Subsection (2)(c)(i); and
- 1392 (D) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 1393 (ii) The commission shall annually deposit the amount described in Subsection
- 1394 (7)(d)(i) into the Commuter Rail Subaccount created in Section 72-2-124.
- 1395 (8)(a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
- 1396 Subsection (7), and subject to [Subsections] Subsection (8)(b)~~and (d)(ii)~~, for a fiscal
- 1397 year beginning on or after July 1, 2018, the commission shall annually deposit into
- 1398 the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of
- 1399 the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenue
- 1400 collected from the following taxes:
- 1401 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 1402 (ii) the tax imposed by Subsection (2)(b)(i);
- 1403 (iii) the tax imposed by Subsection (2)(c)(i); and
- 1404 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 1405 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
- 1406 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection
- 1407 (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the
- 1408 current fiscal year by the portion of the tax imposed on motor and special fuel that is
- 1409 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
- 1410 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
- 1411 into the Transit Transportation Investment Fund created in Section 72-2-124.
- 1412 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
- 1413 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies
- 1414 Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
- 1415 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal
- 1416 year during which the commission receives notice under Section 63N-2-510 that
- 1417 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the
- 1418 commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the
- 1419 revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact
- 1420 Mitigation Fund, created in Section 63N-2-512.
- 1421 (11)(a) The rate specified in this subsection is 0.15%.
- 1422 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
- 1423 on or after July 1, 2019, annually transfer the amount of revenue collected from the

1424 rate described in Subsection (11)(a) on the transactions that are subject to the sales
1425 and use tax under Subsection (2)(a)(i)(A) into the Medicaid ACA Fund created in
1426 Section 26B-1-315.

1427 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1428 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated
1429 credit solely for use of the Search and Rescue Financial Assistance Program created in,
1430 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

1431 (13)(a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
1432 annually transfer \$1,813,400 of the revenue deposited into the Transportation
1433 Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.

1434 (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under
1435 Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
1436 transfer the total revenue deposited into the Transportation Investment Fund of 2005
1437 under Subsections (7) and (8) during the fiscal year to the General Fund.

1438 (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, beginning
1439 the first day of the calendar quarter one year after the sales and use tax boundary for a
1440 housing and transit reinvestment zone is established, the commission, at least annually,
1441 shall transfer an amount equal to 15% of the sales and use tax increment within an
1442 established sales and use tax boundary, as defined in Section 63N-3-602, into the Transit
1443 Transportation Investment Fund created in Section 72-2-124.

1444 (15) Notwithstanding Subsection (3)(a) and except as provided in Subsection (19), and as
1445 described in Section 63N-3-1711, beginning the first day of the calendar quarter one
1446 year after the sales and use tax boundary for a major sporting event venue zone is
1447 established, the commission, at least annually, shall transfer an amount equal to the
1448 percentage of the sales and use increment approved by the committee from a sales and
1449 use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring
1450 within an established sales and use tax boundary, as defined in Section 63N-3-1701 and
1451 established under Section 63N-3-1710, to the creating entity of the major sporting event
1452 venue zone.

1453 ~~(15)~~ (16) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
1454 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
1455 Restricted Account, created in Section 51-9-902, a portion of the taxes listed under
1456 Subsection (3)(a) equal to 1% of the revenue collected from the following sales and use
1457 taxes:

- 1458 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 1459 (b) the tax imposed by Subsection (2)(b)(i);
- 1460 (c) the tax imposed by Subsection (2)(c)(i); and
- 1461 (d) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 1462 ~~[(16)]~~ (17) Notwithstanding Subsection (3)(a), beginning October 1, 2024 the commission
- 1463 shall transfer to the Utah Fairpark Area Investment and Restoration District, created in
- 1464 Section 11-70-201, the revenue from the sales and use tax imposed by Subsection
- 1465 (2)(a)(i)(A) at a 4.7% rate, on transactions occurring within the district sales tax area, as
- 1466 defined in Section 11-70-101.
- 1467 ~~[(17)]~~ (18)(a) As used in this Subsection ~~[(17)]~~ (18):
- 1468 (i) "Additional land" means point of the mountain state land described in Subsection
- 1469 11-59-102(6)(b) that the point of the mountain authority acquires after the point of
- 1470 the mountain authority provides the commission a map under Subsection ~~[(17)(e)]~~
- 1471 (18)(c).
- 1472 (ii) "Point of the mountain authority" means the Point of the Mountain State Land
- 1473 Authority, created in Section 11-59-201.
- 1474 (iii) "Point of the mountain state land" means the same as that term is defined in
- 1475 Section 11-59-102.
- 1476 (b) Notwithstanding Subsection (3)(a), the commission shall distribute to the point of the
- 1477 mountain authority 50% of the revenue from the sales and use tax imposed by
- 1478 Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring on the point of the
- 1479 mountain state land.
- 1480 (c) The distribution under Subsection ~~[(17)(b)]~~ (18)(b) shall begin the next calendar
- 1481 quarter that begins at least 90 days after the point of the mountain authority provides
- 1482 the commission a map that:
- 1483 (i) accurately describes the point of the mountain state land; and
- 1484 (ii) the point of the mountain authority certifies as accurate.
- 1485 (d) A distribution under Subsection ~~[(17)(b)]~~ (18)(b) with respect to additional land shall
- 1486 begin the next calendar quarter that begins at least 90 days after the point of the
- 1487 mountain authority provides the commission a map of point of the mountain state
- 1488 land that:
- 1489 (i) accurately describes the point of the mountain state land, including the additional
- 1490 land; and
- 1491 (ii) the point of the mountain authority certifies as accurate.

- 1492 (e)(i) Upon the payment in full of bonds secured by the sales and use tax revenue
 1493 distributed to the point of the mountain authority under Subsection [~~(17)(b)~~] (18)(b),
 1494 the point of the mountain authority shall immediately notify the commission in
 1495 writing that the bonds are paid in full.
- 1496 (ii) The commission shall discontinue distributions of sales and use tax revenue under
 1497 Subsection [~~(17)(b)~~] (18)(b) at the beginning of the calendar quarter that begins at
 1498 least 90 days after the date that the commission receives the written notice under
 1499 Subsection [~~(17)(e)(i)~~] (18)(e)(i).
- 1500 (19)(a) As used in this Subsection (19):
- 1501 (i) "Qualified development zone" means, for a major sporting event venue zone
 1502 created under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone
 1503 Act, the sales and use tax boundary of the major sporting event venue zone as
 1504 described in Section 63N-3-1710.
- 1505 (ii) "Schedule J sale" means a sale reported on State Tax Commission Form TC-62M,
 1506 Schedule J or a substantially similar form as designated by the commission.
- 1507 (b) Notwithstanding Subsection (15), revenue generated by a Schedule J sale within a
 1508 qualified development zone shall be distributed into the General Fund.
- 1509 Section 13. Section **59-12-205** is amended to read:
- 1510 **59-12-205 . Ordinances to conform with statutory amendments -- Distribution of**
 1511 **tax revenue -- Determination of population.**
- 1512 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
 1513 59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or
 1514 town's sales and use tax ordinances:
- 1515 (a) within 30 days of the day on which the state makes an amendment to an applicable
 1516 provision of Part 1, Tax Collection; and
- 1517 (b) as required to conform to the amendments to Part 1, Tax Collection.
- 1518 (2)(a) Except as provided in Subsections (3) and (4) and subject to Subsection (5):
- 1519 (i) 50% of each dollar collected from the sales and use tax authorized by this part
 1520 shall be distributed to each county, city, and town on the basis of the percentage
 1521 that the population of the county, city, or town bears to the total population of all
 1522 counties, cities, and towns in the state; and
- 1523 (ii)(A) except as provided in Subsections (2)(a)(ii)(B), (C), and (D), 50% of each
 1524 dollar collected from the sales and use tax authorized by this part shall be
 1525 distributed to each county, city, and town on the basis of the location of the

- 1526 transaction as determined under Sections 59-12-211 through 59-12-215;
- 1527 (B) 50% of each dollar collected from the sales and use tax authorized by this part
- 1528 within a project area descr
- 1529 (C) ibered in a project area plan adopted by the military installation development
- 1530 authority under Title 63H, Chapter 1, Military Installation Development
- 1531 Authority Act, shall be distributed to the military installation development
- 1532 authority created in Section 63H-1-201;
- 1533 [~~(C)~~] (D) beginning July 1, 2024, 20% of each dollar collected from the sales and
- 1534 use tax authorized by this part within a project area under Title 11, Chapter 58,
- 1535 Utah Inland Port Authority Act, shall be distributed to the Utah Inland Port
- 1536 Authority, created in Section 11-58-201; [~~and~~]
- 1537 [~~(D)~~] (E) 50% of each dollar collected from the sales and use tax authorized by this
- 1538 part within the lake authority boundary, as defined in Section 11-65-101, shall
- 1539 be distributed to the Utah Lake Authority, created in Section 11-65-201,
- 1540 beginning the next full calendar quarter following the creation of the Utah
- 1541 Lake Authority[-] ; and
- 1542 (F) 50% of each dollar collected from the sales and use tax authorized by this part
- 1543 within a sales and use tax boundary, as defined in Section 63N-3-1701, shall be
- 1544 distributed to the creating entity of the major sporting event venue zone
- 1545 beginning the next full calendar quarter following the creation of the major
- 1546 sporting event venue zone.
- 1547 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before
- 1548 July 1, 2022.
- 1549 (3)(a) As used in this Subsection (3):
- 1550 (i) "Eligible county, city, or town" means a county, city, or town that:
- 1551 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection
- 1552 (3)(b) equal to the amount described in Subsection (3)(b)(ii); and
- 1553 (B) does not impose a sales and use tax under Section 59-12-2103 on or before
- 1554 July 1, 2016.
- 1555 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
- 1556 distributions an eligible county, city, or town received from a tax imposed in
- 1557 accordance with this part for fiscal year 2004-05.
- 1558 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
- 1559 imposed in accordance with this part equal to the greater of:

- 1560 (i) the payment required by Subsection (2); or
 1561 (ii) the minimum tax revenue distribution.
- 1562 (4)(a) For purposes of this Subsection (4):
- 1563 (i) "Annual local contribution" means the lesser of \$275,000 or an amount equal to
 1564 2.55% of the participating local government's tax revenue distribution amount
 1565 under Subsection (2)(a)(i) for the previous fiscal year.
- 1566 (ii) "Participating local government" means a county or municipality, as defined in
 1567 Section 10-1-104, that is not an eligible municipality certified in accordance with
 1568 Section 35A-16-404.
- 1569 (b) For revenue collected from the tax authorized by this part that is distributed on or
 1570 after January 1, 2019, the commission, before making a tax revenue distribution
 1571 under Subsection (2)(a)(i) to a participating local government, shall:
- 1572 (i) adjust a participating local government's tax revenue distribution under Subsection
 1573 (2)(a)(i) by:
- 1574 (A) subtracting an amount equal to one-twelfth of the annual local contribution for
 1575 each participating local government from the participating local government's
 1576 tax revenue distribution; and
- 1577 (B) if applicable, reducing the amount described in Subsection (4)(b)(i)(A) by an
 1578 amount equal to one-twelfth of \$250 for each bed that is available at all
 1579 homeless shelters located within the boundaries of the participating local
 1580 government, as reported to the commission by the Office of Homeless Services
 1581 in accordance with Section 35A-16-405; and
- 1582 (ii) deposit the resulting amount described in Subsection (4)(b)(i) into the Homeless
 1583 Shelter Cities Mitigation Restricted Account created in Section 35A-16-402.
- 1584 (c) For a participating local government that qualifies to receive a distribution described
 1585 in Subsection (3), the commission shall apply the provisions of this Subsection (4)
 1586 after the commission applies the provisions of Subsection (3).
- 1587 (5)(a) As used in this Subsection (5):
- 1588 (i) "Annual dedicated sand and gravel sales tax revenue" means an amount equal to
 1589 the total revenue an establishment described in NAICS Code 327320, Ready-Mix
 1590 Concrete Manufacturing, of the 2022 North American Industry Classification
 1591 System of the federal Executive Office of the President, Office of Management
 1592 and Budget, collects and remits under this part for a calendar year.
- 1593 (ii) "Sand and gravel" means sand, gravel, or a combination of sand and gravel.

- 1594 (iii) "Sand and gravel extraction site" means a pit, quarry, or deposit that:
1595 (A) contains sand and gravel; and
1596 (B) is assessed by the commission in accordance with Section 59-2-201.
- 1597 (iv) "Ton" means a short ton of 2,000 pounds.
1598 (v) "Tonnage ratio" means the ratio of:
1599 (A) the total amount of sand and gravel, measured in tons, sold during a calendar
1600 year from all sand and gravel extraction sites located within a county, city, or
1601 town; to
1602 (B) the total amount of sand and gravel, measured in tons, sold during the same
1603 calendar year from sand and gravel extraction sites statewide.
- 1604 (b) For purposes of calculating the ratio described in Subsection (5)(a)(v), the
1605 commission shall:
1606 (i) use the gross sales data provided to the commission as part of the commission's
1607 property tax valuation process; and
1608 (ii) if a sand and gravel extraction site operates as a unit across municipal or county
1609 lines, apportion the reported tonnage among the counties, cities, or towns based on
1610 the percentage of the sand and gravel extraction site located in each county, city,
1611 or town, as approximated by the commission.
- 1612 (c)(i) Beginning July 2023, and each July thereafter, the commission shall distribute
1613 from total collections under this part an amount equal to the annual dedicated sand
1614 and gravel sales tax revenue for the preceding calendar year to each county, city,
1615 or town in the same proportion as the county's, city's, or town's tonnage ratio for
1616 the preceding calendar year.
1617 (ii) The commission shall ensure that the revenue distributed under this Subsection
1618 (5)(c) is drawn from each jurisdiction's collections in proportion to the
1619 jurisdiction's share of total collections for the preceding 12-month period.
- 1620 (d) A county, city, or town shall use revenue described in Subsection (5)(c) for class B
1621 or class C roads.
- 1622 (6)(a) Population figures for purposes of this section shall be based on the most recent
1623 official census or census estimate of the United States Bureau of the Census.
1624 (b) If a needed population estimate is not available from the United States Bureau of the
1625 Census, population figures shall be derived from the estimate from the Utah
1626 Population Committee.
1627 (c) The population of a county for purposes of this section shall be determined only from

1628 the unincorporated area of the county.

1629 (7)(a) As used in this Subsection (7):

1630 (i) "Qualified development zone" means the sales and use tax boundary, as described
 1631 in Section 63N-3-1710, of a major sporting event venue zone created under Title
 1632 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act.

1633 (ii) "Schedule J sale" means a sale reported on State Tax Commission Form TC-62M,
 1634 Schedule J or a substantially similar form as designated by the commission.

1635 (b) Revenue generated by a Schedule J sale within a qualified development zone shall be
 1636 distributed to the jurisdiction that would have received the revenue in the absence of
 1637 the qualified development zone.

1638 Section 14. Section **59-12-352** is amended to read:

1639 **59-12-352 . Transient room tax authority for municipalities and certain**
 1640 **authorities -- Purposes for which revenues may be used.**

1641 (1)(a) Except as provided in Subsection (5), the governing body of a municipality may
 1642 impose a tax of not to exceed 1% on charges for the accommodations and services
 1643 described in Subsection 59-12-103(1)(i).

1644 (b) Subject to Section 63H-1-203, the military installation development authority created
 1645 in Section 63H-1-201 may impose a tax under this section for accommodations and
 1646 services described in Subsection 59-12-103(1)(i) within a project area described in a
 1647 project area plan adopted by the authority under Title 63H, Chapter 1, Military
 1648 Installation Development Authority Act, as though the authority were a municipality.

1649 (c) Beginning October 1, 2024, the Utah Fairpark Area Investment and Restoration
 1650 District, created in Section 11-70-201, may impose a tax under this section for
 1651 accommodations and services described in Subsection 59-12-103(1)(i) within the
 1652 district sales tax area, as defined in Section 11-70-101, to the same extent and in the
 1653 same manner as a municipality may impose a tax under this section.

1654 (d) Beginning October 1, 2025, the creating entity of a major sporting event venue zone
 1655 approved pursuant to Title 63N, Chapter 3, Part 17, Major Sporting Event Venue
 1656 Zone Act, may impose a tax under this section for accommodations and services
 1657 described in Subsection 59-12-103(1)(i) within the qualified development zone area,
 1658 as defined in Section 63N-3-1701:

1659 (i) to the same extent and in the same manner as a municipality may impose a tax
 1660 under this section; and

1661 (ii) as described in Subsection (7).

- 1662 (2) Subject to the limitations of Subsection (1), a governing body of a municipality may, by
1663 ordinance, increase or decrease the tax under this part.
- 1664 (3) A governing body of a municipality shall regulate the tax under this part by ordinance.
- 1665 (4) A municipality may use revenues generated by the tax under this part for general fund
1666 purposes.
- 1667 (5)(a) A municipality may not impose a tax under this section for accommodations and
1668 services described in Subsection 59-12-103(1)(i) within a project area described in a
1669 project area plan adopted by[-]:
- 1670 (i) the military installation development authority under Title 63H, Chapter 1,
1671 Military Installation Development Authority Act; or
- 1672 (ii) the Utah Fairpark Area Investment and Restoration District under Title 11,
1673 Chapter 70, Utah Fairpark Area Investment and Restoration District.
- 1674 (b) Subsection (5)(a) does not apply to the military installation development authority's
1675 imposition of a tax under this section.
- 1676 (c) A municipality may not impose a tax under this section for accommodations and
1677 services described in Subsection 59-12-103(1)(i) within a qualified development zone
1678 of a major sporting event venue zone if the creating entity of the major sporting event
1679 venue zone imposes a tax as described in Subsection (7).
- 1680 (6)(a) As used in this Subsection (6):
- 1681 (i) "Authority" means the Point of the Mountain State Land Authority, created in
1682 Section 11-59-201.
- 1683 (ii) "Authority board" means the board referred to in Section 11-59-301.
- 1684 (b) The authority may, by a resolution adopted by the authority board, impose a tax of
1685 not to exceed 5% on charges for the accommodations and services described in
1686 Subsection 59-12-103(1)(i) for transactions that occur on point of the mountain state
1687 land, as defined in Section 11-59-102.
- 1688 (c) The authority board, by resolution, shall regulate the tax under this Subsection (6).
- 1689 (d) The authority shall use all revenue from a tax imposed under this Subsection (6) to
1690 provide affordable housing, consistent with the manner that a community
1691 reinvestment agency uses funds for income targeted housing under Section 17C-1-412.
- 1692 (e) A tax under this Subsection (6) is in addition to any other tax that may be imposed
1693 under this part.
- 1694 (7)(a) As used in this Subsection (7), "creating entity" means the same as that term is
1695 defined in Section 11-71-101.

1696 (b) Subject to Subsection 11-71-202(4), a creating entity may, by ordinance, impose a
 1697 tax not to exceed 5% on charges for the accommodations and services described in
 1698 Subsection 59-12-103(1)(i) for transactions that occur within the qualified
 1699 development zone, as defined in Section 63N-3-1701, of a major sporting event
 1700 venue zone.

1701 (c) A creating entity shall use all revenue from a tax imposed under this Subsection (7)
 1702 as described in Section 11-71-204.

1703 (d) A tax under this Subsection (7) is in addition to any other tax that may be imposed
 1704 under this part.

1705 Section 15. Section **59-12-354** is amended to read:

1706 **59-12-354 . Collection of tax -- Administrative charge.**

1707 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part shall be
 1708 administered, collected, and enforced in accordance with:

1709 (a) the same procedures used to administer, collect, and enforce the tax under:

1710 (i) Part 1, Tax Collection; or

1711 (ii) Part 2, Local Sales and Use Tax Act; and

1712 (b) Chapter 1, General Taxation Policies.

1713 (2)(a) The location of a transaction shall be determined in accordance with Sections
 1714 59-12-211 through 59-12-215.

1715 (b) Except as provided in Subsection (2)(c), the commission shall distribute the revenue
 1716 collected from the tax to:

1717 (i)(A) the municipality within which the revenue was collected, for a tax imposed
 1718 under this part by a municipality; or

1719 (B) the Utah Fairpark Area Investment and Restoration District, for a tax imposed
 1720 under this part by the Utah Fairpark Area Investment and Restoration District; [
 1721 ~~and~~]

1722 (ii) the Point of the Mountain State Land Authority, for a tax imposed under
 1723 Subsection 59-12-352(6)[-] ; and

1724 (iii) the creating entity of a major sporting event venue zone, for a tax imposed under
 1725 Subsection 59-12-352(7).

1726 (c) The commission shall retain and deposit an administrative charge in accordance with
 1727 Section 59-1-306 from the revenue the commission collects from a tax under this part.

1728 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or Subsections
 1729 59-12-205(2) through (5).

1730 Section 16. Section **59-12-401** is amended to read:

1731 **59-12-401 . Resort communities tax authority for cities, towns, and certain**
1732 **authorities and certain counties -- Base -- Rate -- Collection fees.**

1733 (1)(a) In addition to other sales and use taxes, a city or town in which the transient room
1734 capacity as defined in Section 59-12-405 is greater than or equal to 66% of the
1735 municipality's permanent census population may impose a sales and use tax of up to
1736 1.1% on the transactions described in Subsection 59-12-103(1) located within the city
1737 or town.

1738 (b) Notwithstanding Subsection (1)(a), a city or town may not impose a tax under this
1739 section on:

1740 (i)(A) the sale of a motor vehicle, an aircraft, a watercraft, a modular home, a
1741 manufactured home, or a mobile home;

1742 (B) the sales and uses described in Section 59-12-104 to the extent the sales and
1743 uses are exempt from taxation under Section 59-12-104; and

1744 (C) except as provided in Subsection (1)(d), amounts paid or charged for food and
1745 food ingredients; or

1746 (ii) transactions that occur in the district sales tax area, as defined in Subsection (4), if
1747 the fairpark district, as defined in Subsection (4), has imposed a tax under
1748 Subsection (4).

1749 (c) For purposes of this Subsection (1), the location of a transaction shall be determined
1750 in accordance with Sections 59-12-211 through 59-12-215.

1751 (d) A city or town imposing a tax under this section shall impose the tax on the purchase
1752 price or the sales price for amounts paid or charged for food and food ingredients if
1753 the food and food ingredients are sold as part of a bundled transaction attributable to
1754 food and food ingredients and tangible personal property other than food and food
1755 ingredients.

1756 (2)(a) An amount equal to the total of any costs incurred by the state in connection with
1757 the implementation of Subsection (1) which exceed, in any year, the revenues
1758 received by the state from its collection fees received in connection with the
1759 implementation of Subsection (1) shall be paid over to the state General Fund by the
1760 cities and towns which impose the tax provided for in Subsection (1).

1761 (b) Amounts paid under Subsection (2)(a) shall be allocated proportionally among those
1762 cities and towns according to the amount of revenue the respective cities and towns
1763 generate in that year through imposition of that tax.

- 1764 (3)(a) Subject to Section 63H-1-203, the military installation development authority
1765 created in Section 63H-1-201 may impose a tax under this section on the transactions
1766 described in Subsection 59-12-103(1) located within a project area described in a
1767 project area plan adopted by the authority under Title 63H, Chapter 1, Military
1768 Installation Development Authority Act, as though the authority were a city or a town.
- 1769 (b) For purposes of calculating the permanent census population within a project area,
1770 the board, as defined in Section 63H-1-102, shall:
- 1771 (i) use the actual number of permanent residents within the project area as determined
1772 by the board;
- 1773 (ii) include in the calculation of transient room capacity the number, as determined
1774 by the board, of approved high-occupancy lodging units, recreational lodging
1775 units, special lodging units, and standard lodging units, even if the units are not
1776 constructed;
- 1777 (iii) adopt a resolution verifying the population number; and
- 1778 (iv) provide the commission any information required in Section 59-12-405.
- 1779 (c) Notwithstanding Subsection (1)(a), a board as defined in Section 63H-1-102 may
1780 impose the sales and use tax under this section if there are no permanent residents.
- 1781 (4)(a) As used in this Subsection (4):
- 1782 (i) "District sales tax area" means the same as that term is defined in Section
1783 11-70-101.
- 1784 (ii) "Fairpark district" means the Utah Fairpark Area Investment and Restoration
1785 District, created in Section 11-70-201.
- 1786 (iii) "Fairpark district board" means the board of the fairpark district.
- 1787 (b) The fairpark district, by resolution of the fairpark district board, may impose a tax
1788 under this section, as though the fairpark district were a city or town, on transactions
1789 described in Subsection 59-12-103(1):
- 1790 (i) located within the district sales tax area; and
- 1791 (ii) that occur on or after October 1, 2024.
- 1792 (c) For purposes of calculating the permanent census population within the district sales
1793 tax area, the fairpark district board shall:
- 1794 (i) use the actual number of permanent residents within the district sales tax area as
1795 determined by the fairpark district board;
- 1796 (ii) include in the calculation of transient room capacity the number, as determined
1797 by the fairpark district board, of approved high-occupancy lodging units,

1798 recreational lodging units, special lodging units, and standard lodging units, even
 1799 if the units are not constructed;

1800 (iii) adopt a resolution verifying the population number; and

1801 (iv) provide the commission any information required in Section 59-12-405.

1802 (d) Notwithstanding Subsection (1)(a), the fairpark district may impose the sales and use
 1803 tax under this section if there are no permanent residents within the district sales tax
 1804 area.

1805 (5)(a) As used in this Subsection (5):

1806 (i) "Creating entity" means the same as that term is defined in Section 11-71-101.

1807 (ii) "Major sporting event venue zone" means an area approved to be a major sporting
 1808 event venue zone under Title 63N, Chapter 3, Part 17, Major Sporting Event
 1809 Venue Zone Act.

1810 (iii) "Qualified development zone" means the same as that term is defined in Section
 1811 63N-3-1701.

1812 (b) Subject to Subsection 11-71-202(4), a creating entity of a major sporting event venue
 1813 zone may, by ordinance, impose a tax under this section as though the creating entity
 1814 were a city or town eligible to impose a tax under this section on the transactions
 1815 described in Subsection 59-12-103(1):

1816 (i) located within the qualified development zone; and

1817 (ii) that occur on or after October 1, 2025.

1818 (6)(a) As used in this Subsection (6), "major sporting event venue" means the same as
 1819 that term is defined in Subsection 63N-3-1701(6)(a) but not Subsection
 1820 63N-3-1701(6)(b).

1821 (b) A county of the third class with at least three major sporting event venues within the
 1822 jurisdiction of the county may, by ordinance, impose a tax under this section as
 1823 though the county were a city or town eligible to impose a tax under this section on
 1824 the transactions described in Subsection 59-12-103(1):

1825 (i) within the county; and

1826 (ii) that occur on or after October 1, 2025.

1827 (c) A county that imposes a tax under this Subsection (6) shall submit sufficient proof to
 1828 the commission, on a form provided by the commission, that the county meets the
 1829 requirements of Subsection (6)(b) at least one fiscal quarter before the tax imposed
 1830 by the county under this Subsection (6) goes into effect.

1831 Section 17. Section **59-12-402** is amended to read:

1832 **59-12-402 . Additional resort communities sales and use tax -- Base -- Rate --**
 1833 **Collection fees -- Resolution and voter approval requirements -- Election requirements --**
 1834 **Notice requirements -- Ordinance requirements -- Certain authorities and zones**
 1835 **implementing additional resort communities sales and use tax.**

1836 (1)(a) Subject to Subsections (2) through (6), the governing body of a municipality in
 1837 which the transient room capacity as defined in Section 59-12-405 is greater than or
 1838 equal to 66% of the municipality's permanent census population may, in addition to
 1839 the sales tax authorized under Section 59-12-401, impose an additional resort
 1840 communities sales tax in an amount that is less than or equal to .5% on the
 1841 transactions described in Subsection 59-12-103(1) located within the municipality.

1842 (b) Notwithstanding Subsection (1)(a), the governing body of a municipality may not
 1843 impose a tax under this section on:

1844 (i)(A) the sale of a motor vehicle, an aircraft, a watercraft, a modular home, a
 1845 manufactured home, or a mobile home;

1846 (B) the sales and uses described in Section 59-12-104 to the extent the sales and
 1847 uses are exempt from taxation under Section 59-12-104; and

1848 (C) except as provided in Subsection (1)(d), amounts paid or charged for food and
 1849 food ingredients; or

1850 (ii) transactions that occur in the district sales tax area, as defined in Subsection
 1851 59-12-401(4), if the Utah Fairpark Area Investment and Restoration District,
 1852 created in Section 11-70-201, has imposed a tax under Subsection (8).

1853 (c) For purposes of this Subsection (1), the location of a transaction shall be determined
 1854 in accordance with Sections 59-12-211 through 59-12-215.

1855 (d) A municipality imposing a tax under this section shall impose the tax on the
 1856 purchase price or sales price for amounts paid or charged for food and food
 1857 ingredients if the food and food ingredients are sold as part of a bundled transaction
 1858 attributable to food and food ingredients and tangible personal property other than
 1859 food and food ingredients.

1860 (2)(a) An amount equal to the total of any costs incurred by the state in connection with
 1861 the implementation of Subsection (1) which exceed, in any year, the revenues
 1862 received by the state from its collection fees received in connection with the
 1863 implementation of Subsection (1) shall be paid over to the state General Fund by the
 1864 cities and towns which impose the tax provided for in Subsection (1).

1865 (b) Amounts paid under Subsection (2)(a) shall be allocated proportionally among those

- 1866 cities and towns according to the amount of revenue the respective cities and towns
1867 generate in that year through imposition of that tax.
- 1868 (3) To impose an additional resort communities sales tax under this section, the governing
1869 body of the municipality shall:
- 1870 (a) pass a resolution approving the tax; and
1871 (b) except as provided in Subsection (6), obtain voter approval for the tax as provided in
1872 Subsection (4).
- 1873 (4) To obtain voter approval for an additional resort communities sales tax under
1874 Subsection (3)(b), a municipality shall:
- 1875 (a) hold the additional resort communities sales tax election during:
1876 (i) a regular general election; or
1877 (ii) a municipal general election; and
1878 (b) post notice of the election for the municipality, as a class A notice under Section
1879 63G-30-102, for at least 15 days before the day on which the election is held.
- 1880 (5) An ordinance approving an additional resort communities sales tax under this section
1881 shall provide an effective date for the tax as provided in Section 59-12-403.
- 1882 (6)(a) Except as provided in Subsection (6)(b), a municipality is not subject to the voter
1883 approval requirements of Subsection (3)(b) if, on or before January 1, 1996, the
1884 municipality imposed a license fee or tax on businesses based on gross receipts
1885 pursuant to Section 10-1-203.
- 1886 (b) The exception from the voter approval requirements in Subsection (6)(a) does not
1887 apply to a municipality that, on or before January 1, 1996, imposed a license fee or
1888 tax on only one class of businesses based on gross receipts pursuant to Section
1889 10-1-203.
- 1890 (7) Subject to Subsection 63H-1-203(1), a military installation development authority
1891 authorized to impose a resort communities tax under Section 59-12-401 may impose an
1892 additional resort communities sales tax under this section.
- 1893 (8) The Utah Fairpark Area Investment and Restoration District, created in Section
1894 11-70-201, may impose an additional resort communities tax under this section on
1895 transactions that occur:
- 1896 (a) within the district sales tax area, as defined in Subsection 59-12-401(4); and
1897 (b) that occur on or after October 1, 2024.
- 1898 (9) Subject to Subsection 11-71-202(4), the creating entity of a major sporting event venue
1899 zone, established under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue

- 1900 Zone Act, may by ordinance impose an additional resort communities tax under this
 1901 section on transactions that occur:
- 1902 (a) within the major sporting event venue zone qualified development zone, as defined
 1903 in Section 63N-3-1701; and
 1904 (b) on or after October 1, 2025.
- 1905 Section 18. Section **59-12-405** is amended to read:
- 1906 **59-12-405 . Definitions -- Municipality filing requirements for lodging unit**
 1907 **capacity -- Failure to meet eligibility requirements -- Notice to municipality --**
 1908 **Municipality authority to impose tax.**
- 1909 (1) As used in this section:
- 1910 (a) "High-occupancy lodging unit" means each bedroom in a:
- 1911 (i) hostel; or
- 1912 (ii) a unit similar to a hostel as determined by the commission by rule.
- 1913 (b) "High-occupancy lodging unit capacity of a municipality" means the product of:
- 1914 (i) the total number of high-occupancy lodging units within the incorporated
 1915 boundaries of a municipality on the first day of the calendar quarter during which
 1916 the municipality files the form described in Subsection (3); and
- 1917 (ii) four.
- 1918 (c) "Recreational lodging unit" means each site in a:
- 1919 (i) campground that:
- 1920 (A) is issued a business license by the municipality in which the campground is
 1921 located; and
- 1922 (B) provides the following hookups:
- 1923 (I) water;
- 1924 (II) sewer; and
- 1925 (III) electricity; [or]
- 1926 (ii) recreational vehicle park that provides the following hookups:
- 1927 (A) water;
- 1928 (B) sewer; and
- 1929 (C) electricity; or
- 1930 (iii) unit similar to Subsection (1)(c)(i) or (ii) as determined by the commission by
 1931 rule.
- 1932 (d) "Recreational lodging unit capacity of a municipality" means the product of:
- 1933 (i) the total number of recreational lodging units within the incorporated boundaries

- 1934 of a municipality on the first day of the calendar quarter during which the
1935 municipality files the form described in Subsection (3); and
- 1936 (ii) four.
- 1937 (e) "Special lodging unit" means a lodging unit:
- 1938 (i) that is a:
- 1939 (A) high-occupancy lodging unit;
- 1940 (B) recreational lodging unit; or
- 1941 (C) standard lodging unit;
- 1942 (ii) for which the commission finds that in determining the capacity of the lodging
1943 unit the lodging unit should be multiplied by a number other than a number
1944 described in:
- 1945 (A) for a high-occupancy lodging unit, Subsection (1)(b)(ii);
- 1946 (B) for a recreational lodging unit, Subsection (1)(d)(ii); or
- 1947 (C) for a standard lodging unit, Subsection (1)(i)(ii); and
- 1948 (iii) for which the municipality in which the lodging unit is located files a written
1949 request with the commission for the finding described in Subsection (1)(e)(ii).
- 1950 (f) "Special lodging unit capacity of a municipality" means the sum of the special
1951 lodging unit numbers for all of the special lodging units within the incorporated
1952 boundaries of a municipality on the first day of the calendar quarter during which the
1953 municipality files the form described in Subsection (3).
- 1954 (g) "Special lodging unit number" means the number by which the commission finds
1955 that a special lodging unit should be multiplied in determining the capacity of the
1956 special lodging unit.
- 1957 (h) "Standard lodging unit" means each bedroom in:
- 1958 (i) a hotel;
- 1959 (ii) a motel;
- 1960 (iii) a bed and breakfast establishment;
- 1961 (iv) an inn;
- 1962 (v) a condominium that is:
- 1963 (A) part of a rental pool; or
- 1964 (B) regularly rented out for a time period of less than 30 consecutive days;
- 1965 (vi) a property used as a residence that is:
- 1966 (A) part of a rental pool; or
- 1967 (B) regularly rented out for a time period of less than 30 consecutive days; or

- 1968 (vii) a unit similar to Subsections (1)(h)(i) through (vi) as determined by the
 1969 commission by rule.
- 1970 (i) "Standard lodging unit capacity of a municipality" means the product of:
 1971 (i) the total number of standard lodging units within the incorporated boundaries of a
 1972 municipality on the first day of the calendar quarter during which the municipality
 1973 files the form described in Subsection (3); and
 1974 (ii) three.
- 1975 (j) "Transient room capacity" means the sum of:
 1976 (i) the high-occupancy lodging unit capacity of a municipality;
 1977 (ii) the recreational lodging unit capacity of a municipality;
 1978 (iii) the special lodging unit capacity of a municipality; and
 1979 (iv) the standard lodging unit capacity of a municipality.
- 1980 (2) A municipality that imposes a tax under this part shall provide the commission the
 1981 following information as provided in this section:
 1982 (a) the high-occupancy lodging unit capacity of the municipality;
 1983 (b) the recreational lodging unit capacity of the municipality;
 1984 (c) the special lodging unit capacity of the municipality; and
 1985 (d) the standard lodging unit capacity of the municipality.
- 1986 (3) A municipality shall file with the commission the information required by Subsection (2):
 1987 (a) on a form provided by the commission; and
 1988 (b) on or before:
 1989 (i) for a municipality that is required by Section 59-12-403 to provide notice to the
 1990 commission, the day on which the municipality provides the notice required by
 1991 Section 59-12-403 to the commission; or
 1992 (ii) for a municipality that is not required by Section 59-12-403 to provide notice to
 1993 the commission, July 1 of each year.
- 1994 (4) If the commission determines that a municipality that files the form described in
 1995 Subsection (3) has a transient room capacity that is less than 66% of the municipality's
 1996 permanent census population, the commission shall notify the municipality in writing:
 1997 (a) that the municipality's transient room capacity is less than 66% of the municipality's
 1998 permanent census population; and
 1999 (b)(i) for a municipality that is required by Section 59-12-403 to provide notice to the
 2000 commission, within 30 days after the day on which the municipality provides the
 2001 notice to the commission; or

- 2002 (ii) for a municipality that is not required by Section 59-12-403 to provide notice to
 2003 the commission, on or before September 1.
- 2004 (5)(a) For a municipality that does not impose a tax under Section 59-12-401 on the day
 2005 on which the municipality files the form described in Subsection (3), if the
 2006 commission provides written notice described in Subsection (4) to the municipality,
 2007 the municipality may not impose a tax under this part until the municipality meets the
 2008 requirements of this part to enact the tax.
- 2009 (b) For a municipality that is not required by Section 59-12-403 to provide notice to the
 2010 commission, if the commission provides written notice described in Subsection (4) to
 2011 the municipality for three consecutive calendar years, the municipality may not
 2012 impose a tax under this part:
- 2013 (i) beginning on July 1 of the year after the year during which the commission
 2014 provided written notice described in Subsection (4):
- 2015 (A) to the municipality; and
- 2016 (B) for the third consecutive calendar year; and
- 2017 (ii) until the municipality meets the requirements of this part to enact the tax.
- 2018 (6) The requirements of this section do not apply to a municipality that:
- 2019 (a) is a creating entity of a major sporting event venue zone; and
- 2020 (b) only imposes a tax authorized under this part on transactions that occur within the
 2021 qualified development area of a major sporting event venue zone.

2022 Section 19. Section **63N-3-1701** is enacted to read:

2023 **Part 17. Major Sporting Event Venue Zone Act**

2024 **63N-3-1701 . Definitions.**

2025 As used in this part:

- 2026 (1) "Base taxable value" means the taxable value of land within a qualified development
 2027 zone as of January 1 of the year in which a committee approves a proposal for a major
 2028 sporting event venue zone.
- 2029 (2) "Base year" means, for each tax increment collection period triggered within a qualified
 2030 development zone or a proposed qualified development zone, the calendar year before
 2031 the calendar year in which the tax increment begins to be collected for the parcels
 2032 triggered for that collection period.
- 2033 (3) "Committee" means a major sporting event venue zone committee described in Section
 2034 63N-1a-1706.
- 2035 (4) "Creating entity" means a municipality or a county.

- 2036 (5) "Impacted primary area" means the land outside a primary project area but within one
2037 mile of the boundary of the primary project area.
- 2038 (6)(a) "Major sporting event venue" means:
- 2039 (i) for a venue that has been or is proposed to be used for the Olympic Games, as
2040 confirmed by the Salt Lake City-Utah Committee for the Games, a site, arena, or
2041 facility along with supporting or adjacent structures so long as the expected
2042 expenditures to construct, demolish, reconstruct, modify, upgrade, or expand the
2043 site, arena, or facility exceeds \$100,000,000; or
- 2044 (ii) for a venue that has been or is proposed to host international or professional
2045 sports competitions, a site, arena, golf course, playing field, stadium, or facility
2046 along with supporting or adjacent structures so long as:
- 2047 (A) the expected expenditures to construct, demolish, reconstruct, modify,
2048 upgrade, or expand the site, arena, golf course, playing field, stadium, or
2049 facility exceeds \$100,000,000; and
- 2050 (B) the total area for the venue is at least 50 acres in size.
- 2051 (b) "Major sporting event venue" includes structures where an international competition
2052 or professional athletic event is not taking place directly but where media, athletes,
2053 spectators, organizers, and officials associated with the international competition or
2054 professional athletic event are hosted in direct connection with the international
2055 competition or professional athletic event taking place at a location described in
2056 Subsection (6)(a).
- 2057 (7) "Major sporting event venue zone" means the land, as described in a proposal to create a
2058 major sporting event venue zone or a proposal to amend a major sporting event venue
2059 zone, or as approved by a committee for a major sporting event venue zone, upon which
2060 there are one or more major sporting event venues.
- 2061 (8) "Major sporting event venue zone revenue" means all the revenue captured by a creating
2062 entity for an area described in a major sporting event venue zone and the major sporting
2063 event venue zone primary project area, including:
- 2064 (a) property tax increment;
- 2065 (b) sales and use tax increment;
- 2066 (c) if applicable, municipal energy sales and use tax;
- 2067 (d) if applicable, municipal telecommunications license tax;
- 2068 (e) if applicable, accommodations tax;
- 2069 (f) if applicable, transient room tax; and

2070 (g) if applicable, resort communities sales and use tax and additional resort communities
2071 sales and use tax.

2072 (9)(a) "Property tax increment" means the difference between:

2073 (i) the amount of property tax revenue generated each tax year by a taxing entity
2074 within a qualified development zone, or proposed qualified development zone,
2075 from which property tax increment is to be collected, using the current assessed
2076 value and each taxing entity's current certified tax rate as defined in Section
2077 59-2-924; and

2078 (ii) the amount of property tax revenue that would be generated from the area
2079 described in Subsection (9)(a)(i) using the base taxable value and each taxing
2080 entity's current certified tax rate as defined in Section 59-2-924.

2081 (b) "Property tax increment" does not include property tax revenue from:

2082 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
2083 or

2084 (ii) a county additional property tax described in Subsection 59-2-1602(4).

2085 (10) "Proposal" means a document, physical or electronic, developed by a creating entity:

2086 (a) outlining the need for a major sporting event venue zone;

2087 (b) describing the proposed primary project area of a proposed major sporting event
2088 venue zone;

2089 (c) describing the impacted primary area of a proposed major sporting event venue zone;

2090 (d) describing the proposed secondary project area of a proposed major sporting event
2091 venue zone, if any; and

2092 (e) submitted to a major sporting event venue zone committee.

2093 (11) "Qualified development zone" means the property within a major sporting event venue
2094 zone, and, if applicable, the secondary project area, as approved by the committee as
2095 described in this part.

2096 (12) "Sales and use tax base year" means a sales and use tax year determined by the first
2097 year pertaining to the tax imposed in Section 59-12-103 after the sales and use tax
2098 boundary for a major sporting event venue zone is established.

2099 (13)(a) "Sales and use tax boundary" means a boundary established as described in
2100 Sections 63N-3-1707 and 63N-3-1710, based on state sales and use tax collection that
2101 corresponds as closely as reasonably practicable to the boundary of the major
2102 sporting event venue zone.

2103 (b) "Sales and use tax boundary" does not include land described in a secondary project

2104 area.

2105 (14) "Sales and use tax increment" means the difference between:

2106 (a) the amount of state sales and use tax revenue generated each year following the sales
 2107 and use tax base year by the sales and use tax from the area within a sales and use tax
 2108 boundary from which sales and use tax increment is to be collected; and

2109 (b) the amount of state sales and use tax revenue that was generated from within the
 2110 sales and use tax boundary during the sales and use tax base year.

2111 (15)(a) "Secondary project area" means land, as described in a proposal to create a major
 2112 sporting event venue zone or a proposal to amend a major sporting event venue zone,
 2113 or as approved by a committee for a major sporting event venue zone:

2114 (i) located in the same jurisdiction as the creating entity for the major sporting event
 2115 venue zone;

2116 (ii) located no more than two miles from the boundary of the major sporting event
 2117 venue zone;

2118 (iii) connected to a primary project area by a transportation system; and

2119 (iv) not exceeding 50 acres.

2120 (b) "Secondary project area" may include:

2121 (i) land that is not contiguous to the primary project area, if the land designated in the
 2122 secondary project area is the only or primary point of transit by which an
 2123 individual may begin to access the primary project area; and

2124 (ii) the land on which a connecting transportation system sits if the transportation
 2125 system requires infrastructure that is permanently affixed to the land.

2126 (16) "Transportation system" means:

2127 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including
 2128 connected structures;

2129 (b) an airport or aerial transit infrastructure;

2130 (c) a public transit facility; or

2131 (d) any other modes or form of conveyance used by the public.

2132 Section 20. Section **63N-3-1702** is enacted to read:

2133 **63N-3-1702 . Applicability, requirements, and limitations on a major sporting**
 2134 **event venue zone.**

2135 (1) A major sporting event venue zone created pursuant to this part shall promote the
 2136 following objectives:

2137 (a) redevelopment of existing but aging major sporting event venues;

- 2138 (b) development of new major sporting event venues;
2139 (c) development of infrastructure supporting a major sporting event venue;
2140 (d) increased utilization of public transportation when accessing a major sporting event
2141 venue;
2142 (e) improved efficiencies in parking and transportation with the goal of increasing
2143 walkability between a major sporting event venue and a public transit station;
2144 (f) improved commercial development, or mixed commercial-residential development,
2145 in areas near a major sporting event venue;
2146 (g) improving air quality by reducing fuel consumption and motor vehicle trips;
2147 (h) increasing tourism activity; and
2148 (i) the development of affordable housing near a major sporting event venue.
- 2149 (2) In order to accomplish the objectives described in this section, a creating entity that
2150 initiates the process to create a major sporting event venue zone shall ensure that a
2151 proposal for a major sporting event venue zone includes information demonstrating how
2152 the proposed major sporting event venue zone shall achieve the objectives described in
2153 Subsection (1).
- 2154 (3) Notice of commencement of collection of tax increment shall be sent by mail or
2155 electronically to the following entities no later than January 1 of the year for which the
2156 tax increment collection is proposed to commence:
- 2157 (a) the State Tax Commission;
2158 (b) the State Board of Education;
2159 (c) the state auditor;
2160 (d) the auditor of the county in which the major sporting event venue zone is proposed to
2161 be created;
2162 (e) each taxing entity to be affected by collection of tax increment in the proposed major
2163 sporting event venue zone;
2164 (f) the assessor of the county in which the major sporting event venue zone is proposed
2165 to be created; and
2166 (g) the Governor's Office of Economic Opportunity.
- 2167 (4) A major sporting event venue zone proposal may include:
2168 (a) a proposal to capture property tax increment;
2169 (b) a proposal to capture sales and use tax increment; and
2170 (c) a proposal to implement a tax described in Section 11-71-202, either immediately
2171 upon creation of the major sporting event venue zone or on a specified timeline

2172 following the creation of the major sporting event venue zone.

2173 Section 21. Section **63N-3-1703** is enacted to read:

2174 **63N-3-1703 . Process for proposing a major sporting event venue zone.**

2175 (1)(a) A creating entity may propose a major sporting event venue zone as provided in
2176 this section.

2177 (b) One or more creating entities may jointly propose a major sporting event venue zone
2178 if:

2179 (i) the creating entities first enter an interlocal agreement governing how the creating
2180 entities shall manage the major sporting event venue zone, if approved; or

2181 (ii) the creating entities include a proposed interlocal agreement the creating entities
2182 will enter upon approval of the major sporting event venue zone.

2183 (c) A creating entity may not propose a major sporting event venue zone unless the
2184 owner of a major sporting event venue consents to the creation of the major sporting
2185 event venue zone through a participation agreement with the creating entity.

2186 (2) A proposal for a major sporting event venue zone shall:

2187 (a) identify if the proposal is to redevelop an existing but aging major sporting event
2188 venue, develop a new major sporting event venue, or both redevelop an existing but
2189 aging major sporting event venue and develop a new major sporting event venue;

2190 (b) demonstrate that the major sporting event venue zone will meet the objectives
2191 described in Subsection 63N-3-1702(1);

2192 (c) explain how the creating entity will achieve the requirements of Subsection
2193 63N-3-1702(2);

2194 (d) include the consent described in Subsection (1)(c);

2195 (e) define specific infrastructure needs, if any, and proposed improvements to:

2196 (i) the major sporting event venue zone; and

2197 (ii) if applicable, the secondary project area;

2198 (f) demonstrate how the major sporting event venue zone will:

2199 (i) ensure sufficient traffic control;

2200 (ii) provide multiple avenues for spectators or participants to access the major
2201 sporting event venue zone, including public transit; and

2202 (iii) promote increased visitation to and recreation in the major sporting event venue
2203 zone;

2204 (g) define the boundaries of the major sporting event venue zone;

2205 (h) define the boundaries of the secondary project area, if any;

- 2206 (i) identify any impediments to the development of a new major sporting event venue, or
2207 impediments to refurbishing an existing major sporting event venue, in the major
2208 sporting event venue zone and proposed strategies for addressing each one;
- 2209 (j) describe the proposed development or refurbishment to a sporting event venue in the
2210 major sporting event venue zone, including estimated costs;
- 2211 (k) subject to Subsection (3):
- 2212 (i) propose the collection period or periods for the major sporting event venue zone
2213 property tax increment, sales tax increment, or both;
- 2214 (ii) propose the collection period or periods for property tax increment in the
2215 secondary project area, if any;
- 2216 (iii) propose the sales tax increment to be collected for the benefit of the major
2217 sporting event venue zone; and
- 2218 (iv) propose the qualified development zone boundaries for purposes of the property
2219 tax increment boundary, as described in Section 63N-3-1709, and the sales and
2220 use tax boundary, as described in Section 63N-3-1710;
- 2221 (l) establish the timeline to levy additional taxes authorized under Title 11, Chapter 71,
2222 Major Sporting Event Venue Zones, if any, within the major sporting event venue
2223 zone and primary project area;
- 2224 (m) describe projected maximum revenues generated within the major sporting event
2225 venue zone by each permitted source of revenue, as described in Section 11-71-202;
- 2226 (n) describe proposed expenditures of revenue generated within the major sporting event
2227 venue zone;
- 2228 (o) include an analysis of other applicable or eligible incentives, grants, or sources of
2229 revenue that can be used to reduce any finance gap between generated revenue and
2230 estimated costs;
- 2231 (p)(i) describe any known opportunities for private-public partnership in developing,
2232 refurbishing, operating, or managing a major sporting event venue, as described in
2233 Section 11-71-301; or
- 2234 (ii) describe a strategy to pursue private-public partnership in developing or
2235 refurbishing a major sporting event venue;
- 2236 (q) propose a finance schedule to align expected revenue with required financing costs
2237 and payments;
- 2238 (r) evaluate possible benefits to active transportation, public transportation availability
2239 and utilization, street connectivity, and air quality; and

- 2240 (s) provides a pro forma for the planned development that:
- 2241 (i) satisfies the requirements described in Section 63N-3-1702; and
- 2242 (ii) includes data showing the cost difference between what type of redevelopment or
- 2243 development could feasibly occur without major sporting event venue zone
- 2244 revenue, and the type of redevelopment or development that is proposed to occur
- 2245 with major sporting event venue zone revenue.
- 2246 (3)(a) Property tax increment may be collected from a qualified development zone for no
- 2247 less than 25 years and no more than 40 years.
- 2248 (b) Sales and use tax increment may be collected for an area in a sales and use tax
- 2249 boundary for no more than 40 years.
- 2250 (c) The percentage of property tax increment collected for the benefit of a major sporting
- 2251 event venue zone is 75%.
- 2252 (d) The committee established under Section 63N-3-1706 shall determine the percentage
- 2253 of sales and use tax increment to be collected for the benefit of a major sporting event
- 2254 venue zone.
- 2255 (4) A creating entity shall submit a proposal described in Subsection (2) to a relevant school
- 2256 district to discuss the requirements of the proposal.
- 2257 (5) No earlier than 30 days after the day on which the creating entity submits the proposal
- 2258 to a relevant school district under Subsection (4), the creating entity shall provide the
- 2259 proposal described in Subsection (2) and any response or feedback to the proposal from
- 2260 a relevant school district to the office for consideration.
- 2261 (6)(a) Within 14 days after the date on which the office receives the proposal described
- 2262 in Subsection (5), the office shall provide notice of the proposal to all affected taxing
- 2263 entities, including the State Tax Commission, cities, counties, school districts,
- 2264 metropolitan planning organizations, and the county assessor and county auditor of
- 2265 the county in which the major sporting event venue zone would be located.
- 2266 (b) After receiving notice from the office of a proposed major sporting event venue zone
- 2267 as described in Subsection (6)(a), the creating entity, in consultation with the county
- 2268 assessor and the State Tax Commission, shall:
- 2269 (i) evaluate the feasibility of administering the tax implications of the proposal; and
- 2270 (ii) provide a letter to the office describing any challenges in the administration of the
- 2271 proposal, or indicating that the county assessor and State Tax Commission can
- 2272 feasibly administer the proposal.
- 2273 (7) After providing the office with the letter described in Subsection (6)(b), the creating

2274 entity proposing the major sporting event venue zone may:

2275 (a) amend the proposal and request that the office submit the amended proposal to the
2276 committee; or

2277 (b) request that the office submit the original major sporting event venue zone proposal
2278 to the committee.

2279 Section 22. Section **63N-3-1704** is enacted to read:

2280 **63N-3-1704 . Consideration of proposals by the major sporting event venue zone**
2281 **committee.**

2282 (1) A major sporting event venue zone proposed under this part is subject to approval by
2283 the major sporting event venue zone committee.

2284 (2)(a) The proposing creating entity shall present the proposal to the major sporting
2285 event venue zone committee described in Section 63N-3-1706 in a public meeting.

2286 (b) The committee shall evaluate and verify whether the objectives and elements of a
2287 major sporting event venue zone described in Section 63N-3-1702 have been met.

2288 (3) In considering a proposal under this part, a committee may request any information
2289 from a creating entity needed to make a determination about whether to approve or deny
2290 a proposal, or approve a proposal with modifications, including a description of the
2291 proposed uses of funds and how funds will be used to support public projects related to
2292 the major sporting event venue zone, including transit or affordable housing.

2293 (4)(a) Subject to Subsection (4)(b), the committee may:

2294 (i) request changes to the proposal based on the analysis, characteristics, and criteria
2295 described in Section 63N-3-1703; or

2296 (ii) vote to approve or deny the proposal.

2297 (b) Before the committee may approve the major sporting event venue zone proposal,
2298 the creating entity proposing the major sporting event venue zone shall:

2299 (i) for a creating entity that is made up of more than one municipality or county,
2300 ensure the requirement described in Subsection 63N-3-1703(1)(b) has been met;
2301 and

2302 (ii) ensure that the area of the proposed major sporting event venue zone is zoned in
2303 such a manner to accommodate the requirements of a major sporting event venue
2304 zone described in this section and the proposed development.

2305 Section 23. Section **63N-3-1705** is enacted to read:

2306 **63N-3-1705 . Notice requirements for the creating entity.**

2307 (1) In approving a proposal, the committee shall follow the hearing and notice requirements

- 2308 for proposing a major sporting event venue zone as described in this section.
- 2309 (2) Within 30 days after the committee approves a proposed major sporting event venue
- 2310 zone as described in Section 63N-3-1707, the creating entity shall:
- 2311 (a) record with the recorder of the county in which the major sporting event venue zone
- 2312 is located a document containing:
- 2313 (i) a description of the land within the major sporting event venue zone, primary
- 2314 project area, and if applicable, the secondary project area;
- 2315 (ii) a statement that the proposed major sporting event venue zone has been approved;
- 2316 (iii) the date of adoption; and
- 2317 (iv) the effective date of the major sporting event venue zone, as described in Section
- 2318 63N-3-1707;
- 2319 (b) transmit a copy of the description of the land within the major sporting event venue
- 2320 zone and an accurate map or plat indicating the boundaries of the major sporting
- 2321 event venue zone, primary project area, and if applicable, secondary project area to
- 2322 the Utah Geospatial Resource Center created under Section 63A-16-505; and
- 2323 (c) transmit a copy of the approved major sporting event venue zone proposal, map, and
- 2324 legal description of the major sporting event venue zone, primary project area, and if
- 2325 applicable, secondary project area, to:
- 2326 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any
- 2327 part of the major sporting event venue zone is located;
- 2328 (ii) the officer or officers performing the function of auditor or assessor for each
- 2329 taxing entity that does not use the county assessment roll or collect the taxing
- 2330 entity's taxes through the county;
- 2331 (iii) the legislative body or governing board of each taxing entity;
- 2332 (iv) the State Tax Commission; and
- 2333 (v) the State Board of Education.

2334 Section 24. Section **63N-3-1706** is enacted to read:

2335 **63N-3-1706 . Major sporting event venue zone committee -- Creation.**

- 2336 (1) For any major sporting event venue zone proposed under this part, there is created a
- 2337 major sporting event venue zone committee with membership described in Subsection
- 2338 (2).
- 2339 (2) Each major sporting event venue zone committee shall consist of the following
- 2340 members:
- 2341 (a) one representative from the office, designated by the executive director of the office;

- 2342 (b) one representative from the creating entity;
- 2343 (c)(i) if a proposal addresses a major sporting event venue that will be used during an
- 2344 Olympic Games, one member of the executive committee for the Salt Lake
- 2345 City-Utah Committee for the Games; or
- 2346 (ii) if a proposal does not address a major sporting event venue that will be used
- 2347 during an Olympic Games, one individual with expertise in a professional sports
- 2348 industry, appointed by the governor;
- 2349 (d) one individual from the Office of the State Treasurer, designated by the state
- 2350 treasurer;
- 2351 (e) two members designated by the president of the Senate;
- 2352 (f) two members designated by the speaker of the House of Representatives;
- 2353 (g) two representatives designated by the school superintendent from the school district
- 2354 affected by the major sporting event venue zone; and
- 2355 (h) one representative, representing the largest participating local taxing entity, after the
- 2356 creating entity and school district, in the proposed major sporting event venue zone.
- 2357 (3) After the office has received a request from the submitting creating entity to submit the
- 2358 proposal to the committee, as described in Subsection 63N-3-1703(7), the office shall
- 2359 notify each of the entities described in Subsection (2) of the formation of the major
- 2360 sporting event venue zone committee.
- 2361 (4) The individual designated by the office as described in Subsection (2)(a) shall serve as
- 2362 chair of the committee.
- 2363 (5)(a) A majority of the members of the committee constitutes a quorum.
- 2364 (b) An action by a majority of a quorum of the committee is an action of the committee.
- 2365 (6)(a) The chair of the committee shall convene a public meeting to consider the
- 2366 proposed major sporting event venue zone.
- 2367 (b) A meeting of the committee is subject to Title 52, Chapter 4, Open and Public
- 2368 Meetings Act.
- 2369 (7) The committee may:
- 2370 (a) request changes to the proposal based on the analysis, characteristics, and criteria
- 2371 described in Section 63N-3-1702 or 63N-3-1703; or
- 2372 (b) vote to approve or deny the proposal.
- 2373 (8) If a major sporting event venue zone is approved as described in Section 63N-3-1707:
- 2374 (a) the proposed major sporting event venue zone is established:
- 2375 (i) according to the terms of the proposal; or

2376 (ii) according to the modified terms of the proposal, as established by the committee
 2377 in the committee's vote to approve the major sporting event venue zone;

2378 (b) affected local taxing entities are required to participate according to the terms
 2379 approved by the committee; and

2380 (c) each affected taxing entity is required to participate at the same rate.

2381 (9)(a) Except as provided in Subsection (9)(b), any aspect of a major sporting event
 2382 venue zone, including the approved use of major sporting event venue zone revenue
 2383 or the boundary of the qualified development zone or sales and use tax boundary,
 2384 may be amended by following the same procedure as approving a major sporting
 2385 event venue zone proposal.

2386 (b) A boundary adjustment described in Section 63N-3-1711 does not require an
 2387 amendment described in Subsection (9)(a).

2388 Section 25. Section **63N-3-1707** is enacted to read:

2389 **63N-3-1707 . Approval of a major sporting event venue zone -- Effective date of a**
 2390 **major sporting event venue zone -- Establishment of qualified development zone**
 2391 **boundary -- Base taxable value year.**

2392 (1) A major sporting event venue zone proposal may be approved, with or without
 2393 modifications, by a majority vote of the committee.

2394 (2) The effective date of a major sporting event venue zone is January 1 following the
 2395 approval of a proposal by the committee, as described in Subsection (1).

2396 (3)(a) The base taxable value of land within an approved major sporting event venue
 2397 zone is determined as of January 1 of the year in which the committee approves a
 2398 major sporting event venue zone proposal.

2399 (b) In approving the major sporting event venue zone, the committee shall establish:

2400 (i) the qualified development zone area for the purpose of calculating property tax
 2401 increment; and

2402 (ii) the sales and use tax boundary for the purpose of calculating sales and use tax
 2403 increment.

2404 Section 26. Section **63N-3-1708** is enacted to read:

2405 **63N-3-1708 . Major sporting venue event zone boundaries -- Reporting**
 2406 **requirements.**

2407 (1) After a major sporting event venue zone is approved by the committee, as described in
 2408 Section 63N-3-1706, the committee shall provide notice to the State Tax Commission,
 2409 no later than 90 days after the day on which the committee approves the proposal:

- 2410 (a) of the creation of the major sporting event venue zone, including the information
 2411 described in Subsection (2);
- 2412 (b) if the committee approves the creating entity to receive sales and use tax increment,
 2413 the information described in Subsection (3); and
- 2414 (c) any information to the State Tax Commission required by the State Tax
 2415 Commission; and
- 2416 (2) The notice described in Subsection (1)(a) shall include:
- 2417 (a) a statement that the major sporting event venue zone will be established under this
 2418 part;
- 2419 (b) the approval date and effective date of the major sporting event venue zone;
- 2420 (c) the boundary of the qualified development zone;
- 2421 (d) the sales and use tax base year, if applicable; and
- 2422 (e) the sales and use tax boundary, if applicable.
- 2423 (3) After the effective date of a major sporting event venue zone, as described in Section
 2424 63N-3-1707, the creating entity shall provide a written report, no later than August 1, on
 2425 the creating entity's activities to implement the objectives of the major sporting event
 2426 venue zone to the executive director.
- 2427 (4)(a) The executive director shall annually provide a written report, no later than
 2428 October 1, summarizing all reports received by the executive director under
 2429 Subsection (3), to the:
- 2430 (i) Revenue and Taxation Interim Committee;
- 2431 (ii) Political Subdivisions Interim Committee; and
- 2432 (iii) Economic Development and Workforce Services Interim Committee.
- 2433 (b) The executive director shall include with the written report described in Subsection
 2434 (4)(a) any recommendations to the Legislature for statutory changes to this chapter or
 2435 Title 11, Chapter 71, Major Sporting Event Venue Zones.
- 2436 Section 27. Section **63N-3-1709** is enacted to read:
- 2437 **63N-3-1709 . Allowable property tax increment within a major sporting event**
 2438 **venue zone.**
- 2439 (1) A creating entity may receive and use property tax increment in accordance with this
 2440 section and as described in Title 11, Chapter 71, Major Sporting Event Venue Zones.
- 2441 (2)(a) A county that collects property tax on property located within a qualified
 2442 development zone shall, in accordance with Section 59-2-1365, distribute to the
 2443 creating entity 75% of the tax increment.

- 2444 (b) Tax increment distributed to a creating entity in accordance with Subsection (2)(a):
 2445 (i) is not revenue of the taxing entity or the creating entity; and
 2446 (ii) constitutes major sporting event venue zone funds and shall be administered as
 2447 described in Title 11, Chapter 71, Major Sporting Event Venue Zones.
- 2448 (3)(a) A creating entity may designate another local government entity to be the fiscal
 2449 agent for property tax increment paid to the creating entity.
- 2450 (b) Before a fiscal agent may receive major sporting event venue zone funds from the
 2451 creating entity, the creating entity and the fiscal agent shall enter into an agreement
 2452 governing the use of the funds, consistent with this part and Title 11, Chapter 71,
 2453 Major Sporting Event Venue Zones.
- 2454 (4) A creating entity and a creating entity's fiscal agent shall use major sporting event venue
 2455 zone funds:
- 2456 (a) to achieve the purposes described in Subsections 63N-3-1702(1) and (2)
 2457 (b) within, or for the direct benefit of, the major sporting event venue zone; and
 2458 (c) as described in Section 11-71-204.
- 2459 Section 28. Section **63N-3-1710** is enacted to read:
- 2460 **63N-3-1710 . Allowable sales and use tax increment within a major sporting**
 2461 **event venue zone.**
- 2462 (1)(a) A major sporting event venue zone proposal may, in consultation with the State
 2463 Tax Commission:
- 2464 (i) propose a sales and use tax boundary as described in Subsection (2); and
 2465 (ii) propose a sales and use tax base year and collection period to calculate and
 2466 transfer the state sales and use tax increment within the major sporting event
 2467 venue zone, which sales and use tax base year is established prospectively, 90
 2468 days after the date of the notice described in Subsection (5).
- 2469 (b) A creating entity may only propose one sales and use tax increment period for a
 2470 major sporting event venue zone established under this section.
- 2471 (2)(a) The creating entity, in consultation with the State Tax Commission, shall propose
 2472 a sales and use tax boundary that:
- 2473 (i) is based on state sales and use tax collection boundaries, which are determined
 2474 using the ZIP Code as defined in Section 59-12-102, including the four digit
 2475 delivery route extension;
- 2476 (ii) follows as closely as reasonably practicable the boundary of the major sporting
 2477 event venue zone and the primary project area; and

- 2478 (iii) is one contiguous area that includes at least the entire boundary of the major
 2479 sporting event venue zone and the primary project area.
- 2480 (b) If a state sales and use tax boundary is bisected by the boundary of the major
 2481 sporting event venue zone and primary project area, the major sporting event venue
 2482 zone and primary project area may include the entire state sales and use tax boundary.
- 2483 (3) The committee may modify a proposed sales and use tax boundary before approving a
 2484 major sporting event venue zone proposal.
- 2485 (4) A major sporting event venue zone sales and use tax boundary, as approved by the
 2486 committee, is the qualified development zone for purposes of the calculations in
 2487 Sections 59-12-103 and 59-12-205.
- 2488 (5) The establishment of a sales and use tax base year and the requirement to transfer
 2489 incremental sales tax revenue shall take effect:
- 2490 (a) on the first day of a calendar quarter; and
- 2491 (b) after a 90-day waiting period, beginning on the date the State Tax Commission
 2492 receives notice.

2493 Section 29. Section **63N-3-1711** is enacted to read:

2494 **63N-3-1711 . Boundary adjustments.**

2495 If the relevant county assessor or county auditor adjusts parcel or lot boundaries relevant
 2496 to a major sporting event venue zone, the creating entity administering the tax increment
 2497 collected in the major sporting event zone may:

- 2498 (1) make corresponding adjustments to the qualified development zone of the major
 2499 sporting event venue zone; and
- 2500 (2) in consultation with the State Tax Commission, and with the approval of the State Tax
 2501 Commission, make corresponding adjustments to the sales and use tax boundary.

2502 Section 30. Section **63N-3-1712** is enacted to read:

2503 **63N-3-1712 . Applicability to an existing project.**

- 2504 (1) If a major sporting event venue zone overlaps an area that is part of a project area, as
 2505 that term is defined in Section 17C-1-102, and created under Title 17C, Chapter 1,
 2506 Agency Operations, that parcel may not be triggered for collection unless the project
 2507 area funds collection period, as that term is defined in Section 17C-1-102, has expired.
- 2508 (2) If a major sporting event venue zone overlaps any portion of an existing inactive
 2509 industrial site community reinvestment project area plan created pursuant to Title 17C,
 2510 Limited Purpose Local Government Entities - Community Reinvestment Agency Act:
- 2511 (a) if the community reinvestment project area plan captures less than 80% of the tax

2512 increment from a taxing entity, or if a taxing entity is not participating in the
 2513 community reinvestment project area plan, the major sporting event venue zone may
 2514 capture the difference between:

2515 (i) 80%; and
 2516 (ii) the percentage of tax increment captured pursuant to the community reinvestment
 2517 project area plan; and

2518 (b) if a community reinvestment project area plan expires before the major sporting
 2519 event venue zone, the major sporting event venue zone may capture the tax increment
 2520 allocated to the community reinvestment project area plan for any remaining portion
 2521 of the term of the major sporting event venue zone.

2522 (3)(a) Except as provided in Subsection (3)(b), a major sporting event venue zone may
 2523 not overlap a housing and transit reinvestment zone or a first home investment zone.

2524 (b) A major sporting event venue zone may overlap a housing and transit reinvestment
 2525 zone or a first home investment zone if:

2526 (i)(A) the major sporting event venue zone does not collect property tax increment
 2527 for the area overlapping with the housing and transit reinvestment zone or the
 2528 first home investment zone; or

2529 (B) the major sporting event venue zone does not collect property tax increment
 2530 for the area overlapping with the housing and transit reinvestment zone or the
 2531 first home investment zone until the collection period for the housing and
 2532 transit reinvestment zone's collection of property tax increment or the first
 2533 home investment zone's collection of property tax increment has ended; and

2534 (ii)(A) the major sporting event venue zone does not collect sales and use tax
 2535 increment for the area overlapping with the housing and transit reinvestment
 2536 zone or first home investment zone, if the housing and transit reinvestment
 2537 zone or the first home investment zone collects sales and use tax increment; or

2538 (B) the major sporting event venue zone does not collect sales and use tax
 2539 increment for the area overlapping with the housing and transit reinvestment
 2540 zone or the first home investment zone until the collection period for the
 2541 housing and transit reinvestment zone's collection of sales and use tax
 2542 increment or the first home investment zone's collection of sales and use tax
 2543 increment has ended.

2544 **Section 31. Effective Date.**

2545 This bill takes effect on May 7, 2025.