

**Local Option Sales Tax Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jerry W Stevenson**

House Sponsor:

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**LONG TITLE****General Description:**

This bill modifies local option sales tax provisions.

**Highlighted Provisions:**

This bill:

- allows certain municipalities located within second class counties to impose an emergency services sales and use tax, up to a certain rate, to fund emergency services; and
- makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**59-12-2401**, as enacted by Laws of Utah 2025, First Special Session, Chapter 12

**59-12-2402**, as enacted by Laws of Utah 2025, First Special Session, Chapter 12

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

Section 1. Section **59-12-2401** is amended to read:

**59-12-2401 . Definitions.**

As used in this part:

(1) "Emergency services" means:

- (a) emergency medical services as defined in Section 53-2d-101;
- (b) fire protection services; or
- (c) a combination of emergency medical services, as defined in Section 53-2d-101, and fire protection services.

(2) "Emergency services tax" means the sales and use tax authorized under Section

59-12-2402.

(3) "Governing body" means:

(a) for a county, city, or town, the legislative body of the county, city, or town; or

(b) for a special service district:

(i) the legislative body of the county, city, or town that established the special service district, if no administrative control board has been created under Section 17D-1-301; or

(ii) the administrative control board of the special service district, if an administrative control board has been created under Section 17D-1-301.

(4) "Qualifying political subdivision" means:

(a) a specified county;

(b) a special service district established under Title 17D, Chapter 1, Special Service District Act, to provide emergency services within a specified county; [or]

(c) a city or town that:

(i) is located:

(A) within a specified county; and

(B) outside the boundaries of a special service district described in Subsection (4)(b); and

(ii) provides, or contracts with a special service district described in Subsection (4)(b) to receive, emergency services within the city or town[;] ; or

(d) a city or town:

(i) that is located within a county of the second class, as classified in Section 17-60-104; and

(ii) whose emergency services geographic response area includes a state park that is 22,000 or more acres in area.

(5) "Specified county" means a county of the second or third class, as [defined] classified in Section [17-50-501] 17-60-104, that contains:

(a) a national park and two or more state parks within or partially within the county's boundaries; and

(b) a municipality with a population of 95,000 or more.

Section 2. Section **59-12-2402** is amended to read:

**59-12-2402 . Imposition of emergency services tax -- Permitted rates --  
Expenditure and distribution of tax revenue -- Administration, collection, and  
enforcement of tax -- Administrative charge.**

- (1)(a) The governing body of a qualifying political subdivision may, subject to Subsection (1)(b), impose a sales and use tax on the transactions described in Subsection 59-12-103(1) in the following amount:
- (i) an amount of up to .33% if the governing body:
    - (A) first holds a public hearing at which the tax is discussed, subject to Subsection (2); and
    - (B) after the public hearing is held, passes an ordinance or resolution approving the tax; or
  - (ii) except as provided in Subsection (1)(f), an amount of up to 1% if the governing body obtains approval to impose the tax from a majority of:
    - (A) the members of the governing body; and
    - (B) voters within the qualifying political subdivision voting in an election held for that purpose in accordance with Title 11, Chapter 14, Local Government Bonding Act.
- (b)(i) A tax imposed by a county under Subsection (1)(a) shall be imposed within all unincorporated areas of the county.
- (ii) A tax imposed by a special service district under Subsection (1)(a) shall be imposed within the boundaries of each city and town located within the area of the special service district.
- (iii) A tax may not be imposed under this section within:
  - (A) a portion of a city, town, or the unincorporated area of a county; or
  - (B) an area in which a tax under this section has already been imposed.
- (c) Notwithstanding Subsection (1)(a), a qualifying political subdivision may not impose a tax under this section on:
- (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104; and
  - (ii) except as provided in Subsection (1)(e), amounts paid or charged for food and food ingredients.
- (d) For purposes of this Subsection (1), the location of a transaction is determined in accordance with Sections 59-12-211 through 59-12-215.
- (e) A qualifying political subdivision that imposes a tax under this section shall impose the tax on the purchase price or sales price for amounts paid or charged for food and food ingredients if the food and food ingredients are sold as part of a bundled transaction attributable to food and food ingredients and tangible personal property

other than food and food ingredients.

(f) The governing body of a qualifying political subdivision described in Subsection 59-12-2401(4)(d) may only impose a tax rate described in Subsection (1)(a)(i).

(2)(a) The governing body of a qualifying political subdivision proposing a tax rate described in Subsection (1)(a)(i) shall, as a class A notice under Section 63G-30-102, publish notice of the public hearing required by Subsection (1)(a)(i)(A) for at least 14 days before the day of the public hearing.

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

(i) state the governing body's intent to adopt a tax under this section;

(ii) describe the proposed tax rate;

(iii) describe the cities, towns, and unincorporated areas within which the proposed tax is to be imposed;

(iv) specify the date, time, and location of the public hearing; and

(v) state that the purpose of the public hearing is to obtain public comments regarding the proposed tax.

(3) For a county proposing a tax rate described in Subsection (1)(a)(ii), the voter approval requirement in Subsection (1)(a)(ii)(B) applies only to voters residing within the unincorporated areas of the county.

(4)(a) Subject to Subsection (4)(b), a qualifying political subdivision may use money collected from a tax imposed under this section to fund emergency services provided by, or on behalf of, a qualifying political subdivision.

(b) A qualifying political subdivision that imposes a tax under this section may:

(i) use money collected from the tax to fund emergency services within an area in which the tax is not imposed; and

(ii) enter into an agreement authorized by Title 11, Chapter 13, Interlocal Cooperation Act, allowing for another qualifying political subdivision to use money collected from the tax to fund emergency services.

(5)(a) Except as provided in Subsection (5)(b), a tax under this section shall be administered, collected, and enforced in accordance with the same procedures used to administer, collect, and enforce the tax under:

(i)(A) Part 1, Tax Collection; or

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

(ii) Chapter 1, General Taxation Policies.

(b) A tax under this section is not subject to Subsections 59-12-205(2) through (5).

- (c) A tax under this section shall be levied for a period of 10 years and may, in accordance with the procedures and requirements for levying a tax under Subsections (1) through (3), be reauthorized at the end of the 10-year period by:
- (i) the governing body that imposed the tax, for reauthorizing a tax rate described in Subsection (1)(a)(i); or
  - (ii) the governing body that imposed the tax and the qualifying political subdivision's voters, for reauthorizing a tax rate described in Subsection (1)(a)(ii).
- (d) Except as provided in Subsection (5)(e), the commission shall distribute the revenue the commission collects from a tax imposed under this section directly to the qualifying political subdivision imposing the tax.
- (e) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenue the commission collects from a tax under this section.

**Section 3. Effective Date.**

This bill takes effect on May 6, 2026.