

## **Local Option Sales Tax Amendments**

## 2026 GENERAL SESSION

STATE OF UTAH

## **Chief Sponsor: Jerry W Stevenson**

### House Sponsor:

## 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

*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.

31 59-12-2402.

32 (3) "Governing body" means:

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

34 (b) for a special service district:

35 (i) the legislative body of the county, city, or town that established the special service  
36 district, if no administrative control board has been created under Section  
37 17D-1-301; or

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

40 (4) "Qualifying political subdivision" means:

41 (a) a specified county;

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

44 (c) a city or town that:

45 (i) is located:

46 (A) within a specified county; and

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

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

51 (d) a city or town:

52 (i) that is located within a county of the second class, as classified in Section  
53 17-60-104; and

54 (ii) whose emergency services geographic response area includes a state park that is  
55 22,000 or more acres in area.

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

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

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

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

62 **59-12-2402 . Imposition of emergency services tax -- Permitted rates --**

63 **Expenditure and distribution of tax revenue -- Administration, collection, and  
64 enforcement of tax -- Administrative charge.**

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

99 other than food and food ingredients.

100 (f) The governing body of a qualifying political subdivision described in Subsection  
101 59-12-2401(4)(d) may only impose a tax rate described in Subsection (1)(a)(i).

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

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

- 107 (i) state the governing body's intent to adopt a tax under this section;
- 108 (ii) describe the proposed tax rate;
- 109 (iii) describe the cities, towns, and unincorporated areas within which the proposed  
110 tax is to be imposed;
- 111 (iv) specify the date, time, and location of the public hearing; and
- 112 (v) state that the purpose of the public hearing is to obtain public comments regarding  
113 the proposed tax.

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

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

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

- 121 (i) use money collected from the tax to fund emergency services within an area in  
122 which the tax is not imposed; and
- 123 (ii) enter into an agreement authorized by Title 11, Chapter 13, Interlocal  
124 Cooperation Act, allowing for another qualifying political subdivision to use  
125 money collected from the tax to fund emergency services.

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

- 129 (i)(A) Part 1, Tax Collection; or
- 130 (B) Part 2, Local Sales and Use Tax Act; and
- 131 (ii) Chapter 1, General Taxation Policies.

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

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

146       **Section 3. Effective Date.**

147       This bill takes effect on May 6, 2026.