

Part 3 Transient Room Tax

59-12-301 Transient room tax -- Rate -- Expenditure of revenues -- Enactment or repeal of tax -- Tax rate change -- Effective date -- Notice requirements.

- (1)
- (a) A county legislative body may impose a tax on charges for the accommodations and services described in Subsection 59-12-103(1)(i) at a rate of not to exceed:
 - (i) 4.25% beginning on or after October 1, 2006; and
 - (ii) for counties of the second, third, fourth, fifth, or sixth class, 4.5% beginning on or after July 1, 2025.
 - (b) Subject to Subsection (2), the revenues raised from the tax imposed under Subsection (1)(a) shall be used for the purposes listed in Section 17-78-702.
 - (c) The tax imposed under Subsection (1)(a) shall be in addition to the tax imposed under Part 6, Tourism, Recreation, Cultural, Convention, and Airport Facilities Tax Act.
- (2)
- (a) If a county legislative body of a county of the first class imposes a tax under this section, beginning on July 1, 2007, and ending on June 30, 2027, each year the first 15% of the revenues collected from the tax authorized by Subsection (1)(a) within that county shall be:
 - (i) deposited into the Transient Room Tax Fund created by Section 63N-3-403; and
 - (ii) expended as provided in Section 63N-3-403.
 - (b) If a county legislative body of a county of the first class imposes a tax under this section, beginning on July 1, 2027, and ending on June 30, 2047, each year the first 7.5% of the revenues collected from the tax authorized by Subsection (1)(a) within that county shall be:
 - (i) deposited into the Transient Room Tax Fund created by Section 63N-3-403; and
 - (ii) expended as provided in Section 63N-3-403.
- (3) Subject to Subsection (4), a county legislative body:
- (a) may increase or decrease the tax authorized under this part; and
 - (b) shall regulate the tax authorized under this part by ordinance.
- (4)
- (a) For purposes of this Subsection (4):
 - (i) "Annexation" means an annexation to a county under Title 17, Chapter 61, Part 2, Consolidation of Counties, or Part 3, County Annexation.
 - (ii) "Annexing area" means an area that is annexed into a county.
 - (b)
 - (i) Except as provided in Subsection (4)(c), if, on or after July 1, 2004, a county enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:
 - (A) on the first day of a calendar quarter; and
 - (B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (4)(b)(ii) from the county.
 - (ii) The notice described in Subsection (4)(b)(i)(B) shall state:
 - (A) that the county will enact or repeal a tax or change the rate of a tax under this part;
 - (B) the statutory authority for the tax described in Subsection (4)(b)(ii)(A);
 - (C) the effective date of the tax described in Subsection (4)(b)(ii)(A); and
 - (D) if the county enacts the tax or changes the rate of the tax described in Subsection (4)(b)(ii)(A), the rate of the tax.

- (c)
 - (i) Notwithstanding Subsection (4)(b)(i), for a transaction described in Subsection (4)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:
 - (A) that begins after the effective date of the enactment of the tax or the tax rate increase; and
 - (B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under this section.
 - (ii) Notwithstanding Subsection (4)(b)(i), for a transaction described in Subsection (4)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
 - (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
 - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under this section.
 - (iii) Subsections (4)(c)(i) and (ii) apply to transactions subject to a tax under Subsection 59-12-103(1)(i).
- (d)
 - (i) Except as provided in Subsection (4)(e), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment, repeal, or a change in the rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take effect:
 - (A) on the first day of a calendar quarter; and
 - (B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (4)(d)(ii) from the county that annexes the annexing area.
 - (ii) The notice described in Subsection (4)(d)(i)(B) shall state:
 - (A) that the annexation described in Subsection (4)(d)(i) will result in an enactment, repeal, or change in the rate of a tax under this part for the annexing area;
 - (B) the statutory authority for the tax described in Subsection (4)(d)(ii)(A);
 - (C) the effective date of the tax described in Subsection (4)(d)(ii)(A); and
 - (D) if the county enacts the tax or changes the rate of the tax described in Subsection (4)(d)(ii)(A), the rate of the tax.
- (e)
 - (i) Notwithstanding Subsection (4)(d)(i), for a transaction described in Subsection (4)(e)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:
 - (A) that begins after the effective date of the enactment of the tax or the tax rate increase; and
 - (B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under this section.
 - (ii) Notwithstanding Subsection (4)(d)(i), for a transaction described in Subsection (4)(e)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
 - (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
 - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under this section.
 - (iii) Subsections (4)(e)(i) and (ii) apply to transactions subject to a tax under Subsection 59-12-103(1)(i).

Amended by Chapter 17, 2025 Special Session 1

59-12-302 Collection of tax -- Administrative charge.

- (1) Except as provided in Subsections (2), (3), and (4), the tax authorized under this part shall be administered, collected, enforced, and interpreted in accordance with:
 - (a) the same procedures used to administer, collect, enforce, and interpret the tax under:
 - (i) Part 1, Tax Collection; or
 - (ii) Part 2, Local Sales and Use Tax Act; and
 - (b) Chapter 1, General Taxation Policies.
- (2) The location of a transaction shall be determined in accordance with Sections 59-12-211 through 59-12-215.
- (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or Subsections 59-12-205(2) and (4) through (6).
- (4) A county auditor may make referrals to the commission to assist the commission in determining whether to require an audit of any person that is required to remit a tax authorized under this part.
- (5) The commission:
 - (a) shall distribute the revenue collected from the tax to the county within which the revenue was collected; and
 - (b) shall retain and deposit an administrative charge in accordance with Section 59-1-306 from revenue the commission collects from a tax under this part.

Amended by Chapter 290, 2025 General Session

59-12-304 Seller or certified service provider reliance on commission information.

A seller or certified service provider is not liable for failing to collect a tax at a tax rate imposed under this part if the seller's or certified service provider's failure to collect the tax is as a result of the seller's or certified service provider's reliance on incorrect data provided by the commission in a database created by the commission:

- (1) containing tax rates, boundaries, or local taxing jurisdiction assignments; or
- (2) indicating the taxability of tangible personal property, a product transferred electronically, or a service.

Amended by Chapter 203, 2009 General Session

59-12-305 Certified service provider or model 2 seller reliance on commission certified software.

- (1) Except as provided in Subsection (2) and subject to Subsection (4), a certified service provider or model 2 seller is not liable for failing to collect a tax required under this part if:
 - (a) the certified service provider or model 2 seller relies on software the commission certifies; and
 - (b) the certified service provider's or model 2 seller's failure to collect a tax required under this part is as a result of the seller's or certified service provider's reliance on incorrect data:
 - (i) provided by the commission; or
 - (ii) in the software the commission certifies.
- (2) The relief from liability described in Subsection (1) does not apply if a certified service provider or model 2 seller incorrectly classifies an item or transaction into a product category the commission certifies.
- (3) If the taxability of a product category is incorrectly classified in software the commission certifies, the commission shall:
 - (a) notify a certified service provider or model 2 seller of the incorrect classification of the taxability of a product category in software the commission certifies; and

- (b) state in the notice required by Subsection (3)(a) that the certified service provider or model 2 seller is liable for failing to collect the correct amount of tax under this part on the incorrectly classified product category if the certified service provider or model 2 seller fails to correct the taxability of the item or transaction within 10 days after the day on which the certified service provider or model 2 seller receives the notice.
- (4) If a certified service provider or model 2 seller fails to correct the taxability of an item or transaction within 10 days after the day on which the certified service provider or model 2 seller receives the notice described in Subsection (3), the certified service provider or model 2 seller is liable for failing to collect the correct amount of tax under this part on the item or transaction.

Enacted by Chapter 384, 2008 General Session

59-12-306 Purchaser relief from liability.

- (1)
 - (a) Except as provided in Subsection (1)(b), a purchaser is relieved from a penalty under Section 59-1-401 for failure to pay a tax due under this part or an underpayment if:
 - (i) the purchaser's seller or certified service provider relies on incorrect data provided by the commission:
 - (A) on a tax rate;
 - (B) on a boundary;
 - (C) on a taxing jurisdiction; or
 - (D) in the taxability matrix the commission provides in accordance with the agreement; or
 - (ii) the purchaser, regardless of whether the purchaser holds a direct payment permit in accordance with Section 59-12-107.1, relies on incorrect data provided by the commission:
 - (A) on a tax rate;
 - (B) on a boundary;
 - (C) on a taxing jurisdiction; or
 - (D) in the taxability matrix the commission provides in accordance with the agreement.
 - (b) For purposes of Subsection (1)(a), a purchaser is not relieved from a penalty under Section 59-1-401 for failure to pay a tax due under this part or an underpayment if the purchaser's, the purchaser's seller's, or the purchaser's certified service provider's reliance on incorrect data provided by the commission is as a result of conduct that is:
 - (i) fraudulent;
 - (ii) intentional; or
 - (iii) willful.
- (2) In addition to the relief from a penalty described in Subsection (1), a purchaser is not liable for a tax or interest under Section 59-1-402 for failure to pay a tax due under this part or an underpayment if:
 - (a) the purchaser's seller or certified service provider relies on:
 - (i) incorrect data provided by the commission:
 - (A) on a tax rate;
 - (B) on a boundary; or
 - (C) on a taxing jurisdiction; or
 - (ii) an erroneous classification by the commission:
 - (A) in the taxability matrix the commission provides in accordance with the agreement; and
 - (B) with respect to a term:
 - (I) in the library of definitions; and
 - (II) that is:

- (Aa) listed as taxable or exempt;
- (Bb) included in or excluded from "sales price"; or
- (Cc) included in or excluded from a definition; or
- (b) the purchaser, regardless of whether the purchaser holds a direct payment permit in accordance with Section 59-12-107.1, relies on:
 - (i) incorrect data provided by the commission:
 - (A) on a tax rate;
 - (B) on a boundary; or
 - (C) on a taxing jurisdiction; or
 - (ii) an erroneous classification by the commission:
 - (A) in the taxability matrix the commission provides in accordance with the agreement; and
 - (B) with respect to a term:
 - (I) in the library of definitions; and
 - (II) that is:
 - (Aa) listed as taxable or exempt;
 - (Bb) included in or excluded from "sales price"; or
 - (Cc) included in or excluded from a definition.

Enacted by Chapter 384, 2008 General Session

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

- (1)
 - (a) Except as provided in Subsection (5), the governing body of a municipality may impose a tax of not to exceed 1% on charges for the accommodations and services described in Subsection 59-12-103(1)(i).
 - (b) Subject to Section 63H-1-203, the military installation development authority created in Section 63H-1-201 may impose a tax under this section for accommodations and services described in Subsection 59-12-103(1)(i) within a project area described in a project area plan adopted by the authority under Title 63H, Chapter 1, Military Installation Development Authority Act, as though the authority were a municipality.
 - (c) Beginning October 1, 2024, the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201, may impose a tax under this section for accommodations and services described in Subsection 59-12-103(1)(i) within the district sales tax area, as defined in Section 11-70-101, to the same extent and in the same manner as a municipality may impose a tax under this section.
 - (d) Beginning October 1, 2025, the creating entity of a major sporting event venue zone approved pursuant to Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, may impose a tax under this section for accommodations and services described in Subsection 59-12-103(1)(i) within the sales and use tax boundary, as defined in Section 63N-3-1701:
 - (i) to the same extent and in the same manner as a municipality may impose a tax under this section; and
 - (ii) as described in Subsection (7).
- (2) Subject to the limitations of Subsection (1), a governing body of a municipality may, by ordinance, increase or decrease the tax under this part.
- (3) A governing body of a municipality shall regulate the tax under this part by ordinance.
- (4) A municipality may use revenues generated by the tax under this part for general fund purposes.

- (5)
 - (a) A municipality may not impose a tax under this section for accommodations and services described in Subsection 59-12-103(1)(i) within:
 - (i) a project area described in a project area plan adopted by the military installation development authority under Title 63H, Chapter 1, Military Installation Development Authority Act; or
 - (ii) the district sales tax area, as defined in Section 11-70-101.
 - (b) Subsection (5)(a) does not apply to:
 - (i) the military installation development authority's imposition of a tax under this section; or
 - (ii) the imposition of a tax under this section by the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201.
 - (c) A municipality may not impose a tax under this section for accommodations and services described in Subsection 59-12-103(1)(i) within a qualified development zone of a major sporting event venue zone if the creating entity of the major sporting event venue zone imposes a tax as described in Subsection (7).
- (6)
 - (a) As used in this Subsection (6):
 - (i) "Authority" means the Point of the Mountain State Land Authority, created in Section 11-59-201.
 - (ii) "Authority board" means the board referred to in Section 11-59-301.
 - (b) The authority may, by a resolution adopted by the authority board, impose a tax of not to exceed 5% on charges for the accommodations and services described in Subsection 59-12-103(1)(i) for transactions that occur on point of the mountain state land, as defined in Section 11-59-102.
 - (c) The authority board, by resolution, shall regulate the tax under this Subsection (6).
 - (d) The authority shall use all revenue from a tax imposed under this Subsection (6) to provide affordable housing, consistent with the manner that a community reinvestment agency uses funds for income targeted housing under Section 17C-1-412.
 - (e) A tax under this Subsection (6) is in addition to any other tax that may be imposed under this part.
- (7)
 - (a) As used in this Subsection (7), "creating entity" means the same as that term is defined in Section 11-71-101.
 - (b) A creating entity may, by ordinance, impose a tax not to exceed 5% on charges for the accommodations and services described in Subsection 59-12-103(1)(i) for transactions that occur within the sales and use tax boundary, as defined in Section 63N-3-1701, of a major sporting event venue zone.
 - (c) A creating entity shall use all revenue from a tax imposed under this Subsection (7) as described in Sections 11-71-202 and 11-71-203.
 - (d) A tax under this Subsection (7) is in addition to any other tax that may be imposed under this part.

Amended by Chapter 495, 2025 General Session

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

- (1) Except as provided in Subsections (2) and (3), the tax authorized under this part shall be administered, collected, enforced, and interpreted in accordance with:
 - (a) the same procedures used to administer, collect, enforce, and interpret the tax under:

- (i) Part 1, Tax Collection; or
 - (ii) Part 2, Local Sales and Use Tax Act; and
 - (b) Chapter 1, General Taxation Policies.
- (2)
- (a) The location of a transaction shall be determined in accordance with Sections 59-12-211 through 59-12-215.
 - (b) Except as provided in Subsection (2)(c), the commission shall distribute the revenue collected from the tax to:
 - (i)
 - (A) the municipality within which the revenue was collected, for a tax imposed under this part by a municipality; or
 - (B) the Utah Fairpark Area Investment and Restoration District, for a tax imposed under this part by the Utah Fairpark Area Investment and Restoration District;
 - (ii) the Point of the Mountain State Land Authority, for a tax imposed under Subsection 59-12-352(6); and
 - (iii) the creating entity of a major sporting event venue zone, for a tax imposed under Subsection 59-12-352(7).
 - (c) 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 part.
- (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or Subsections 59-12-205(2) and (4) through (6).

Amended by Chapter 495, 2025 General Session

59-12-355 Enactment or repeal of tax -- Tax rate change -- Effective date -- Notice requirements.

- (1) For purposes of this section:
- (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part 8, Annexation.
 - (b) "Annexing area" means an area that is annexed into a city or town.
- (2)
- (a) Except as provided in Subsection (2)(c), if, on or after July 1, 2004, a city or town enacts or repeals a tax or changes the rate of a tax under this part, or if the Point of the Mountain State Land Authority imposes or repeals a tax under Subsection 59-12-352(6) or changes the rate of the tax, the enactment, repeal, or change shall take effect:
 - (i) on the first day of a calendar quarter; and
 - (ii) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (2)(b) from the city or town.
 - (b) The notice described in Subsection (2)(a)(ii) shall state:
 - (i) that the city or town will enact or repeal a tax or change the rate of a tax under this part;
 - (ii) the statutory authority for the tax described in Subsection (2)(b)(i);
 - (iii) the effective date of the tax described in Subsection (2)(b)(i); and
 - (iv) if the city or town enacts the tax or changes the rate of the tax described in Subsection (2)(b)(i), the rate of the tax.
 - (c)
 - (i) Notwithstanding Subsection (2)(a), for a transaction described in Subsection (2)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:

- (A) that begins after the effective date of the enactment of the tax or the tax rate increase; and
 - (B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under:
 - (I) Section 59-12-352; or
 - (II) Section 59-12-353.
 - (ii) Notwithstanding Subsection (2)(a), for a transaction described in Subsection (2)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
 - (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
 - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under:
 - (I) Section 59-12-352; or
 - (II) Section 59-12-353.
 - (iii) Subsections (2)(c)(i) and (ii) apply to transactions subject to a tax under Subsection 59-12-103(1)(i).
- (3)
- (a) Except as provided in Subsection (3)(c), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take effect:
 - (i) on the first day of a calendar quarter; and
 - (ii) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.
 - (b) The notice described in Subsection (3)(a)(ii) shall state:
 - (i) that the annexation described in Subsection (3)(a) will result in an enactment, repeal, or change in the rate of a tax under this part for the annexing area;
 - (ii) the statutory authority for the tax described in Subsection (3)(b)(i);
 - (iii) the effective date of the tax described in Subsection (3)(b)(i); and
 - (iv) if the city or town enacts the tax or changes the rate of the tax described in Subsection (3)(b)(i), the rate of the tax.
 - (c)
 - (i) Notwithstanding Subsection (3)(a), for a transaction described in Subsection (3)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:
 - (A) that begins after the effective date of the enactment of the tax or the tax rate increase; and
 - (B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under:
 - (I) Section 59-12-352; or
 - (II) Section 59-12-353.
 - (ii) Notwithstanding Subsection (3)(a), for a transaction described in Subsection (3)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
 - (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
 - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under:
 - (I) Section 59-12-352; or
 - (II) Section 59-12-353.
 - (iii) Subsections (3)(c)(i) and (ii) apply to transactions subject to a tax under Subsection 59-12-103(1)(i).

Amended by Chapter 399, 2025 General Session