

## Part 8 Funding for Health Care

### 59-12-801 Definitions.

As used in this part:

- (1) "Affected area" means the portion of a county in which a tax is imposed under Subsection 59-12-802(4).
- (2) "Emergency medical services" means the same as that term is defined in Section 53-2d-101.
- (3) "Federally qualified health center" means the same as that term is defined in 42 U.S.C. Sec. 1395x.
- (4) "Freestanding urgent care center" means a facility that provides outpatient health care service:
  - (a) on an as-needed basis, without an appointment;
  - (b) to the public;
  - (c) for the diagnosis and treatment of a medical condition if that medical condition does not require hospitalization or emergency intervention for a life threatening or potentially permanently disabling condition; and
  - (d) including one or more of the following services:
    - (i) a medical history physical examination;
    - (ii) an assessment of health status; or
    - (iii) treatment:
      - (A) for a variety of medical conditions; and
      - (B) that is commonly offered in a physician's office.
- (5) "Municipality" means a city or town.
- (6) "Nursing care facility" means the same as that term is defined in Section 26B-2-201.
- (7) "Political subdivision" means a county, municipality, local district, or special service district.
- (8) "Rural city hospital" means a hospital owned by a city that is located within a third, fourth, fifth, or sixth class county.
- (9) "Rural county health care facility" means a:
  - (a) rural county hospital; or
  - (b) rural county nursing care facility.
- (10) "Rural county hospital" means a hospital owned by a county that is:
  - (a) a third, fourth, fifth, or sixth class county, as defined in Section 17-50-501; and
  - (b) located outside of a standard metropolitan statistical area, as designated by the United States Bureau of the Census.
- (11) "Rural county nursing care facility" means a nursing care facility owned by:
  - (a) a county that is:
    - (i) a third, fourth, fifth, or sixth class county, as defined in Section 17-50-501; and
    - (ii) located outside of a standard metropolitan statistical area, as designated by the United States Census Bureau; or
  - (b) a special service district if the special service district is:
    - (i) created for the purpose of operating the nursing care facility; and
    - (ii) within a county that is:
      - (A) a third, fourth, fifth, or sixth class county, as defined in Section 17-50-501; and
      - (B) located outside of a standard metropolitan statistical area, as designated by the United States Census Bureau.
- (12) "Rural emergency medical services" means emergency medical services that are provided by a county that is:

- (a) a third, fourth, fifth, or sixth class county, as defined in Section 17-50-501; and
  - (b) located outside of a standard metropolitan statistical area, as designated by the United States Census Bureau.
- (13) "Rural health clinic" means the same as that term is defined in 42 U.S.C. Sec. 1395x.

Amended by Chapter 92, 2023 General Session  
Amended by Chapter 310, 2023 General Session  
Amended by Chapter 329, 2023 General Session

**59-12-802 Imposition of rural county health care tax -- Expenditure of tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax -- Administrative charge.**

- (1)
- (a) A county legislative body of the following counties may impose a sales and use tax of up to 1% on the transactions described in Subsection 59-12-103(1) located within the county:
    - (i) a county of the third, fourth, fifth, or sixth class; or
    - (ii) a county of the second class that has:
      - (A) a national park within or partially within the county's boundaries; and
      - (B) two or more state parks within or partially within the county's boundaries.
  - (b) Notwithstanding Subsection (1)(a), a county legislative body 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;
    - (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in a city that imposes a tax under Section 59-12-804; and
    - (iii) except as provided in Subsection (1)(d), amounts paid or charged for food and food ingredients.
  - (c) For purposes of this Subsection (1), the location of a transaction is determined in accordance with Sections 59-12-211 through 59-12-215.
  - (d) A county legislative body imposing 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.
- (2)
- (a) Except as provided in Subsection (5)(b), before imposing a tax under Subsection (1), a county legislative body shall obtain approval to impose the tax from a majority of the:
    - (i) members of the county's legislative body; and
    - (ii) county's registered voters voting on the imposition of the tax.
  - (b) The county legislative body shall conduct the election according to the procedures and requirements of Title 11, Chapter 14, Local Government Bonding Act.
- (3) Subject to Subsection (4), a county legislative body may use money collected from a tax imposed under Subsection (1) to fund:
- (a) for a county described in Subsection (1)(a)(i):
    - (i) the following costs associated with a federally qualified health center within the county, a freestanding urgent care center within the county, a rural county health care facility within the county, or a rural health clinic within the county:
      - (A) ongoing operating expenses of the center, clinic, or facility;
      - (B) the acquisition of land for the center, clinic, or facility; or
      - (C) the design, construction, equipping, or furnishing of the center, clinic, or facility;

- (ii) rural emergency medical services within the county; or
  - (iii) a combination of the activities described in this Subsection (3)(a); and
  - (b) for a county described in Subsection (1)(a)(ii), emergency medical services that are provided by a political subdivision within that county, subject to Subsection (5)(c).
- (4)
- (a) For a tax enacted on or after July 1, 2024, by a county described in Subsection (1)(a)(i), a county legislative body may use money collected from a tax imposed under Subsection (1) to fund:
    - (i) the costs described in Subsection (3)(a)(i);
    - (ii) the following activities to mitigate the impacts of visitors within the county:
      - (A) emergency medical services;
      - (B) solid waste disposal;
      - (C) search and rescue activities;
      - (D) law enforcement activities; or
      - (E) fire protection services;
    - (iii) avalanche forecasting within the county; or
    - (iv) a combination of the activities described in this Subsection (4)(a).
  - (b) For a tax increased on or after July 1, 2024, by a county described in Subsection (1)(a)(i), a county legislative body may use the money collected from the increased tax rate to fund the activities described in Subsections (4)(a)(i) through (iv).
- (5)
- (a) A county described in Subsection (1)(a)(ii) may impose a tax under this section within a portion of the county if the affected area includes:
    - (i) the entire unincorporated area of the county; and
    - (ii) the entire boundaries of any municipality located within the affected area.
  - (b) Before a county described in Subsection (1)(a)(ii) may impose a tax under this section within a portion of the county, the county legislative body shall obtain approval to impose the tax from a majority of:
    - (i) the members of the county's legislative body;
    - (ii) the county's registered voters within the affected area voting on the imposition of the tax, in an election conducted according to the procedures and requirements of Title 11, Chapter 14, Local Government Bonding Act; and
    - (iii)
      - (A) the members of the legislative body of each municipality located within the affected area; or
      - (B) the members of the governing body of a special service district established under Title 17D, Chapter 1, Special Service District Act, to provide emergency medical services within the affected area.
  - (c) A county described in Subsection (1)(a)(ii) that imposes a tax under this section within a portion of the county in accordance with this Subsection (5) may use the money collected from the tax to fund emergency medical services that are provided by a political subdivision within the affected area.
- (6)
- (a) A tax under this section shall be:
    - (i) except as provided in Subsection (6)(b), administered, collected, and enforced in accordance with:
      - (A) the same procedures used to administer, collect, and enforce 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; and
- (ii) levied for a period of 10 years and may be reauthorized at the end of the 10-year period by the county legislative body as provided in Subsection (1).
- (b) A tax under this section is not subject to Subsections 59-12-205(2) through (5).
- (c) A county legislative body shall distribute money collected from a tax under this section quarterly.
- (7) 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.

Amended by Chapter 333, 2024 General Session

**59-12-804 Imposition of rural city hospital tax -- Base -- Rate -- Administration, collection, and enforcement of tax -- Administrative charge.**

- (1)
  - (a) A city legislative body may impose a sales and use tax of up to 1%:
    - (i) on the transactions described in Subsection 59-12-103(1) located within the city; and
    - (ii) to fund rural city hospitals in that city.
  - (b) Notwithstanding Subsection (1)(a)(i), a city legislative body 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)(d), amounts paid or charged for food and food ingredients.
  - (c) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-211 through 59-12-215.
  - (d) A city legislative body imposing 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.
- (2)
  - (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall obtain approval to impose the tax from a majority of the:
    - (i) members of the city legislative body; and
    - (ii) city's registered voters voting on the imposition of the tax.
  - (b) The city legislative body shall conduct the election according to the procedures and requirements of Title 11, Chapter 14, Local Government Bonding Act.
- (3) The money collected from a tax imposed under Subsection (1) may only be used to fund:
  - (a) ongoing operating expenses of a rural city hospital;
  - (b) the acquisition of land for a rural city hospital; or
  - (c) the design, construction, equipping, or furnishing of a rural city hospital.
- (4)
  - (a) A tax under this section shall be:
    - (i) except as provided in Subsection (4)(b), administered, collected, and enforced in accordance with:
      - (A) the same procedures used to administer, collect, and enforce 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; and
- (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year period by the city legislative body as provided in Subsection (1).
- (b) A tax under this section is not subject to Subsections 59-12-205(2) through (5).
- (5) 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.

Amended by Chapter 471, 2023 General Session

**59-12-805 Distribution of money collected from rural city hospital tax.**

- (1) Except as provided in Subsection 59-12-804(5) and Subsection (2), all money collected from a tax under Section 59-12-804 shall be distributed quarterly by the city legislative body to rural city hospitals.
- (2) If there is more than one rural city hospital in a city, the money collected from a tax under Section 59-12-804 shall be distributed as determined by the city legislative body.

Amended by Chapter 50, 2014 General Session

**59-12-806 Enactment or repeal of tax -- Tax rate change -- Effective date -- Notice requirements.**

- (1) For purposes of this section:
  - (a) "Annexation" means an annexation to:
    - (i) a county under Title 17, Chapter 2, County Consolidations and Annexations; or
    - (ii) a city under Title 10, Chapter 2, Part 4, Annexation.
  - (b) "Annexing area" means an area that is annexed into a county or city.
- (2)
  - (a) Except as provided in Subsection (2)(c) or (d), if, on or after July 1, 2004, a county or city enacts or repeals a tax or changes the rate of a tax under this part, 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 county or city.
  - (b) The notice described in Subsection (2)(a)(ii) shall state:
    - (i) that the county or city 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 county or city enacts the tax or changes the rate of the tax described in Subsection (2)(b)(i), the rate of the tax.
  - (c)
    - (i) The enactment of a tax or a tax rate increase takes effect on the first day of the first billing period:
      - (A) that begins on or 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 59-12-802; or
        - (II) Section 59-12-804.

- (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the tax or the tax rate decrease imposed under:
  - (A) Section 59-12-802; or
  - (B) Section 59-12-804.
- (d)
  - (i) If a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax described in Subsection (2)(a) takes effect:
    - (A) on the first day of a calendar quarter; and
    - (B) beginning 60 days after the effective date of the enactment, repeal, or change in the rate of the tax under Subsection (2)(a).
  - (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."
- (3)
  - (a) Except as provided in Subsection (3)(c) or (d), 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 county or city 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 county or city enacts the tax or changes the rate of the tax described in Subsection (3)(b)(i), the rate of the tax.
  - (c)
    - (i) The enactment of a tax or a tax rate increase takes effect on the first day of the first billing period:
      - (A) that begins on or 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 59-12-802; or
        - (II) Section 59-12-804.
    - (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the tax or the tax rate decrease imposed under:
      - (A) Section 59-12-802; or
      - (B) Section 59-12-804.
  - (d)
    - (i) If a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax described in Subsection (3)(a) takes effect:
      - (A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment, repeal, or change in the rate of a tax under Subsection (3)(a).

(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

Amended by Chapter 254, 2012 General Session

**59-12-808 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

**59-12-809 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

**59-12-810 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