

**COUNTY OPTION SALES TAX FOR LONG
TERM CARE CENTERS**

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Jack A. Seitz

AN ACT RELATING TO SALES AND USE TAX; ALLOWING CERTAIN RURAL COUNTIES TO IMPOSE A SALES AND USE TAX FOR COUNTY OWNED NURSING CARE FACILITIES; AND PROVIDING AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

59-12-801, as enacted by Chapter 112, Laws of Utah 1993

59-12-802, as last amended by Chapter 226, Laws of Utah 1995

59-12-803, as enacted by Chapter 112, Laws of Utah 1993

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

Section 1. Section **59-12-801** is amended to read:

59-12-801. Definitions.

As used in this part[~~;~~]:

(1) "Nursing care facility" is as defined in Section 26-21-2.

(2) "Rural county health care facility" means a rural county hospital or a rural county nursing care facility.

(3) "Rural county hospital" means a hospital owned by a third, fourth, fifth, or sixth class county, as defined in Section 17-16-13, which is located outside of a standard metropolitan statistical area, as designated by the United States Bureau of the Census.

(4) "Rural county nursing care facility" means a nursing care facility owned by a third, fourth, fifth, or sixth class county, as defined in Section 17-16-13, which is located outside of a standard metropolitan statistical area, as designated by the United States Bureau of the Census.

Section 2. Section **59-12-802** is amended to read:

59-12-802. Imposition of tax -- Bases -- Rates.

(1) (a) Any county legislative body may, by a majority vote of all members, submit an

opinion question to the residents of that county so that each resident has an opportunity to express his opinion on the imposition of a local sales and use tax of up to 1% to fund rural county [hospitals] health care facilities in that county.

(b) The election shall follow the procedures outlined in Title 11, Chapter 14, Utah Municipal Bond Act.

(2) If the legislative governing body determines that a majority of the qualified electors voting on the opinion question has assented to the imposition of a local sales and use tax as prescribed in Subsection (1)(a), the county legislative body may, by majority vote of all members, impose such a tax.

(3) The monies generated from a tax imposed under Subsection (1) may only be used for the financing of:

(a) ongoing operating expenses of a rural county [hospital] health care facility; and

(b) the acquisition of land for, and the design, construction, equipping, and furnishing of a rural county [hospital] health care facility.

(4) Taxes imposed under this part shall be:

(a) levied at the same time and collected in the same manner as provided in Title 59, Chapter 12, Part 2, The Local Sales and Use Tax Act, except that the collection and distribution of the tax revenue is not subject to Subsection 59-12-205(2); and

(b) levied for a period of ten years and may be reauthorized at the end of the ten-year period by the county legislative body as provided in Section (1).

(5) The tax commission may retain an amount not to exceed 1-1/2% of the county option funding collected under this part for the cost of administering this tax.

Section 3. Section **59-12-803** is amended to read:

59-12-803. Distribution of revenues.

All revenues collected by a county under this part shall be distributed quarterly by the county legislative body to rural county [hospitals] health care facilities. If there is more than one rural county [hospital] health care facility in a county the revenues shall be distributed as determined by the county legislative body.

Section 4. **Effective date.**

This act takes effect on July 1, 1998.