

1 **LOCAL OPTION SALES TAX FOR**
2 **CONSERVATION EASEMENTS FOR**
3 **AGRICULTURAL USE**

4 1998 GENERAL SESSION

5 STATE OF UTAH

6 **Sponsor: Evan L. Olsen**

7 AN ACT RELATING TO THE SALES AND USE TAX ACT; AUTHORIZING A COUNTY TO
8 IMPOSE A SALES AND USE TAX FOR THE ACQUISITION OF CONSERVATION
9 EASEMENTS ONLY FOR AGRICULTURAL USE; ESTABLISHING CONDITIONS FOR
10 THE IMPOSITION, USE, AND REPEAL OF THE TAX; PROVIDING PROCEDURES FOR
11 ADMINISTERING THE TAX; AND PROVIDING AN EFFECTIVE DATE.

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

13 ENACTS:

14 **59-12-1301**, Utah Code Annotated 1953

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

16 Section 1. Section **59-12-1301** is enacted to read:

17 **Part 13. County Option Sales and Use Tax for Acquisition of Conservation Easements**

18 **59-12-1301. Base -- Rate -- Imposition requirements -- Limit on use -- Administration**
19 **-- Repeal.**

20 (1) Subject to the provisions of Subsections (2) through (7), and in addition to any other
21 tax authorized under this chapter, a county may impose a sales and use tax of up to 1/8% upon the
22 sales and uses described in Subsection 59-12-103(1), subject to the exemptions provided for in
23 Section 59-12-104, to acquire conservation easements as provided in Title 57, Chapter 18, Land
24 Conservation Easement Act, only for agricultural use.

25 (2) (a) A sales and use tax under Subsection (1) shall be imposed:

26 (i) upon sales and uses made in the county, including sales and uses made within
27 municipalities in the county; and

- 1 (ii) beginning on the first day of January, April, July, or October.
- 2 (b) A county imposing a sales and use tax under this section shall:
- 3 (i) establish a special revenue fund known as the "Acquisition of Agricultural
- 4 Conservation Easements Fund";
- 5 (ii) deposit all of the revenues generated by a tax under this section into the fund;
- 6 (iii) invest the revenues in the fund as provided in Title 17, Chapter 36, Uniform Fiscal
- 7 Procedures Act for Counties; and
- 8 (iv) budget appropriations for acquiring conservation easements for agricultural use from
- 9 the fund.
- 10 (3) Before imposing a sales and use tax under this section, a county shall:
- 11 (a) obtain a majority vote of all members of the county legislative body;
- 12 (b) obtain voter approval during a regular general election;
- 13 (c) adopt by ordinance:
- 14 (i) a limit on the total amount of sales and use tax revenues that the county may collect
- 15 under this section; and
- 16 (ii) a limit on the amount per acre the county may expend to acquire conservation
- 17 easements for agricultural use with the sales and use tax revenues collected under this section; and
- 18 (d) notify the commission at least 30 days prior to the imposition of the ordinance
- 19 imposing the tax.
- 20 (4) Except as provided in Subsection (5), a sales and use tax under this section shall be
- 21 imposed and administered in the same manner as a tax imposed under Part 2, The Local Sales and
- 22 Use Tax Act, except that a sales and use tax imposed under this section is not subject to:
- 23 (a) the distribution provisions of Subsections 59-12-205(2) and 59-12-205(3); and
- 24 (b) the provisions of Subsection 59-12-205(4).
- 25 (5) If at any time after the day on which a county imposes a tax under this section the
- 26 county does not acquire a conservation easement for agricultural use for three consecutive years:
- 27 (a) the tax shall be repealed on the first day of January immediately following the
- 28 three-year period; and
- 29 (b) the county shall include the revenues as property tax revenues for the next year for
- 30 purposes of calculating the county's certified tax rate under Section 59-2-924.
- 31 (6) If, after including a distribution of revenues as property tax revenues under Subsection

1 (5), the property taxes distributed to the county exceed the amount of revenues levied by the
2 county for the year in which the revenues are distributed, for purposes of establishing the county's
3 certified tax rate in subsequent years, the county shall carry forward as property tax revenues the
4 excess revenues until the entire amount of remaining revenues have been carried forward as
5 property tax revenues.

6 Section 2. **Effective date.**

7 This act takes effect on July 1, 1998.

Legislative Review Note
as of 1-6-98 1:29 PM

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel