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TRANSIENT ROOM TAX AMENDMENTS

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Keele Johnson

AN ACT RELATING TO REVENUE AND TAXATION; MODIFYING THE DEFINITION OF TRANSIENT; AND MODIFYING THE PURPOSES FOR WHICH THE TRANSIENT ROOM TAX MAY BE USED.

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

AMENDS:

17-31-2, as last amended by Chapter 217, Laws of Utah 1997

17-31-4, as last amended by Chapter 79, Laws of Utah 1996

59-12-351, as enacted by Chapter 305, Laws of Utah 1997

59-12-352, as enacted by Chapter 305, Laws of Utah 1997

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

Section 1. Section **17-31-2** is amended to read:

17-31-2. Purposes of transient room tax -- Purchase or lease of facilities -- Mitigating impacts of recreation, tourism, film production, or conventions -- Issuance of bonds.

(1) Any county legislative body may impose the transient room tax provided for in Section 59-12-301 for the purposes of:

(a) establishing, financing, and promoting recreation, tourism, [and] conventions, and the production of films in the state;

(b) acquiring, leasing, constructing, furnishing, or operating convention meeting rooms, exhibit halls, visitor information centers, museums, and related facilities;

(c) acquiring or leasing land required for or related to the purposes listed in Subsection (1)(b); and

(d) as required to mitigate the impacts of recreation, tourism, film production, or conventions in counties of the fourth, fifth, and sixth class, paying for:

- 1 (i) solid waste disposal operations;
- 2 (ii) emergency medical services;
- 3 (iii) search and rescue activities; and
- 4 (iv) law enforcement activities.

5 (2) Counties may use not more than 1/3 of the proceeds of the transient room tax provided
6 in Section 59-12-301 either:

7 (a) to acquire, lease, construct, furnish, maintain, or operate convention meeting rooms,
8 exhibit halls, visitor information centers, museums, and related facilities, and to acquire or lease
9 land required for or related to these purposes; or

10 (b) as required to mitigate the impacts of recreation, tourism, film production, or
11 conventions in counties of the fourth, fifth, and sixth class, to pay for:

- 12 (i) solid waste disposal operations;
- 13 (ii) emergency medical services;
- 14 (iii) search and rescue activities; and
- 15 (iv) law enforcement activities.

16 (3) (a) The county legislative body may:

17 (i) issue bonds or cause bonds to be issued, as permitted by law, to pay all or part of any
18 costs incurred for the purposes set forth in Subsection (2) that are permitted to be paid from bond
19 proceeds; and

20 (ii) use up to 1/3 of the proceeds of the transient room tax as provided in Section
21 59-12-301 to make the annual payment of principal, interest, premiums, and necessary reserves
22 for any or the aggregate of bonds issued.

23 (b) When the proceeds of the transient room tax provided in Section 59-12-301 are not
24 needed for payment of principal, interest, premiums, and reserves on bonds issued as provided in
25 Subsection (3), the county legislative body shall use those proceeds as provided in Subsections (1)
26 and (2).

27 Section 2. Section **17-31-4** is amended to read:

28 **17-31-4. "Transient" defined.**

29 For the purpose of Sections 17-31-2 through 17-31-5 "transient" means any person who
30 occupies any suite, room, or rooms in a motel, hotel, motor court, inn, or similar public
31 accommodation for fewer than ~~[30]~~ 45 consecutive days.

1 Section 3. Section **59-12-351** is amended to read:

2 **59-12-351. Definitions.**

3 For purposes of this part:

4 (1) "Public accommodation" means a place providing temporary sleeping accommodations
5 to the public and includes:

- 6 (a) a motel;
- 7 (b) a hotel;
- 8 (c) a motor court;
- 9 (d) an inn;
- 10 (e) a bed and breakfast establishment;
- 11 (f) a condominium; and
- 12 (g) a resort home.

13 (2) "Rents" include:

- 14 (a) rents; and
- 15 (b) timeshare fees or dues.

16 (3) "Transient" means a person who occupies a public accommodation for [~~30~~] 45
17 consecutive days or less.

18 Section 4. Section **59-12-352** is amended to read:

19 **59-12-352. Transient room tax authority for municipalities -- Purposes for which**
20 **revenues may be used.**

21 (1) The governing body of a municipality may impose a transient room tax on the rents
22 charged to transients occupying public accommodations in an amount that is less than or equal to
23 1% of the rents charged.

24 (2) Subject to the limitations of Subsection (1), a governing body of a municipality may,
25 by ordinance, increase or decrease the transient room tax under this part.

26 (3) A governing body of a municipality shall regulate the transient room tax under this part
27 by ordinance.

28 (4) Revenues generated by the transient room tax under this part may be used for general
29 fund purposes, including supporting the operations and activities of a film commission.

Legislative Review Note
as of 1-26-98 9:05 AM

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

Office of Legislative Research and General Counsel