

**TOURISM, RECREATION, CULTURAL, AND
CONVENTION TAX AMENDMENTS**

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Nathan C. Tanner

AN ACT RELATING TO REVENUE AND TAXATION; EXPANDING THE TOURISM,
RECREATION, CULTURAL, AND CONVENTION TAX TO ALLOW IMPOSITION BY
ALL COUNTIES RATHER THAN BY COUNTIES OF THE FIRST CLASS; ALLOWING
CERTAIN COUNTIES TO USE TOURISM, RECREATION, CULTURAL, AND
CONVENTION TAX REVENUES TO MITIGATE THE EFFECTS OF TOURISM; MAKING
TECHNICAL CHANGES; AND PROVIDING AN EFFECTIVE DATE.

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

AMENDS:

59-12-603, as last amended by Chapter 272, Laws of Utah 1993

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

Section 1. Section **59-12-603** is amended to read:

59-12-603. County tax -- Bases -- Rates -- Ordinance required.

(1) In addition to any other taxes, any county legislative body may impose a tourism,
recreation, cultural, and convention tax as follows:

(a) not to exceed 3% on all short-term leases and rentals of motor vehicles not exceeding
30 days, except such leases and rentals of motor vehicles when made for the purpose of
temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an
insurance agreement;

(b) not to exceed 1% of all sales of prepared foods and beverages that are sold by
restaurants; and

(c) not to exceed 1/2% of the rent for every occupancy of a suite, room, or rooms on all
persons, companies, corporations, or other similar persons, groups, or organizations doing business

as motor courts, motels, hotels, inns, or similar public accommodations.

(2) The revenue from the imposition of the tax provided for in Subsections (1)(a), (b), and (c) may be ~~[imposed]~~ used for the following purposes ~~[of]~~:

(a) financing, in whole or in part, tourism promotion, and the development, operation, and maintenance of tourist, recreation, cultural, and convention facilities as defined in Section 59-12-602~~[-]~~; and

(b) in addition to the purposes described in Subsection (2)(a), a county of the third, fourth, fifth, or sixth class may use the revenue to mitigate the effects of the tourism industry on that county.

(3) The tax imposed under Subsection (1)(c) shall be in addition to the transient room tax imposed under Part 3 ~~[and may be imposed only by a county of the first class]~~.

(4) (a) A tax imposed under this part shall be levied at the same time and collected in the same manner as provided in Part 2, The Local Sales and Use Tax Act, except that the collection and distribution of the tax revenue is not subject to the provisions of Subsection 59-12-205(2).

(b) A tax imposed under this part may be pledged as security for bonds, notes, or other evidences of indebtedness incurred by a county under Title 11, Chapter 14, Utah Municipal Bond Act, to finance tourism, recreation, cultural, and convention facilities.

(5) In order to impose the tax under Subsection (1), each county legislative body shall adopt annually an ordinance imposing the tax. This ordinance shall include provisions substantially the same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on those items and sales described in Subsection (1). The name of the county as the taxing agency shall be substituted for that of the state where necessary, and an additional license is not required if one has been or is issued under Section 59-12-106.

(6) In order to maintain in effect its tax ordinance adopted under this part, each county legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1, Tax Collection, adopt amendments to its tax ordinance to conform with the applicable amendments to Part 1, Tax Collection.

Section 2. **Effective date.**

This act takes effect on July 1, 1998.

Legislative Review Note
as of 11-3-97 8:23 AM

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

Office of Legislative Research and General Counsel