

1                   **DISTRIBUTION OF SALES AND USE TAX REVENUES -**  
2                   **BOTANICAL, CULTURAL, RECREATIONAL, AND**  
3                   **ZOOLOGICAL ORGANIZATIONS OR FACILITIES**

4                                   2000 GENERAL SESSION

5                                   STATE OF UTAH

6                                   **Sponsor: Bradley T. Johnson**

7 AN ACT RELATING TO THE SALES AND USE TAX ACT; MODIFYING THE  
8 DISTRIBUTION OF REVENUES PROVISIONS FOR THE TAX USED FOR BOTANICAL,  
9 CULTURAL, RECREATIONAL, AND ZOOLOGICAL ORGANIZATIONS OR FACILITIES;  
10 AND MAKING TECHNICAL CHANGES.

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

12 AMENDS:

13                   **59-12-704**, as last amended by Chapters 193 and 209, Laws of Utah 1998

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

15                   Section 1. Section **59-12-704** is amended to read:

16                   **59-12-704. Distribution of revenues -- Advisory board creation -- Determining**  
17 **operating expenses.**

18                   (1) Except as provided in Subsections (3)(b) and (5), and subject to the requirements of  
19 this section, any revenues collected by a county of the first class under this part shall be distributed  
20 annually by the county legislative body to support recreational and zoological facilities and  
21 botanical, cultural, and zoological organizations within that first class county as follows:

22                   (a) 30% of the revenue collected by the county under this section shall be distributed by  
23 the county legislative body to support recreational facilities located within the county;

24                   (b) (i) 12.5% of the revenue collected by the county under this section shall be distributed  
25 by the county legislative body to support zoological facilities and organizations located within the  
26 county; and

27                   (ii) the county legislative body shall determine how the monies shall be distributed among

28 the zoological organizations;

29 (c) (i) 52.5% of the revenue collected by the county under this section shall be distributed  
30 to botanical and cultural organizations with average annual operating expenses of more than  
31 \$250,000 as determined under Subsection (3);

32 (ii) subject to Subsection (1)(c)(iii), the county legislative body shall distribute the monies  
33 described in Subsection (1)(c)(i) among the organizations and in proportion to their average annual  
34 operating expenses as determined under Subsection (3); and

35 (iii) the amount distributed to any organization described in Subsection (1)(c)(i) may not  
36 exceed 35% of the organization's budget; and

37 (d) (i) 5% of the revenue collected by the county under this section shall be distributed to  
38 botanical and cultural organizations with average annual operating expenses of less than \$250,000  
39 as determined under Subsection (3); and

40 (ii) the county legislative body shall determine how the monies shall be distributed among  
41 the organizations described in Subsection (1)(d)(i).

42 (2)(a) The county legislative body of each county of the first class shall create an advisory  
43 board to advise the county legislative body on disbursement of funds to botanical and cultural  
44 organizations under Subsection (1)(c)(i).

45 (b) (i) The advisory board under Subsection (2)(a) shall consist of seven members  
46 appointed by the county legislative body.

47 (ii) Two of the seven members of the advisory board under Subsection (2)(a) shall be  
48 appointed from the Utah Arts Council.

49 (3) (a) Except as provided in Subsection (3)(b), to be eligible to receive monies collected  
50 by the county under this part, a botanical, cultural, and zoological organization located within a  
51 county of the first class shall, every three years:

52 (i) calculate their average annual expenses based upon audited expenses for three  
53 preceding fiscal years; and

54 (ii) submit to the appropriate county legislative body:

55 (A) a verified audit of annual expenses for each of those three preceding fiscal years; and

56 (B) the average annual expenses as calculated under Subsection (3)(a)(i).

57 (b) Notwithstanding Subsection (3)(a), the county legislative body may waive the expense  
58 reporting requirements under Subsection (3)(a) for organizations described in Subsection (1)(d)(i).

59 (4) When calculating average annual expenses as described in Subsection (3), each  
60 botanical, cultural, and zoological organization shall use the same three-year fiscal period as  
61 determined by the county legislative body.

62 (5) (a) By July 1 of each year, the county legislative body of a first class county may index  
63 the threshold amount in Subsections (1)(a), (b), and (d).

64 (b) Any change under Subsection (5)(a) shall be rounded off to the nearest \$100.

65 (6) ~~[In all other counties,]~~ Beginning on July 1, 2000, in a county except for a county of  
66 the first class, the county legislative body shall [distribute] by ordinance provide for the  
67 distribution of 100% of the revenues generated by the tax imposed by this section as follows:

68 (a) ~~[30% of the revenues collected by the county as a result of a tax imposed under this~~  
69 ~~section] the county legislative body shall in the ordinance providing for the distribution of the~~  
70 ~~revenues generated by a tax imposed by this section specify a percentage of revenues:~~

71 (i) that is not less than 30% but that does not exceed 45%; and

72 (ii) to be distributed to support recreational facilities within the county; and

73 (b) ~~[70% of the revenues to botanical, cultural, and zoological facilities and organizations~~  
74 ~~within the county as determined by] after specifying the percentage of revenues to be distributed~~  
75 ~~to support recreational facilities under Subsection (6)(a), the county legislative body shall provide~~  
76 ~~in the ordinance providing for the distribution of the revenues generated by a tax imposed by this~~  
77 ~~section that the remainder of the revenues shall be distributed to support the following:~~

78 (i) a botanical organization;

79 (ii) a cultural organization;

80 (iii) a zoological organization;

81 (iv) a zoological facility; or

82 (v) a combination of Subsections (6)(b)(i) through (iv).

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

---

---

**Legislative Review Note**  
**as of 1-13-00 2:12 PM**

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

**Office of Legislative Research and General Counsel**