

**TAXES ON RENTALS OF PUBLIC SLEEPING
ACCOMMODATIONS**

2001 FIRST SPECIAL SESSION
STATE OF UTAH

Sponsor: John L. Valentine

This act amends the Sales and Use Tax Act to require that certain public sleeping accommodations must be regularly rented for a time period of less than 30 consecutive days to be subject to certain taxes within the Sales and Use Tax Act, and to provide definitions.

The act takes effect on July 1, 2001, if approved by two-thirds of all the members elected to each house, or on October 1, 2001, if the two-thirds vote requirement is not met.

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

AMENDS:

59-12-102 (Effective 07/01/01), as last amended by Chapters 9, 152, 188, 262 and 367, Laws of Utah 2001

59-12-103 (Effective 07/01/01), as last amended by Chapters 12, 104, 152 and 188, Laws of Utah 2001

59-12-301, as last amended by Chapter 319, Laws of Utah 2000

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

59-12-603, as last amended by Chapter 159, Laws of Utah 2001

REPEALS:

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

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

Section 1. Section **59-12-102 (Effective 07/01/01)** is amended to read:

59-12-102 (Effective 07/01/01). Definitions.

As used in this chapter:

(1) (a) "Admission or user fees" includes season passes.

(b) "Admission or user fees" does not include annual membership dues to private



28 organizations.

29 (2) "Area agency on aging" is as defined in Section 62A-3-101.

30 (3) "Authorized carrier" means:

31 (a) in the case of vehicles operated over public highways, the holder of credentials
32 indicating that the vehicle is or will be operated pursuant to both the International Registration
33 Plan and the International Fuel Tax Agreement;

34 (b) in the case of aircraft, the holder of a Federal Aviation Administration operating
35 certificate or air carrier's operating certificate; or

36 (c) in the case of locomotives, freight cars, railroad work equipment, or other rolling stock,
37 the holder of a certificate issued by the United States Interstate Commerce Commission.

38 (4) (a) For purposes of Subsection 59-12-104(43), "coin-operated amusement device"
39 means:

40 (i) a coin-operated amusement, skill, or ride device;

41 (ii) that is not controlled through vendor-assisted, over-the-counter, sales of tokens; and

42 (iii) includes a music machine, pinball machine, billiard machine, video game machine,
43 arcade machine, and a mechanical or electronic skill game or ride.

44 (b) For purposes of Subsection 59-12-104(43), "coin-operated amusement device" does
45 not mean a coin-operated amusement device possessing a coinage mechanism that:

46 (i) accepts and registers multiple denominations of coins; and

47 (ii) allows the vendor to collect the sales and use tax at the time an amusement device is
48 activated and operated by a person inserting coins into the device.

49 (5) "Commercial use" means the use of gas, electricity, heat, coal, fuel oil, or other fuels
50 that does not constitute industrial use under Subsection (13) or residential use under Subsection
51 (21).

52 (6) (a) "Common carrier" means a person engaged in or transacting the business of
53 transporting passengers, freight, merchandise, or other property for hire within this state.

54 (b) (i) "Common carrier" does not include a person who, at the time the person is traveling
55 to or from that person's place of employment, transports a passenger to or from the passenger's
56 place of employment.

57 (ii) For purposes of Subsection (6)(b)(i), in accordance with Title 63, Chapter 46a, Utah
58 Administrative Rulemaking Act, the commission may make rules defining what constitutes a

59 person's place of employment.

60 (7) "Component part" includes:

61 (a) poultry, dairy, and other livestock feed, and their components;

62 (b) baling ties and twine used in the baling of hay and straw;

63 (c) fuel used for providing temperature control of orchards and commercial greenhouses

64 doing a majority of their business in wholesale sales, and for providing power for off-highway type

65 farm machinery; and

66 (d) feed, seeds, and seedlings.

67 (8) "Construction materials" means any tangible personal property that will be converted

68 into real property.

69 (9) (a) "Fundraising sales" means sales:

70 (i) (A) made by a school; or

71 (B) made by a school student;

72 (ii) that are for the purpose of raising funds for the school to purchase equipment,

73 materials, or provide transportation; and

74 (iii) that are part of an officially sanctioned school activity.

75 (b) For purposes of Subsection (9)(a)(iii), "officially sanctioned school activity" means a
76 school activity:

77 (i) that is conducted in accordance with a formal policy adopted by the school or school
78 district governing the authorization and supervision of fundraising activities;

79 (ii) that does not directly or indirectly compensate an individual teacher or other
80 educational personnel by direct payment, commissions, or payment in kind; and

81 (iii) the net or gross revenues from which are deposited in a dedicated account controlled
82 by the school or school district.

83 (10) (a) "Hearing aid" means:

84 (i) an instrument or device having an electronic component that is designed to:

85 (A) (I) improve impaired human hearing; or

86 (II) correct impaired human hearing; and

87 (B) (I) be worn in the human ear; or

88 (II) affixed behind the human ear;

89 (ii) an instrument or device that is surgically implanted into the cochlea; or

- 90 (iii) a telephone amplifying device.
- 91 (b) "Hearing aid" does not include:
- 92 (i) except as provided in Subsection (10)(a)(i)(B) or (10)(a)(ii), an instrument or device
- 93 having an electronic component that is designed to be worn on the body;
- 94 (ii) except as provided in Subsection (10)(a)(iii), an assistive listening device or system
- 95 designed to be used by one individual, including:
- 96 (A) a personal amplifying system;
- 97 (B) a personal FM system;
- 98 (C) a television listening system; or
- 99 (D) a device or system similar to a device or system described in Subsections
- 100 (10)(b)(ii)(A) through (C); or
- 101 (iii) an assistive listening device or system designed to be used by more than one
- 102 individual, including:
- 103 (A) a device or system installed in:
- 104 (I) an auditorium;
- 105 (II) a church;
- 106 (III) a conference room;
- 107 (IV) a synagogue; or
- 108 (V) a theater; or
- 109 (B) a device or system similar to a device or system described in Subsections
- 110 (10)(b)(iii)(A)(I) through (V).
- 111 (11) (a) "Hearing aid accessory" means a hearing aid:
- 112 (i) component;
- 113 (ii) attachment; or
- 114 (iii) accessory.
- 115 (b) "Hearing aid accessory" includes:
- 116 (i) a hearing aid neck loop;
- 117 (ii) a hearing aid cord;
- 118 (iii) a hearing aid ear mold;
- 119 (iv) hearing aid tubing;
- 120 (v) a hearing aid ear hook; or

- 121 (vi) a hearing aid remote control.
- 122 (c) "Hearing aid accessory" does not include:
 - 123 (i) a component, attachment, or accessory designed to be used only with an:
 - 124 (A) instrument or device described in Subsection (10)(b)(i); or
 - 125 (B) assistive listening device or system described in Subsection (10)(b)(ii) or (iii); or
 - 126 (ii) a hearing aid battery.
- 127 (12) (a) "Home medical equipment and supplies" means equipment and supplies that:
 - 128 (i) a licensed physician prescribes or authorizes in writing as necessary for the treatment
 - 129 of a medical illness or injury or as necessary to mitigate an impairment resulting from illness or
 - 130 injury;
 - 131 (ii) are used exclusively by the person for whom they are prescribed to serve a medical
 - 132 purpose; and
 - 133 (iii) are listed as eligible for payment under Title XVIII of the federal Social Security Act
 - 134 or under the state plan for medical assistance under Title XIX of the federal Social Security Act.
- 135 (b) "Home medical equipment and supplies" does not include:
 - 136 (i) equipment and supplies purchased by, for, or on behalf of any health care facility, as
 - 137 defined in Subsection (12)(c), doctor, nurse, or other health care provider for use in their
 - 138 professional practice;
 - 139 (ii) eyeglasses, contact lenses, or equipment to correct impaired vision; or
 - 140 (iii) hearing aids or hearing aid accessories.
- 141 (c) For purposes of Subsection (12)(b)(i), "health care facility" includes:
 - 142 (i) a clinic;
 - 143 (ii) a doctor's office; and
 - 144 (iii) a health care facility as defined in Section 26-21-2.
- 145 (13) "Industrial use" means the use of natural gas, electricity, heat, coal, fuel oil, or other
- 146 fuels:
 - 147 (a) in mining or extraction of minerals;
 - 148 (b) in agricultural operations to produce an agricultural product up to the time of harvest
 - 149 or placing the agricultural product into a storage facility, including:
 - 150 (i) commercial greenhouses;
 - 151 (ii) irrigation pumps;

- 152 (iii) farm machinery;
- 153 (iv) implements of husbandry as defined in Subsection 41-1a-102(23) that are not
- 154 registered under Title 41, Chapter 1a, Part 2, Registration; and
- 155 (v) other farming activities;
- 156 (c) in manufacturing tangible personal property at an establishment described in SIC Codes
- 157 2000 to 3999 of the 1987 Standard Industrial Classification Manual of the federal Executive Office
- 158 of the President, Office of Management and Budget; or
- 159 (d) by a scrap recycler if:
- 160 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to process one
- 161 or more of the following items into prepared grades of processed materials for use in new products:
- 162 (A) iron;
- 163 (B) steel;
- 164 (C) nonferrous metal;
- 165 (D) paper;
- 166 (E) glass;
- 167 (F) plastic;
- 168 (G) textile; or
- 169 (H) rubber; and
- 170 (ii) the new products under Subsection (13)(d)(i) would otherwise be made with
- 171 nonrecycled materials.
- 172 (14) "Manufactured home" means any manufactured home or mobile home as defined in
- 173 Title 58, Chapter 56, Utah Uniform Building Standards Act.
- 174 (15) For purposes of Subsection 59-12-104(14), "manufacturing facility" means:
- 175 (a) an establishment described in SIC Codes 2000 to 3999 of the 1987 Standard Industrial
- 176 Classification Manual of the federal Executive Office of the President, Office of Management and
- 177 Budget; or
- 178 (b) a scrap recycler if:
- 179 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to process one
- 180 or more of the following items into prepared grades of processed materials for use in new products:
- 181 (A) iron;
- 182 (B) steel;

- 183 (C) nonferrous metal;
- 184 (D) paper;
- 185 (E) glass;
- 186 (F) plastic;
- 187 (G) textile; or
- 188 (H) rubber; and

189 (ii) the new products under Subsection (15)(b)(i) would otherwise be made with
190 nonrecycled materials.

191 (16) (a) "Medicine" means:

192 (i) insulin, syringes, and any medicine prescribed for the treatment of human ailments by
193 a person authorized to prescribe treatments and dispensed on prescription filled by a registered
194 pharmacist, or supplied to patients by a physician, surgeon, or podiatric physician;

195 (ii) any medicine dispensed to patients in a county or other licensed hospital if prescribed
196 for that patient and dispensed by a registered pharmacist or administered under the direction of a
197 physician; and

198 (iii) any oxygen or stoma supplies prescribed by a physician or administered under the
199 direction of a physician or paramedic.

200 (b) "Medicine" does not include:

- 201 (i) any auditory, prosthetic, ophthalmic, or ocular device or appliance; or
- 202 (ii) any alcoholic beverage.

203 (17) "Olympic merchandise" means tangible personal property bearing an Olympic
204 designation, emblem, insignia, mark, logo, service mark, symbol, terminology, trademark, or other
205 copyrighted or protected material, including:

206 (a) one or more of the following terms:

- 207 (i) "Olympic";
- 208 (ii) "Olympiad"; or
- 209 (iii) "Citius Altius Fortius";

210 (b) the symbol of the International Olympic Committee, consisting of five interlocking
211 rings;

212 (c) the emblem of the International Olympic Committee Corporation;

213 (d) a United States Olympic Committee designation, emblem, insignia, mark, logo, service

214 mark, symbol, terminology, trademark, or other copyrighted or protected material;

215 (e) any emblem of the Olympic Winter Games of 2002 that is officially designated by the
216 Salt Lake Organizing Committee of the Olympic Winter Games of 2002; or

217 (f) the mascot of the Olympic Winter Games of 2002.

218 (18) (a) "Other fuels" means products that burn independently to produce heat or energy.

219 (b) "Other fuels" includes oxygen when it is used in the manufacturing of tangible personal
220 property.

221 (19) "Person" includes any individual, firm, partnership, joint venture, association,
222 corporation, estate, trust, business trust, receiver, syndicate, this state, any county, city,
223 municipality, district, or other local governmental entity of the state, or any group or combination
224 acting as a unit.

225 (20) "Purchase price" means the amount paid or charged for tangible personal property or
226 any other taxable transaction under Subsection 59-12-103(1), excluding only cash discounts taken
227 or any excise tax imposed on the purchase price by the federal government.

228 (21) "Regularly rented" means:

229 (a) rented to a guest for value three or more times during a calendar year; and

230 (b) advertised or held out to the public as a place that is regularly rented to guests for
231 value.

232 [~~(21)~~] (22) "Residential use" means the use in or around a home, apartment building,
233 sleeping quarters, and similar facilities or accommodations.

234 [~~(22)~~] (23) (a) "Retail sale" means any sale within the state of tangible personal property
235 or any other taxable transaction under Subsection 59-12-103(1), other than resale of such property,
236 item, or service by a retailer or wholesaler to a user or consumer.

237 (b) "Retail sale" includes sales by any farmer or other agricultural producer of poultry,
238 eggs, or dairy products to consumers if the sales have an average monthly sales value of \$125 or
239 more.

240 (c) "Retail sale" does not include, and no additional sales or use tax shall be assessed
241 against, those transactions where a purchaser of tangible personal property pays applicable sales
242 or use taxes on its initial nonexempt purchases of property and then enters into a sale-leaseback
243 transaction by which title to such property is transferred by the purchaser-lessee to a lessor for
244 consideration, provided:

245 (i) the transaction is intended as a form of financing for the property to the
246 purchaser-lessee; and

247 (ii) pursuant to generally accepted accounting principles, the purchaser-lessee is required
248 to capitalize the subject property for financial reporting purposes, and account for the lease
249 payments as payments made under a financing arrangement.

250 [~~23~~] (24) (a) "Retailer" means any person engaged in a regularly organized retail business
251 in tangible personal property or any other taxable transaction under Subsection 59-12-103(1), and
252 who is selling to the user or consumer and not for resale.

253 (b) "Retailer" includes commission merchants, auctioneers, and any person regularly
254 engaged in the business of selling to users or consumers within the state.

255 (c) "Retailer" does not include farmers, gardeners, stockmen, poultrymen, or other growers
256 or agricultural producers producing and doing business on their own premises, except those who
257 are regularly engaged in the business of buying or selling for a profit.

258 (d) For purposes of this chapter the commission may regard as retailers the following if
259 they determine it is necessary for the efficient administration of this chapter: salesmen,
260 representatives, peddlers, or canvassers as the agents of the dealers, distributors, supervisors, or
261 employers under whom they operate or from whom they obtain the tangible personal property sold
262 by them, irrespective of whether they are making sales on their own behalf or on behalf of these
263 dealers, distributors, supervisors, or employers, except that:

264 (i) a printer's facility with which a retailer has contracted for printing shall not be
265 considered to be a salesman, representative, peddler, canvasser, or agent of the retailer; and

266 (ii) the ownership of property that is located at the premises of a printer's facility with
267 which the retailer has contracted for printing and that consists of the final printed product, property
268 that becomes a part of the final printed product, or copy from which the printed product is
269 produced, shall not result in the retailer being deemed to have or maintain an office, distribution
270 house, sales house, warehouse, service enterprise, or other place of business, or to maintain a stock
271 of goods, within this state.

272 [~~24~~] (25) "Sale" means any transfer of title, exchange, or barter, conditional or otherwise,
273 in any manner, of tangible personal property or any other taxable transaction under Subsection
274 59-12-103(1), for consideration. It includes:

275 (a) installment and credit sales;

- 276 (b) any closed transaction constituting a sale;
- 277 (c) any sale of electrical energy, gas, services, or entertainment taxable under this chapter;
- 278 (d) any transaction if the possession of property is transferred but the seller retains the title
- 279 as security for the payment of the price; and
- 280 (e) any transaction under which right to possession, operation, or use of any article of
- 281 tangible personal property is granted under a lease or contract and the transfer of possession would
- 282 be taxable if an outright sale were made.

283 [~~25~~] (26) (a) "Sales relating to schools" means the following sales by, amounts paid to,

284 or amounts charged by a school:

285 (i) sales that are directly related to the school's educational functions or activities

286 including:

287 (A) the sale of:

288 (I) textbooks;

289 (II) textbook fees;

290 (III) laboratory fees;

291 (IV) laboratory supplies; or

292 (V) safety equipment;

293 (B) the sale of clothing that:

294 (I) a student is specifically required to wear as a condition of participation in a

295 school-related event or school-related activity; and

296 (II) is not readily adaptable to general or continued usage to the extent that it takes the

297 place of ordinary clothing;

298 (C) sales of food if the net or gross revenues generated by the food sales are deposited into

299 a school district fund or school fund dedicated to school meals; or

300 (D) transportation charges for official school activities; or

301 (ii) amounts paid to or amounts charged by a school for admission to a school-related

302 event or school-related activity.

303 (b) "Sales relating to schools" does not include:

304 (i) bookstore sales of items that are not educational materials or supplies;

305 (ii) except as provided in Subsection [~~25~~] (26)(a)(i)(B), clothing; or

306 (iii) amounts paid to or amounts charged by a school for admission to a school-related

307 event or school-related activity if the amounts paid or charged are passed through to a person:

308 (A) other than a:

309 (I) school;

310 (II) nonprofit organization authorized by a school board or a governing body of a private
311 school to organize and direct a competitive secondary school activity; or

312 (III) nonprofit association authorized by a school board or a governing body of a private
313 school to organize and direct a competitive secondary school activity; and

314 (B) that is required to collect sales and use taxes under this chapter.

315 (c) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
316 commission may make rules defining the term "passed through."

317 [~~26~~] (27) For purposes of this section and Section 59-12-104, "school" means:

318 (a) an elementary school or a secondary school that:

319 (i) is a:

320 (A) public school; or

321 (B) private school; and

322 (ii) provides instruction for one or more grades kindergarten through 12; or

323 (b) a public school district.

324 [~~27~~] (28) (a) "Semiconductor fabricating or processing materials" means tangible
325 personal property:

326 (i) used primarily in the process of:

327 (A) (I) manufacturing a semiconductor; or

328 (II) fabricating a semiconductor; or

329 (B) maintaining an environment suitable for a semiconductor; or

330 (ii) consumed primarily in the process of:

331 (A) (I) manufacturing a semiconductor; or

332 (II) fabricating a semiconductor; or

333 (B) maintaining an environment suitable for a semiconductor.

334 (b) "Semiconductor fabricating or processing materials" includes a chemical, catalyst, or
335 other material used to:

336 (i) produce or induce in a semiconductor a:

337 (A) chemical change; or

338 (B) physical change;
339 (ii) remove impurities from a semiconductor; or
340 (iii) improve the marketable condition of a semiconductor.
341 [~~(28)~~] (29) "Senior citizen center" means a facility having the primary purpose of
342 providing services to the aged as defined in Section 62A-3-101.
343 [~~(29)~~] (30) "State" means the state of Utah, its departments, and agencies.
344 [~~(30)~~] (31) "Storage" means any keeping or retention of tangible personal property or any
345 other taxable transaction under Subsection 59-12-103(1), in this state for any purpose except sale
346 in the regular course of business.
347 [~~(31)~~] (32) (a) "Tangible personal property" means:
348 (i) all goods, wares, merchandise, produce, and commodities;
349 (ii) all tangible or corporeal things and substances which are dealt in or capable of being
350 possessed or exchanged;
351 (iii) water in bottles, tanks, or other containers; and
352 (iv) all other physically existing articles or things, including property severed from real
353 estate.
354 (b) "Tangible personal property" does not include:
355 (i) real estate or any interest or improvements in real estate;
356 (ii) bank accounts, stocks, bonds, mortgages, notes, and other evidence of debt;
357 (iii) insurance certificates or policies;
358 (iv) personal or governmental licenses;
359 (v) water in pipes, conduits, ditches, or reservoirs;
360 (vi) currency and coinage constituting legal tender of the United States or of a foreign
361 nation; and
362 (vii) all gold, silver, or platinum ingots, bars, medallions, or decorative coins, not
363 constituting legal tender of any nation, with a gold, silver, or platinum content of not less than
364 80%.
365 [~~(32)~~] (33) (a) "Telephone corporation" means a corporation that:
366 (i) owns, controls, operates, or manages a telephone service; and
367 (ii) engages in an activity described in Subsection [~~(32)~~] (33)(a)(i) for the shared use with
368 or resale to any person of the telephone service.

369 (b) A corporation described in Subsection [~~(32)~~] (33)(a) is a telephone corporation whether
370 or not the Public Service Commission of Utah regulates:

371 (i) the corporation; or

372 (ii) the telephone service that the corporation owns, controls, operates, or manages.

373 [~~(33)~~] (34) (a) For purposes of Subsection [~~(32)~~] (33) and Section 59-12-103, "telephone
374 service" means a two-way transmission:

375 (i) by:

376 (A) wire;

377 (B) radio;

378 (C) lightwave; or

379 (D) other electromagnetic means; and

380 (ii) of one or more of the following:

381 (A) a sign;

382 (B) a signal;

383 (C) writing;

384 (D) an image;

385 (E) sound;

386 (F) a message;

387 (G) data; or

388 (H) other information of any nature.

389 (b) "Telephone service" includes:

390 (i) cellular telephone service;

391 (ii) private communications service; or

392 (iii) automated digital telephone answering service.

393 (c) "Telephone service" does not include a service or a transaction that a state or a political
394 subdivision of a state is prohibited from taxing as of July 1, 2001, under the Internet Tax Freedom
395 Act, Pub. L. No. 105-277.

396 [~~(34)~~] (35) (a) "Use" means the exercise of any right or power over tangible personal
397 property under Subsection 59-12-103(1), incident to the ownership or the leasing of that property,
398 item, or service.

399 (b) "Use" does not include the sale, display, demonstration, or trial of that property in the

400 regular course of business and held for resale.

401 ~~[(35)]~~ (36) "Vehicle" means any aircraft, as defined in Section 72-10-102; any vehicle, as
402 defined in Section 41-1a-102; any off-highway vehicle, as defined in Section 41-22-2; and any
403 vessel, as defined in Section 41-1a-102; that is required to be titled, registered, or both. "Vehicle,"
404 for purposes of Subsection 59-12-104(36) only, also includes any locomotive, freight car, railroad
405 work equipment, or other railroad rolling stock.

406 ~~[(36)]~~ (37) "Vehicle dealer" means a person engaged in the business of buying, selling, or
407 exchanging vehicles as defined in Subsection ~~[(35)]~~ (36).

408 ~~[(37)]~~ (38) (a) "Vendor" means any person receiving any payment or consideration upon
409 a sale of tangible personal property or any other taxable transaction under Subsection
410 59-12-103(1), or to whom the payment or consideration is payable.

411 (b) "Vendor" does not mean a printer's facility described in Subsection ~~[(23)]~~ (24)(d).

412 Section 2. Section **59-12-103 (Effective 07/01/01)** is amended to read:

413 **59-12-103 (Effective 07/01/01). Sales and use tax base -- Rate -- Use of sales and use**
414 **tax revenues.**

415 (1) A tax is imposed on the purchaser as provided in this part for amounts paid or charged
416 for the following transactions:

417 (a) retail sales of tangible personal property made within the state;

418 (b) amounts paid to common carriers or to telephone corporations or telegraph
419 corporations, whether the corporations are municipally or privately owned, for:

420 (i) all transportation;

421 (ii) intrastate telephone service; or

422 (iii) telegraph service;

423 (c) sales of the following for commercial use:

424 (i) gas;

425 (ii) electricity;

426 (iii) heat;

427 (iv) coal;

428 (v) fuel oil; or

429 (vi) other fuels;

430 (d) sales of the following for residential use:

- 431 (i) gas;
- 432 (ii) electricity;
- 433 (iii) heat;
- 434 (iv) coal;
- 435 (v) fuel oil; or
- 436 (vi) other fuels;
- 437 (e) sales of meals;
- 438 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or user
- 439 fees for theaters, movies, operas, museums, planetariums, shows of any type or nature, exhibitions,
- 440 concerts, carnivals, amusement parks, amusement rides, circuses, menageries, fairs, races, contests,
- 441 sporting events, dances, boxing matches, wrestling matches, closed circuit television broadcasts,
- 442 billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf driving ranges, batting cages,
- 443 skating rinks, ski lifts, ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water
- 444 slides, river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or any
- 445 other amusement, entertainment, recreation, exhibition, cultural, or athletic activity;
- 446 (g) amounts paid or charged for services:
- 447 (i) for repairs or renovations of tangible personal property; or
- 448 (ii) to install tangible personal property in connection with other tangible personal
- 449 property;
- 450 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for cleaning
- 451 or washing of tangible personal property;
- 452 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court accommodations
- 453 and services that are regularly rented for less than 30 consecutive days;
- 454 (j) amounts paid or charged for laundry or dry cleaning services;
- 455 (k) amounts paid or charged for leases or rentals of tangible personal property if:
- 456 (i) the tangible personal property's situs is in this state;
- 457 (ii) the lessee took possession of the tangible personal property in this state; or
- 458 (iii) within this state the tangible personal property is:
- 459 (A) stored;
- 460 (B) used; or
- 461 (C) otherwise consumed;

462 (l) amounts paid or charged for tangible personal property if within this state the tangible
463 personal property is:

464 (i) stored;

465 (ii) used; or

466 (iii) consumed; and

467 (m) amounts paid or charged for prepaid telephone calling cards.

468 (2) (a) Except as provided in Subsections (2)(b) and (c), beginning on July 1, 2001, a state
469 tax and a local tax is imposed on a transaction described in Subsection (1) equal to the sum of:

470 (i) a state tax imposed on the transaction at a rate of 4.75%; and

471 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
472 transaction under this chapter other than this part.

473 (b) Notwithstanding Subsection (2)(a), beginning on July 1, 2001, a state tax and a local
474 tax is imposed on a transaction described in Subsection (1)(d) equal to the sum of:

475 (i) a state tax imposed on the transaction at a rate of 2%; and

476 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
477 transaction under this chapter other than this part.

478 (c) Notwithstanding Subsections (2)(a) and (b), beginning on July 1, 2001, if a vendor
479 collects a tax under Subsection 59-12-107(1)(b) on a transaction described in Subsection (1), a
480 state tax and a local tax is imposed on the transaction equal to the sum of:

481 (i) a state tax imposed on the transaction at a rate of:

482 (A) 4.75% for a transaction other than a transaction described in Subsection (1)(d); or

483 (B) 2% for a transaction described in Subsection (1)(d); and

484 (ii) except as provided in Subsection (2)(d), a local tax imposed on the transaction at a rate
485 equal to the sum of the following tax rates:

486 (A) (I) the lowest tax rate imposed by a county, city, or town under Section 59-12-204, but
487 only if all of the counties, cities, and towns in the state impose the tax under Section 59-12-204;

488 or

489 (II) the lowest tax rate imposed by a county, city, or town under Section 59-12-205, but
490 only if all of the counties, cities, and towns in the state impose the tax under Section 59-12-205;

491 and

492 (B) the tax rate authorized by Section 59-12-1102, but only if all of the counties in the state

493 impose the tax under Section 59-12-1102.

494 (d) Tax rates authorized under the following do not apply to Subsection (2)(c)(ii):

495 (i) Subsection (2)(a)(i);

496 (ii) Subsection (2)(b)(i);

497 (iii) Subsection (2)(c)(i);

498 (iv) Section 59-12-301;

499 (v) Section 59-12-352;

500 (vi) Section 59-12-353;

501 (vii) Section 59-12-401;

502 (viii) Section 59-12-402;

503 (ix) Section 59-12-501;

504 (x) Section 59-12-502;

505 (xi) Section 59-12-603;

506 (xii) Section 59-12-703;

507 (xiii) Section 59-12-802;

508 (xiv) Section 59-12-804;

509 (xv) Section 59-12-1001;

510 (xvi) Section 59-12-1201; or

511 (xvii) Section 59-12-1302.

512 (3) (a) Except as provided in Subsections (4) through (9), the state taxes described in

513 Subsections (2)(a)(i), (2)(b)(i), and (2)(c)(i) shall be deposited into the General Fund.

514 (b) The local taxes described in Subsections (2)(a)(ii) and (2)(b)(ii) shall be distributed to

515 a county, city, or town as provided in this chapter.

516 (c) (i) Notwithstanding any provision of this chapter, each county, city, or town in the state

517 shall receive the county's, city's, or town's proportionate share of the revenues generated by the

518 local tax described in Subsection (2)(c)(ii) as provided in Subsection (3)(c)(ii).

519 (ii) The commission shall determine a county's, city's, or town's proportionate share of the

520 revenues under Subsection (3)(c)(i) by:

521 (A) calculating an amount equal to:

522 (I) the population of the county, city, or town; divided by

523 (II) the total population of the state; and

524 (B) multiplying the amount determined under Subsection (3)(c)(ii)(A) by the total amount
525 of revenues generated by the local tax under Subsection (2)(c)(ii) for all counties, cities, and towns.

526 (iii) (A) Except as provided in Subsection (3)(c)(iii)(B), population figures for purposes
527 of this section shall be derived from the most recent official census or census estimate of the
528 United States Census Bureau.

529 (B) Notwithstanding Subsection (3)(c)(iii)(A), if a needed population estimate is not
530 available from the United States Census Bureau, population figures shall be derived from the
531 estimate from the Utah Population Estimates Committee created by executive order of the
532 governor.

533 (C) For purposes of this section, the population of a county may only include the
534 population of the unincorporated areas of the county.

535 (4) (a) Notwithstanding Subsection (3)(a), there shall be deposited in an Olympics special
536 revenue fund or funds as determined by the Division of Finance under Section 51-5-4, for the use
537 of the Utah Sports Authority created under Title 63A, Chapter 7, Utah Sports Authority Act:

538 (i) from January 1, 1990, through December 31, 1999, the amount of sales and use tax
539 generated by a 1/64% tax rate on the taxable transactions under Subsection (1);

540 (ii) from January 1, 1990, through June 30, 1999, the amount of revenue generated by a
541 1/64% tax rate under Section 59-12-204 or Section 59-12-205 on the taxable transactions under
542 Subsection (1); and

543 (iii) interest earned on the amounts under Subsections (4)(a)(i) and (ii).

544 (b) These funds shall be used:

545 (i) by the Utah Sports Authority as follows:

546 (A) to the extent funds are available, to transfer directly to a debt service fund or to
547 otherwise reimburse to the state any amount expended on debt service or any other cost of any
548 bonds issued by the state to construct any public sports facility as defined in Section 63A-7-103;

549 (B) to pay for the actual and necessary operating, administrative, legal, and other expenses
550 of the Utah Sports Authority, but not including protocol expenses for seeking and obtaining the
551 right to host the Winter Olympic Games;

552 (C) as otherwise appropriated by the Legislature; and

553 (D) unless the Legislature appropriates additional funds from the Olympics Special
554 Revenue Fund to the Utah Sports Authority, the Utah Sports Authority may not expend, loan, or

555 pledge in the aggregate more than:

556 (I) \$59,000,000 of sales and use tax deposited into the Olympics Special Revenue Fund
557 under Subsection (4)(a);

558 (II) the interest earned on the amount described in Subsection (4)(b)(i)(D)(I); and

559 (III) the revenues deposited into the Olympics Special Revenue Fund that are not sales and
560 use taxes deposited under Subsection (4)(a) or interest on the sales and use taxes;

561 (ii) to pay salary, benefits, or administrative costs associated with the State Olympic
562 Officer under Subsection 63A-10-103(3), except that the salary, benefits, or administrative costs
563 may not be paid from the sales and use tax revenues generated by municipalities or counties and
564 deposited under Subsection (4)(a)(ii).

565 (c) A payment of salary, benefits, or administrative costs under Subsection 63A-10-103(3)
566 is not considered an expenditure of the Utah Sports Authority.

567 (d) If the Legislature appropriates additional funds under Subsection (4)(b)(i)(D), the
568 authority may not expend, loan, pledge, or enter into any agreement to expend, loan, or pledge the
569 appropriated funds unless the authority:

570 (i) contracts in writing for the full reimbursement of the monies to the Olympics Special
571 Revenue Fund by a public sports entity or other person benefitting from the expenditure; and

572 (ii) obtains a security interest that secures payment or performance of the obligation to
573 reimburse.

574 (e) A contract or agreement entered into in violation of Subsection (4)(d) is void.

575 (5) (a) Notwithstanding Subsection (3)(a), beginning on July 1, 2001, the amount of sales
576 and use tax generated annually by a 1/16% tax rate on the taxable transactions under Subsection
577 (1) shall be used as provided in Subsections (5)(b) through (g).

578 (b) (i) Beginning on July 1, 2001, \$2,300,000 each year shall be transferred as dedicated
579 credits to the Department of Natural Resources to:

580 (A) implement the measures described in Subsections 63-34-14(4)(a) through (d) to protect
581 sensitive plant and animal species; or

582 (B) award grants, up to the amount authorized by the Legislature in an appropriations act,
583 to political subdivisions of the state to implement the measures described in Subsections
584 63-34-14(4)(a) through (d) to protect sensitive plant and animal species.

585 (ii) Money transferred to the Department of Natural Resources under Subsection (5)(b)(i)

586 may not be used to assist the United States Fish and Wildlife Service or any other person to list or
587 attempt to have listed a species as threatened or endangered under the Endangered Species Act of
588 1973, 16 U.S.C. Sec. 1531 et seq.

589 (iii) At the end of each fiscal year:

590 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
591 Conservation and Development Fund created in Section 73-10-24;

592 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
593 Program subaccount created in Section 73-10c-5; and

594 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
595 Program subaccount created in Section 73-10c-5.

596 (c) Five hundred thousand dollars each year shall be deposited in the Agriculture Resource
597 Development Fund created in Section 4-18-6.

598 (d) (i) One hundred thousand dollars each year shall be transferred as dedicated credits to
599 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for the
600 adjudication of water rights.

601 (ii) At the end of each fiscal year:

602 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
603 Conservation and Development Fund created in Section 73-10-24;

604 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
605 Program subaccount created in Section 73-10c-5; and

606 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
607 Program subaccount created in Section 73-10c-5.

608 (e) Fifty percent of the remaining amount generated by the 1/16% tax rate shall be
609 deposited in the Water Resources Conservation and Development Fund created in Section
610 73-10-24 for use by the Division of Water Resources. In addition to the uses allowed of the fund
611 under Section 73-10-24, the fund may also be used to:

612 (i) provide a portion of the local cost share, not to exceed in any fiscal year 50% of the
613 funds made available to the Division of Water Resources under this section, of potential project
614 features of the Central Utah Project;

615 (ii) conduct hydrologic and geotechnical investigations by the Department of Natural
616 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of

617 quantifying surface and ground water resources and describing the hydrologic systems of an area
618 in sufficient detail so as to enable local and state resource managers to plan for and accommodate
619 growth in water use without jeopardizing the resource;

620 (iii) fund state required dam safety improvements; and

621 (iv) protect the state's interest in interstate water compact allocations, including the hiring
622 of technical and legal staff.

623 (f) Twenty-five percent of the remaining amount generated by the 1/16% tax rate shall be
624 deposited in the Utah Wastewater Loan Program subaccount created in Section 73-10c-5 for use
625 by the Water Quality Board to fund wastewater projects.

626 (g) Twenty-five percent of the remaining amount generated by the 1/16% tax rate shall be
627 deposited in the Drinking Water Loan Program subaccount created in Section 73-10c-5 for use by
628 the Division of Drinking Water to:

629 (i) provide for the installation and repair of collection, treatment, storage, and distribution
630 facilities for any public water system, as defined in Section 19-4-102;

631 (ii) develop underground sources of water, including springs and wells; and

632 (iii) develop surface water sources.

633 (6) (a) Notwithstanding Subsection (3)(a), beginning on July 1, 2001, the amount of sales
634 and use tax generated annually by a 1/16% tax rate on the taxable transactions under Subsection
635 (1) shall be used as provided in Subsections (6)(b) through (d).

636 (b) (i) Five hundred thousand dollars each year shall be deposited in the Transportation
637 Corridor Preservation Revolving Loan Fund created in Section 72-2-117.

638 (ii) At least 50% of the money deposited in the Transportation Corridor Preservation
639 Revolving Loan Fund under Subsection (6)(b)(i) shall be used to fund loan applications made by
640 the Department of Transportation at the request of local governments.

641 (c) From July 1, 1997, through June 30, 2006, \$500,000 each year shall be transferred as
642 nonlapsing dedicated credits to the Department of Transportation for the State Park Access
643 Highways Improvement Program created in Section 72-3-207.

644 (d) The remaining amount generated by the 1/16% tax rate shall be deposited in the class
645 B and class C roads account to be expended as provided in Title 72, Chapter 2, Transportation
646 Finances Act, for the use of class B and C roads.

647 (7) (a) Notwithstanding Subsection (3)(a), beginning on January 1, 2000, the Division of

648 Finance shall deposit into the Centennial Highway Fund created in Section 72-2-118 a portion of
649 the state sales and use tax under Subsection (2) equal to the revenues generated by a 1/64% tax rate
650 on the taxable transactions under Subsection (1).

651 (b) Except for sales and use taxes deposited under Subsection (8), beginning on July 1,
652 1999, the revenues generated by the 1/64% tax rate:

653 (i) retained under Subsection 59-12-204(7)(a) shall be retained by the counties, cities, or
654 towns as provided in Section 59-12-204; and

655 (ii) retained under Subsection 59-12-205(4)(a) shall be distributed to each county, city, and
656 town as provided in Section 59-12-205.

657 (8) Notwithstanding Subsection (3)(a), beginning on July 1, 1999, the commission shall
658 deposit into the Airport to University of Utah Light Rail Restricted Account created in Section
659 17A-2-1064 the portion of the sales and use tax under Sections 59-12-204 and 59-12-205 that is:

660 (a) generated by a city or town that will have constructed within its boundaries the Airport
661 to University of Utah Light Rail described in the Transportation Equity Act for the 21st Century,
662 Pub. L. No. 105-178, Sec. 3030(c)(2)(B)(i)(II), 112 Stat. 107; and

663 (b) equal to the revenues generated by a 1/64% tax rate on the taxable items and services
664 under Subsection (1).

665 (9) (a) Notwithstanding Subsection (3)(a), for fiscal years beginning on or after fiscal year
666 2002-03, the commission shall on or before September 30 of each year deposit the difference
667 described in Subsection (9)(b) into the Remote Sales Restricted Account created in Section
668 59-12-103.2 if that difference is greater than \$0.

669 (b) The difference described in Subsection (9)(a) is equal to the difference between:

670 (i) the total amount of revenues under Subsection (2)(c)(i) the commission received from
671 vendors collecting a tax under Subsection 59-12-107(1)(b) for the fiscal year immediately
672 preceding the September 30 described in Subsection (9)(a); and

673 (ii) the total amount of revenues under Subsection (2)(c)(i) the commission estimates that
674 the commission received from vendors described in Subsection 59-12-107(1)(b) for fiscal year
675 2000-01.

676 (10) (a) For purposes of amounts paid or charged as admission or user fees relating to the
677 Olympic Winter Games of 2002, the amounts are considered to be paid or charged on the day on
678 which the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 or a person

679 designated by the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 sends
 680 a purchaser confirmation of the purchase of an admission or user fee described in Subsection
 681 (1)(f).

682 (b) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
 683 commission shall make rules defining what constitutes sending a purchaser confirmation under
 684 Subsection (10)(a).

685 Section 3. Section **59-12-301** is amended to read:

686 **59-12-301. Transient room tax -- Rate -- Imposition or repeal of tax -- Tax rate**
 687 **change -- Effective date -- Notice requirements.**

688 (1) (a) Any county legislative body may impose a transient room tax not to exceed 3% of
 689 the rent for every occupancy of a suite[;] or room[; or rooms]:

690 (i) on [all persons, companies, corporations, or other similar persons, groups, or
 691 organizations] the following entities doing business as motor courts, motels, hotels, inns, or
 692 providing similar public accommodations[;]:

693 (A) a person;

694 (B) a company;

695 (C) a corporation; or

696 (D) a person, group, or organization similar to Subsections (1)(a)(i)(A) through (C); and

697 (ii) if the suite or room is regularly rented for less than 30 consecutive days.

698 (b) A county legislative body imposing a tax under this part shall impose the tax on the
 699 rents described in Subsection (1)(a) relating to the Olympic Winter Games of 2002 made to or by
 700 an organization exempt from federal income taxation under Section 501(c)(3), Internal Revenue
 701 Code, except for rents described in Subsection (1)(a):

702 (i) paid for in full by the Salt Lake Organizing Committee for the Olympic Winter Games
 703 of 2002;

704 (ii) exclusively used by:

705 (A) an officer, a trustee, or an employee of the Salt Lake Organizing Committee for the
 706 Olympic Winter Games of 2002; or

707 (B) a volunteer supervised by the Salt Lake Organizing Committee for the Olympic Winter
 708 Games of 2002; and

709 (iii) for which the Salt Lake Organizing Committee for the Olympic Winter Games of

710 2002 does not receive reimbursement.

711 (2) Subject to Subsection (3), a county legislative body:

712 (a) may increase or decrease the transient room tax; and

713 (b) shall regulate the transient room tax by ordinance.

714 (3) (a) For purposes of this Subsection (3):

715 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Annexation
716 to County.

717 (ii) "Annexing area" means an area that is annexed into a county.

718 (b) (i) If, on or after May 1, 2000, a county enacts or repeals a tax or changes the rate of
719 a tax under this part, the enactment, repeal, or change shall take effect:

720 (A) on the first day of a calendar quarter; and

721 (B) after a 75-day period beginning on the date the commission receives notice meeting
722 the requirements of Subsection (3)(b)(ii) from the county.

723 (ii) The notice described in Subsection (3)(b)(i)(B) shall state:

724 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

725 (B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);

726 (C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and

727 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
728 (3)(b)(ii)(A), the new rate of the tax.

729 (c) (i) If, for an annexation that occurs on or after May 1, 2000, the annexation will result
730 in a change in the rate of a tax under this part for an annexing area, the change shall take effect:

731 (A) on the first day of a calendar quarter; and

732 (B) after a 75-day period beginning on the date the commission receives notice meeting
733 the requirements of Subsection (3)(c)(ii) from the county that annexes the annexing area.

734 (ii) The notice described in Subsection (3)(c)(i)(B) shall state:

735 (A) that the annexation described in Subsection (3)(c)(i) will result in a change in the rate
736 of a tax under this part for the annexing area;

737 (B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);

738 (C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and

739 (D) the new rate of the tax described in Subsection (3)(c)(ii)(A).

740 Section 4. Section **59-12-351** is amended to read:

741 **59-12-351. Definitions.**

742 For purposes of this part:

743 (1) "Public accommodation" means a place providing temporary sleeping accommodations
744 that is regularly rented to the public and includes:

- 745 (a) a motel;
- 746 (b) a hotel;
- 747 (c) a motor court;
- 748 (d) an inn;
- 749 (e) a bed and breakfast establishment;
- 750 (f) a condominium; and
- 751 (g) a resort home.

752 (2) "Rents" include:

- 753 (a) rents; and
- 754 (b) timeshare fees or dues.

755 (3) "Transient" means a person who occupies a public accommodation for less than 30
756 consecutive days [~~or less~~].

757 Section 5. Section **59-12-603** is amended to read:

758 **59-12-603. County tax -- Bases -- Rates -- Ordinance required -- Collection --**
759 **Administration -- Distribution -- Imposition of tax -- Tax rate change -- Effective date --**
760 **Notice requirements.**

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

763 (a) (i) a county legislative body of any county may impose a tax of not to exceed 3% on
764 all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases and
765 rentals of motor vehicles made for the purpose of temporarily replacing a person's motor vehicle
766 that is being repaired pursuant to a repair or an insurance agreement;

767 (ii) beginning on or after January 1, 1999, a county legislative body of any county
768 imposing a tax under Subsection (1)(a)(i) may, in addition to imposing the tax under Subsection
769 (1)(a)(i), impose a tax of not to exceed 4% on all short-term leases and rentals of motor vehicles
770 not exceeding 30 days, except for leases and rentals of motor vehicles made for the purpose of
771 temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an

772 insurance agreement;

773 (b) a county legislative body of any county may impose a tax of not to exceed 1% of all
774 sales of prepared foods and beverages that are sold by restaurants; and

775 (c) a county legislative body of any county may impose a tax of not to exceed 1/2% of the
776 rent for every occupancy of a suite[-] or room[-, or rooms];

777 (i) on ~~[all persons, companies, corporations, or other similar persons, groups, or~~
778 ~~organizations]~~ the following entities doing business as motor courts, motels, hotels, inns, or
779 providing similar public accommodations[-];

780 (A) a person;

781 (B) a company;

782 (C) a corporation; or

783 (D) a person, group, or organization similar to Subsections (1)(a)(i)(A) through (C); and

784 (ii) if the suite or room is regularly rented for less than 30 consecutive days.

785 (2) The revenue from the imposition of the taxes provided for in Subsections (1)(a)
786 through (c) may be used for the purposes of financing tourism promotion, and the development,
787 operation, and maintenance of tourist, recreation, cultural, and convention facilities as defined in
788 Section 59-12-602.

789 (3) The tax imposed under Subsection (1)(c) shall be in addition to the transient room tax
790 imposed under Part 3, Transient Room Tax, and may be imposed only by a county of the first class.

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

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

797 (5) (a) In order to impose the tax under Subsection (1), each county legislative body shall
798 annually adopt an ordinance imposing the tax.

799 (b) (i) The ordinance under Subsection (5)(a) shall include provisions substantially the
800 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on
801 those items and sales described in Subsection (1).

802 (ii) A county legislative body imposing a tax under this part shall impose the tax as

803 provided in this section on the leases, rentals, and sales described in Subsection (1) relating to the
804 Olympic Winter Games of 2002 made to or by an organization exempt from federal income
805 taxation under Section 501(c)(3), Internal Revenue Code, except for leases, rentals, and sales
806 described in Subsection (1):

807 (A) paid for in full by the Salt Lake Organizing Committee for the Olympic Winter Games
808 of 2002;

809 (B) exclusively used by:

810 (I) an officer, a trustee, or an employee of the Salt Lake Organizing Committee for the
811 Olympic Winter Games of 2002; or

812 (II) a volunteer supervised by the Salt Lake Organizing Committee for the Olympic Winter
813 Games of 2002; and

814 (C) for which the Salt Lake Organizing Committee for the Olympic Winter Games of 2002
815 does not receive reimbursement.

816 (c) The name of the county as the taxing agency shall be substituted for that of the state
817 where necessary, and an additional license is not required if one has been or is issued under
818 Section 59-12-106.

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

823 (7) The commission shall:

824 (a) administer, collect, and enforce the tax authorized under this part pursuant to:

825 (i) the same procedures used to administer, collect, and enforce the sales and use tax under
826 Part 1, Tax Collection; and

827 (ii) Chapter 1, General Taxation Policies;

828 (b) (i) except as provided in Subsection (7)(c), for a tax under this part other than the tax
829 under Subsection (1)(a)(ii), distribute the revenues to the county imposing the tax; and

830 (ii) except as provided in Subsection (7)(c), for a tax under Subsection (1)(a)(ii), distribute
831 the revenues according to the distribution formula provided in Subsection (8); and

832 (c) deduct from the distributions under Subsection (7)(b) an administrative charge for
833 collecting the tax as provided in Section 59-12-206.

834 (8) The commission shall distribute the revenues generated by the tax under Subsection
835 (1)(a)(ii) to each county collecting a tax under Subsection (1)(a)(ii) according to the following
836 formula:

837 (a) the commission shall distribute 70% of the revenues based on the percentages
838 generated by dividing the revenues collected by each county under Subsection (1)(a)(ii) by the total
839 revenues collected by all counties under Subsection (1)(a)(ii); and

840 (b) the commission shall distribute 30% of the revenues based on the percentages
841 generated by dividing the population of each county collecting a tax under Subsection (1)(a)(ii)
842 by the total population of all counties collecting a tax under Subsection (1)(a)(ii).

843 (9) (a) For purposes of this Subsection (9):

844 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Annexation
845 to County.

846 (ii) "Annexing area" means an area that is annexed into a county.

847 (b) (i) If, on or after May 1, 2000, a county enacts or repeals a tax or changes the rate of
848 a tax under this part, the enactment, repeal, or change shall take effect:

849 (A) on the first day of a calendar quarter; and

850 (B) after a 75-day period beginning on the date the commission receives notice meeting
851 the requirements of Subsection (9)(b)(ii) from the county.

852 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

853 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

854 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

855 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

856 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
857 (9)(b)(ii)(A), the new rate of the tax.

858 (c) (i) If, for an annexation that occurs on or after May 1, 2000, the annexation will result
859 in a change in the rate of a tax under this part for an annexing area, the change shall take effect:

860 (A) on the first day of a calendar quarter; and

861 (B) after a 75-day period beginning on the date the commission receives notice meeting
862 the requirements of Subsection (9)(c)(ii) from the county that annexes the annexing area.

863 (ii) The notice described in Subsection (9)(c)(i)(B) shall state:

864 (A) that the annexation described in Subsection (9)(c)(i) will result in a change in the rate

865 of a tax under this part for the annexing area;

866 (B) the statutory authority for the tax described in Subsection (9)(c)(ii)(A);

867 (C) the effective date of the tax described in Subsection (9)(c)(ii)(A); and

868 (D) the new rate of the tax described in Subsection (9)(c)(ii)(A).

869 Section 6. **Repealer.**

870 This act repeals:

871 Section 17-31-4, "Transient" defined.

872 Section 7. **Effective date.**

873 (1) If approved by two-thirds of all members elected to each house, this act takes effect
874 on July 1, 2001.

875 (2) If this bill passes but is not approved by two-thirds of all members elected to each
876 house, this act takes effect on October 1, 2001.

Legislative Review Note
as of 6-19-01 9:55 AM

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

Office of Legislative Research and General Counsel