

**LOCAL SALES AND USE TAX
DISTRIBUTION TASK FORCE**

2004 GENERAL SESSION
STATE OF UTAH

Sponsor: Gregory S. Bell

LONG TITLE

General Description:

This bill creates the Local Sales and Use Tax Distribution Task Force.

Highlighted Provisions:

This bill:

- ▶ provides for the appointment of members and cochairs of the task force;
- ▶ provides procedures and requirements for the operation of the task force;
- ▶ provides for the payment of salaries and expenses of members of the task force who are legislators;
- ▶ provides for the payment of per diem and expenses for members of the task force who are not legislators;
- ▶ provides that the Office of Legislative Research and General Counsel shall provide staff support to the task force;
- ▶ prescribes the issues that the task force shall study;
- ▶ authorizes issues that the task force may study;
- ▶ prescribes the number of times the task force may meet; and
- ▶ requires the task force to present a final report to the Revenue and Taxation Interim Committee.

Monies Appropriated in this Bill:

This bill appropriates:

- ▶ \$33,000 from the General Fund for fiscal year 2003-04 only, to fund the task force.



Other Special Clauses:

This bill is repealed on November 30, 2004.

Uncodified Material Affected:

ENACTS UNCODIFIED MATERIAL

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

**Section 1. Local Sales and Use Tax Distribution Task Force -- Creation --
Membership -- Quorum -- Compensation -- Staff.**

(1) There is created the Local Sales and Use Tax Distribution Task Force consisting of the following 18 members:

(a) three members of the Senate appointed by the president of the Senate, no more than two of whom may be from the same political party;

(b) three members of the House of Representatives appointed by the speaker of the House of Representatives, no more than two of whom may be from the same political party;
and

(c) the following members appointed by the president of the Senate and the speaker of the House of Representatives:

(i) five members representing municipalities;

(ii) two members representing counties; and

(iii) five members of the public that have an interest or expertise in:

(A) local government finance;

(B) local government planning;

(C) real estate development; or

(D) retail operations.

(2) (a) The president of the Senate shall designate a member of the Senate appointed under Subsection (1)(a) as a cochair of the task force.

(b) The speaker of the House of Representatives shall designate a member of the House of Representatives appointed under Subsection (1)(b) as a cochair of the task force.

(3) (a) A majority of the members of the task force constitute a quorum.

(b) The action of a majority of a quorum constitutes the action of the task force.

(4) (a) Salaries and expenses of the members of the task force who are legislators shall

59 be paid in accordance with Section 36-2-2 and Legislative Joint Rule 15.03.

60 (b) A member of the task force who is not a legislator may not receive compensation
61 for the member's work associated with the task force, but may receive per diem and
62 reimbursement for travel expenses incurred as a member of the task force at the rates
63 established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

64 (5) The Office of Legislative Research and General Counsel shall provide staff support
65 to the task force.

66 **Section 2. Duties -- Meetings -- Interim report.**

67 (1) The task force:

68 (a) shall review and make recommendations on the distribution of the sales and use tax
69 authorized under Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act, to counties and
70 municipalities; and

71 (b) in conducting the review and making the recommendations required by Subsection
72 (1)(a), may:

73 (i) consider issues including:

74 (A) the daytime population of counties and municipalities;

75 (B) economic development;

76 (C) county and municipality revenue sources; or

77 (D) spendable per capita income for a county or municipality; and

78 (ii) review and make recommendations on any other issue relating to taxes imposed by
79 counties or municipalities as determined by the task force.

80 (2) The task force may meet up to eight times during the 2004 interim.

81 (3) A final report, including any proposed legislation, shall be presented to the
82 Revenue and Taxation Interim Committee on or before November 30, 2004.

83 **Section 3. Appropriation.**

84 There is appropriated from the General Fund for fiscal year 2003-04 only:

85 (1) \$4,000 to the Senate to pay for the compensation and expenses of senators on the
86 task force;

87 (2) \$4,000 to the House of Representatives to pay for the compensation and expenses
88 of representatives on the task force; and

89 (3) \$25,000 to the Office of Legislative Research and General Counsel to pay for

90 staffing the task force.

91 Section 4. **Repeal date.**

92 This bill is repealed on November 30, 2004.

Legislative Review Note

as of 1-21-04 10:58 AM

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

Office of Legislative Research and General Counsel

Fiscal Note

Local Sales and Use Tax Distribution Task Force

26-Jan-04

Bill Number: SB012112:08 PM

State Impact

This bill appropriates \$4,000 to the Senate and \$4,000 to the House of Representatives and \$25,000 to the Office of Legislative Research and General Counsel from the General Fund in FY 2004.

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>
	<u>Approp.</u>	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>
General Fund	\$33,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$33,000	\$0	\$0	\$0	\$0	\$0

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst