

Senator Wayne L. Niederhauser proposes the following substitute bill:

**STATE TAX COMMISSION TAX, FEE, OR CHARGE
ADMINISTRATION AND COLLECTION AMENDMENTS**

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne L. Niederhauser

House Sponsor: John Dougall

LONG TITLE

General Description:

This bill addresses the administration and collection of taxes, fees, or charges the State Tax Commission collects and enforces.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ renames the Sales and Use Tax Administrative Fees Account to the State Tax Commission Administrative Charge Account;
- ▶ specifies the taxes, fees, and charges and the amount of the taxes, fees, and charges that the State Tax Commission shall retain and deposit into the State Tax Commission Administrative Charge Account;
- ▶ provides procedures and requirements for administering the State Tax Commission Administrative Charge Account;
- ▶ addresses the taxes, fees, and charges that are subject to certain sales and use tax collection and administration provisions;
- ▶ addresses the frequency with which certain taxes, fees, or charges are required to be paid to the State Tax Commission; and



26 ▶ makes technical and conforming changes.

27 **Money Appropriated in this Bill:**

28 None

29 **Other Special Clauses:**

30 This bill takes effect on July 1, 2011.

30a **Ĥ→ This bill coordinates with H.B. 82, Sales and Use Taxes on Certain Lodging Related**
30b **Purchases, to provide that certain amendments in H.B. 82 supersede certain amendments in**
30c **this bill. ←Ĥ**

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **10-1-307**, as last amended by Laws of Utah 2010, Chapter 142

34 **10-1-405**, as last amended by Laws of Utah 2009, Chapter 212

35 **19-6-715**, as enacted by Laws of Utah 1993, Chapter 283

36 **19-6-716**, as enacted by Laws of Utah 1993, Chapter 283

37 **19-6-808**, as last amended by Laws of Utah 2002, Chapter 256

38 **53-10-604**, as last amended by Laws of Utah 2010, Chapter 278

39 **59-12-108**, as last amended by Laws of Utah 2008, Chapters 286, 382, and 384

40 **59-12-128**, as last amended by Laws of Utah 2009, Chapter 212

41 **59-12-206**, as last amended by Laws of Utah 1995, Chapter 226

42 **59-12-302**, as last amended by Laws of Utah 2008, Chapter 384

43 **59-12-354**, as last amended by Laws of Utah 2008, Chapter 384

44 **59-12-403**, as last amended by Laws of Utah 2008, Chapters 382 and 384

45 **59-12-603**, as last amended by Laws of Utah 2009, Chapter 7

46 **59-12-704**, as last amended by Laws of Utah 2003, Chapter 296

47 **59-12-802**, as last amended by Laws of Utah 2008, Chapter 384

48 **59-12-804**, as last amended by Laws of Utah 2008, Chapter 384

49 **59-12-1102**, as last amended by Laws of Utah 2010, Chapter 90

50 **59-12-1201**, as last amended by Laws of Utah 2009, Chapter 203

51 **59-12-1302**, as last amended by Laws of Utah 2008, Chapters 382 and 384

52 **59-12-1403**, as enacted by Laws of Utah 2001, Chapter 192

53 **59-12-2004**, as last amended by Laws of Utah 2009, Chapter 240

54 **59-12-2103**, as enacted by Laws of Utah 2008, Chapter 323

55 **59-12-2207**, as enacted by Laws of Utah 2010, Chapter 263

56 **59-26-104**, as enacted by Laws of Utah 2004, Chapter 300

57 **59-27-105**, as enacted by Laws of Utah 2004, Chapter 214
 58 **69-2-5**, as last amended by Laws of Utah 2010, Chapter 307
 59 **69-2-5.5**, as last amended by Laws of Utah 2009, Chapter 212
 60 **69-2-5.6**, as last amended by Laws of Utah 2008, Chapters 382 and 384

61 ENACTS:

62 **59-1-306**, Utah Code Annotated 1953

62a **H→ Utah Code Sections Affected by Coordination Clause:**

62b **59-12-302, as last amended by Laws of Utah 2008, Chapter 384 ←H**

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

65 Section 1. Section **10-1-307** is amended to read:

66 **10-1-307. Administration, collection, and enforcement of taxes by commission --**
 67 **Distribution of revenues -- Administrative charge -- Collection of taxes by municipality.**

68 (1) (a) [~~Except~~] Subject to Subsection (1)(b) and except as provided in Subsection (3),
 69 the commission shall administer, collect, and enforce the municipal energy sales and use tax
 70 from energy suppliers according to the procedures established in:

71 [~~(a)~~] (i) Title 59, Chapter 1, General Taxation Policies; and

72 [~~(b)~~] (ii) Title 59, Chapter 12, Part 1, Tax Collection, except for Sections 59-12-107.1
 73 and 59-12-123.

74 (b) If an energy supplier pays a municipal energy sales and use tax to the commission,
 75 the energy supplier shall pay the municipal energy sales and use tax to the commission:

76 (i) monthly on or before the last day of the month immediately following the last day of
 77 the previous month if:

78 (A) the energy supplier is required to file a sales and use tax return with the
 79 commission monthly under Section 59-12-108; or

80 (B) the energy supplier is not required to file a sales and use tax return under Title 59,
 81 Chapter 12, Sales and Use Tax Act; or

82 (ii) quarterly on or before the last day of the month immediately following the last day
 83 of the previous quarter if the energy supplier is required to file a sales and use tax return with
 84 the commission quarterly under Section 59-12-108.

85 (2) (a) Except as provided in Subsections 10-1-203(3)(d), 10-1-305(5), and
 86 10-1-310(2) and subject to Subsection (6), the commission shall pay a municipality the
 87 difference between:

88 (i) the entire amount collected by the commission from the municipal energy sales and
89 use tax authorized by this part based on:

90 (A) the point of sale of the taxable energy if a taxable sale occurs in a municipality that
91 imposes a municipal energy sales and use tax as provided in this part; or

92 (B) the point of use of the taxable energy if the use occurs in a municipality that
93 imposes a municipal energy sales and use tax as provided in this part; and

94 (ii) the ~~[administration fee charged in accordance with]~~ administrative charge described
95 in Subsection (2)(c).

96 (b) In accordance with Subsection (2)(a), the commission shall transfer to the
97 municipality monthly by electronic transfer the revenues generated by the municipal energy
98 sales and use tax levied by the municipality and collected by the commission.

99 ~~[(c) (i) The commission shall charge a municipality imposing a municipal energy sales
100 and use tax a fee for administering the tax at the percentage provided in Section 59-12-206,
101 except that the commission may not charge a fee for taxes collected by a municipality under
102 Subsection (3).]~~

103 ~~[(ii) The fee charged under Subsection (2)(c)(i) shall be:]~~

104 ~~[(A) deposited in the Sales and Use Tax Administrative Fees Account; and]~~

105 ~~[(B) expended to administer the municipal energy sales and use tax imposed under this
106 part.]~~

107 (c) (i) Subject to Subsection (2)(c)(ii), the commission shall retain and deposit an
108 administrative charge in accordance with Section 59-1-306 from revenues the commission
109 collects from a municipal energy sales and use tax under this part.

110 (ii) The commission may not retain or deposit an administrative charge from revenues
111 a municipality collects under Subsection (3) from a tax under this part.

112 (3) An energy supplier shall pay the municipal energy sales and use tax revenues it
113 collects from its customers under this part directly to each municipality in which the energy
114 supplier has sales of taxable energy if:

115 (a) the municipality is the energy supplier; or

116 (b) (i) the energy supplier estimates that the municipal energy sales and use tax
117 collected annually by the energy supplier from its Utah customers equals \$1,000,000 or more;
118 and

119 (ii) the energy supplier collects the tax imposed by this part.

120 (4) An energy supplier paying a tax under this part directly to a municipality may retain
121 the percentage of the tax authorized under Subsection 59-12-108(2) for the energy supplier's
122 costs of collecting and remitting the tax.

123 (5) An energy supplier paying the tax under this part directly to a municipality shall file
124 an information return with the commission, at least annually, on a form prescribed by the
125 commission.

126 (6) (a) As used in this Subsection (6):

127 (i) "2005 base amount" means, for a municipality that imposes a municipal energy
128 sales and use tax, the natural gas portion of municipal energy sales and use tax proceeds paid to
129 the municipality for fiscal year 2005.

130 (ii) "2006 base amount" means, for a municipality that imposes a municipal energy
131 sales and use tax, the natural gas portion of municipal energy sales and use tax proceeds paid to
132 the municipality for fiscal year 2006, reduced by the 2006 rebate amount.

133 (iii) "2006 rebate amount" means, for a municipality that imposes a municipal energy
134 sales and use tax, the difference between:

135 (A) the natural gas portion of municipal energy sales and use tax proceeds paid to the
136 municipality for fiscal year 2006; and

137 (B) the 2005 base amount, plus:

138 (I) 10% of the 2005 base amount; and

139 (II) the natural gas portion of municipal energy sales and use tax proceeds paid to the
140 municipality for fiscal year 2006 attributable to an increase in the rate of the municipal energy
141 sales and use tax implemented by the municipality during fiscal year 2006.

142 (iv) "2007 rebate amount" means, for a municipality that imposes a municipal energy
143 sales and use tax, the difference between:

144 (A) the natural gas portion of municipal energy sales and use tax proceeds paid to the
145 municipality for fiscal year 2007; and

146 (B) the 2006 base amount, plus:

147 (I) 10% of the 2006 base amount; and

148 (II) the natural gas portion of municipal energy sales and use tax proceeds paid to the
149 municipality for fiscal year 2007 attributable to an increase in the rate of the municipal energy

150 sales and use tax implemented by the municipality during fiscal year 2007.

151 (v) "Fiscal year 2005" means the period beginning July 1, 2004 and ending June 30,
152 2005.

153 (vi) "Fiscal year 2006" means the period beginning July 1, 2005 and ending June 30,
154 2006.

155 (vii) "Fiscal year 2007" means the period beginning July 1, 2006 and ending June 30,
156 2007.

157 (viii) "Gas supplier" means an energy supplier that supplies natural gas.

158 (ix) "Natural gas portion" means the amount of municipal energy sales and use tax
159 proceeds attributable to sales and uses of natural gas.

160 (b) (i) In December 2006, each gas supplier shall reduce the natural gas portion of
161 municipal energy sales and use gas proceeds to be paid to a municipality by the 2006 rebate
162 amount.

163 (ii) If the 2006 rebate amount exceeds the amount of the natural gas portion of
164 municipal energy sales and use tax proceeds for December 2006, the gas supplier shall reduce
165 the natural gas portion of municipal energy sales and use tax proceeds to be paid to a
166 municipality each month thereafter until the 2006 rebate amount is exhausted.

167 (iii) For December 2006 and for each month thereafter that the gas supplier is required
168 under Subsection (6)(b)(ii) to reduce the natural gas portion of municipal energy sales and use
169 tax proceeds to be paid to a municipality:

170 (A) each municipality imposing a municipal energy sales and use tax shall provide the
171 gas supplier with the amount by which its municipal energy sales and use tax rate applicable to
172 the sales and uses of natural gas would need to be reduced in order to reduce the natural gas
173 portion of municipal energy sales and use tax proceeds by the same amount as the reduction to
174 the municipality; and

175 (B) each gas supplier shall reduce the municipal energy sales and use tax rate
176 applicable to sales and uses of natural gas by the amount of the tax rate reduction provided by
177 the municipality.

178 (c) (i) In December 2007, each gas supplier shall reduce the natural gas portion of
179 municipal energy sales and use tax proceeds to be paid to a municipality by the 2007 rebate
180 amount.

181 (ii) If the 2007 rebate amount exceeds the amount of the natural gas portion of
182 municipal energy sales and use tax proceeds for December 2007, the gas supplier shall reduce
183 the natural gas portion of municipal energy sales and use tax proceeds to be paid to a
184 municipality each month thereafter until the 2007 rebate amount is exhausted.

185 (iii) For December 2007 and for each month thereafter that the gas supplier is required
186 under Subsection (6)(c)(ii) to reduce the natural gas portion of municipal energy sales and use
187 tax proceeds to be paid to a municipality:

188 (A) each municipality imposing a municipal energy sales and use tax shall provide the
189 gas supplier with the amount by which its municipal energy sales and use tax rate applicable to
190 the sales and uses of natural gas would need to be reduced in order to reduce the natural gas
191 portion of municipal energy sales and use tax proceeds by the same amount as the reduction to
192 the municipality; and

193 (B) each gas supplier shall reduce the municipal energy sales and use tax rate
194 applicable to sales and uses of natural gas by the amount of the tax rate reduction provided by
195 the municipality.

196 (d) Nothing in this Subsection (6) may be construed to require a reduction under
197 Subsection (6)(b) or (c) if the rebate amount is zero or negative.

198 Section 2. Section **10-1-405** is amended to read:

199 **10-1-405. Collection of taxes by commission -- Uniform interlocal agreement --**
200 **Administrative charge -- Rulemaking authority.**

201 (1) Subject to the other provisions of this section, the commission shall collect,
202 enforce, and administer any municipal telecommunications license tax imposed under this part
203 pursuant to:

204 (a) the same procedures used in the administration, collection, and enforcement of the
205 state sales and use tax under:

206 (i) Title 59, Chapter 1, General Taxation Policies; and

207 (ii) Title 59, Chapter 12, Part 1, Tax Collection:

208 (A) except for:

209 (I) Subsection 59-12-103(2)(g);

210 (II) Section 59-12-104;

211 (III) Section 59-12-104.1;

212 (IV) Section 59-12-104.2;
213 (V) Section 59-12-104.3;
214 (VI) Section 59-12-107.1; and
215 (VII) Section 59-12-123; and
216 (B) except that for purposes of Section 59-1-1410, the term "person" may include a
217 customer from whom a municipal telecommunications license tax is recovered in accordance
218 with Subsection 10-1-403(2); and
219 (b) a uniform interlocal agreement~~[(i)]~~ between~~[(A)]~~ the municipality that imposes
220 the municipal telecommunications license tax~~;~~ and ~~[(B)]~~ the commission~~;~~
221 ~~[(ii)]~~ (i) that is executed under Title 11, Chapter 13, Interlocal Cooperation Act;
222 ~~[(iii)]~~ (ii) that complies with Subsection (2)(a); and
223 ~~[(iv)]~~ (iii) that is developed by rule in accordance with Subsection (2)(b).
224 (2) (a) The uniform interlocal agreement described in Subsection (1) shall provide that
225 the commission shall:
226 (i) transmit money collected under this part~~[(A)]~~ monthly~~;~~~~and~~~~[(B)]~~ by electronic
227 funds transfer by the commission to the municipality;
228 (ii) conduct audits of the municipal telecommunications license tax;
229 ~~[(iii) charge the municipality for the commission's services under this section in an~~
230 ~~amount:]~~
231 ~~[(A) sufficient to reimburse the commission for the cost to the commission in~~
232 ~~rendering the services; and]~~
233 ~~[(B) that may not exceed an amount equal to 1.5% of the municipal~~
234 ~~telecommunications license tax imposed by the ordinance of the municipality; and]~~
235 (iii) retain and deposit an administrative charge in accordance with Section 59-1-306
236 from revenues the commission collects from a tax under this part; and
237 (iv) collect, enforce, and administer the municipal telecommunications license tax
238 authorized under this part pursuant to the same procedures used in the administration,
239 collection, and enforcement of the state sales and use tax as provided in Subsection (1)(a).
240 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
241 commission shall develop a uniform interlocal agreement that meets the requirements of this
242 section.

243 ~~[(3) The administrative fee charged under Subsection (2)(a) shall be:]~~
244 ~~[(a) deposited in the Sales and Use Tax Administrative Fees Account; and]~~
245 ~~[(b) used for administration of municipal telecommunications license taxes under this~~
246 ~~part.]~~

247 (3) If a telecommunications provider pays a municipal telecommunications license tax
248 to the commission, the telecommunications provider shall pay the municipal
249 telecommunications license tax to the commission:

250 (a) monthly on or before the last day of the month immediately following the last day
251 of the previous month if:

252 (i) the telecommunications provider is required to file a sales and use tax return with
253 the commission monthly under Section 59-12-108; or

254 (ii) the telecommunications provider is not required to file a sales and use tax return
255 under Title 59, Chapter 12, Sales and Use Tax Act; or

256 (b) quarterly on or before the last day of the month immediately following the last day
257 of the previous quarter if the telecommunications provider is required to file a sales and use tax
258 return with the commission quarterly under Section 59-12-108.

259 (4) If, on July 1, 2007, a municipality has in effect an ordinance that levies a municipal
260 telecommunications license tax under this part at a rate that exceeds 3.5%:

261 (a) except as provided in Subsection (4)(b), beginning on July 1, 2007, the commission
262 shall collect the municipal telecommunications license tax:

263 (i) within the municipality;

264 (ii) at a rate of 3.5%; and

265 (iii) from a telecommunications provider required to pay the municipal
266 telecommunications license tax on or after July 1, 2007; and

267 (b) the commission shall collect a municipal telecommunications license tax within the
268 municipality at the rate imposed by the municipality if:

269 (i) after July 1, 2007, the municipality has in effect an ordinance that levies a municipal
270 telecommunications license tax under this part at a rate of up to 3.5%;

271 (ii) the municipality meets the requirements of Subsection 10-1-403(3)(b) in changing
272 the rate of the municipal telecommunications license tax; and

273 (iii) a telecommunications provider is required to pay the municipal

274 telecommunications license tax on or after the day on which the ordinance described in
275 Subsection (4)(b)(ii) takes effect.

276 Section 3. Section **19-6-715** is amended to read:

277 **19-6-715. Recycling fee collection procedures.**

278 (1) ~~[The]~~ A lubricating oil vendor shall pay the fee collected under Section 19-6-714 to
279 the commission [on or before the last day of the month following the calendar quarter in which
280 the sale occurs.]:

281 (a) monthly on or before the last day of the month immediately following the last day
282 of the previous month if:

283 (i) the lubricating oil vendor is required to file a sales and use tax return with the
284 commission monthly under Section 59-12-108; or

285 (ii) the lubricating oil vendor is not required to file a sales and use tax return under
286 Title 59, Chapter 12, Sales and Use Tax Act; or

287 (b) quarterly on or before the last day of the month immediately following the last day
288 of the previous quarter if the lubricating oil vendor is required to file a sales and use tax return
289 with the commission quarterly under Section 59-12-108.

290 (2) ~~[The]~~ A lubricating oil vendor may retain a maximum of 2% of the recycling fee it
291 collects under Section 19-6-714 for the costs of collecting the fee.

292 (3) The payment of the fee to the commission shall be accompanied by a form provided
293 by the commission.

294 Section 4. Section **19-6-716** is amended to read:

295 **19-6-716. Fee collection by commission -- Administrative charge.**

296 (1) The commission shall administer, collect, and enforce the fee authorized under
297 Section 19-6-714 pursuant to the same procedures used in the administration, collection, and
298 enforcement of the sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act, and
299 Title 59, Chapter 1, General Taxation Policies.

300 (2) The commission ~~[may retain a maximum of 2-1/2% of the fee collected under~~
301 ~~Section 19-6-715 for the costs of rendering its services under this part]~~ shall retain and deposit
302 an administrative charge in accordance with Section 59-1-306 from the revenues the
303 commission collects from a fee under Section 19-6-714.

304 Section 5. Section **19-6-808** is amended to read:

305 **19-6-808. Payment of recycling fee -- Administrative charge.**

306 (1) ~~[The]~~ A tire retailer shall pay the recycling fee ~~[shall be paid by the tire retailer]~~ to
307 the commission:

308 ~~[(a) on or before the last day of the month following the calendar quarter in which the~~
309 ~~sale occurs for quarterly filers; and]~~

310 ~~[(b) the last day of January following the end of the calendar year for annual filers.]~~

311 (a) monthly on or before the last day of the month immediately following the last day
312 of the previous month if:

313 (i) the tire retailer is required to file a sales and use tax return with the commission
314 monthly under Section 59-12-108; or

315 (ii) the tire retailer is not required to file a sales and use tax return under Title 59,
316 Chapter 12, Sales and Use Tax Act; or

317 (b) quarterly on or before the last day of the month immediately following the last day
318 of the previous quarter if the tire retailer is required to file a sales and use tax return with the
319 commission quarterly under Section 59-12-108.

320 (2) The payment shall be accompanied by ~~[the]~~ a form prescribed by the commission.

321 (3) (a) The proceeds of the fee shall be transferred by the commission to the fund for
322 payment of partial reimbursement.

323 (b) The commission ~~[may retain an amount not to exceed 2-1/2% of the recycling fee~~
324 ~~collected under this part for the cost to it of rendering its services]~~ shall retain and deposit an
325 administrative charge in accordance with Section 59-1-306 from the revenues the commission
326 collects from a fee under Section 19-6-805.

327 (4) (a) The commission shall administer, collect, and enforce the fee authorized under
328 this part ~~[pursuant to]~~ in accordance with the same procedures used in the administration,
329 collection, and enforcement of the ~~[general]~~ state sales and use tax under Title 59, Chapter 12,
330 Sales and Use Tax Act, and ~~[the provisions of]~~ Title 59, Chapter 1, General Taxation Policies.
331 ~~[The]~~

332 (b) A tire retailer may retain 2-1/2% of the recycling fee collected under this part for
333 the cost of collecting the fee.

334 ~~[(b)]~~ (c) The exemptions ~~[from the general state sales and use tax]~~ provided ~~[for]~~ in
335 Section 59-12-104 do not apply to this part.

336 (5) The fee imposed by this part is in addition to all other state, county, or municipal
337 fees and taxes imposed on the sale of new tires.

338 Section 6. Section **53-10-604** is amended to read:

339 **53-10-604. Committee expenses -- Division of Finance responsibilities.**

340 (1) Committee expenses and the costs of administering grants from the restricted
341 account, as provided in Subsection ~~[(3)]~~ (2), shall be paid from the restricted account.

342 ~~[(2) (a) The expenses and costs of the State Tax Commission to administer and enforce
343 the collection of the telephone levy imposed by Section 69-2-5.6 shall be paid from the
344 restricted account.]~~

345 ~~[(b) (i) The State Tax Commission may charge the restricted account the administrative
346 costs incurred in discharging the responsibilities imposed by Section 69-2-5.6.]~~

347 ~~[(ii) The charges in Subsection (2)(b)(i) may not exceed an amount equal to 1.5% of
348 the charges imposed under Section 69-2-5.6.]~~

349 ~~[(3)]~~ (2) (a) The Division of Finance shall be responsible for the care, custody,
350 safekeeping, collection, and accounting for grants issued by the committee under the provisions
351 of Section 53-10-605.

352 (b) The Division of Finance may charge the restricted account the administrative costs
353 incurred in discharging the responsibilities imposed by Subsection ~~[(3)]~~ (2)(a).

354 Section 7. Section **59-1-306** is enacted to read:

355 **59-1-306. Definition -- State Tax Commission Administrative Charge Account --**
356 **Amount of administrative charge -- Deposit of revenues into the restricted account --**
357 **Interest deposited into General Fund -- Expenditure of money deposited into the**
358 **restricted account.**

359 (1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge
360 the commission administers under:

361 (a) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 1, Tax
362 Collection, or Chapter 12, Part 18, Additional State Sales and Use Tax Act;

363 (b) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

364 (c) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

365 (d) Section 19-6-714;

366 (e) Section 19-6-805;

367 (f) Section 59-27-105;

368 (g) Section 69-2-5;

369 (h) Section 69-2-5.5; or

370 (i) Section 69-2-5.6.

371 (2) There is created a restricted account within the General Fund known as the "State
372 Tax Commission Administrative Charge Account."

373 (3) Subject to the other provisions of this section, the restricted account shall consist of
374 administrative charges the commission retains and deposits in accordance with this section.

375 (4) For purposes of this section, the administrative charge is a percentage of revenues
376 the commission collects from each qualifying tax, fee, or charge of not to exceed the lesser of:

377 (a) 1.50%; or

378 (b) an equal percentage of revenues the commission collects from each qualifying tax,
379 fee, or charge sufficient to cover the cost to the commission of administering the qualifying
380 taxes, fees, or charges.

381 (5) The commission shall deposit an administrative charge into the restricted account.

382 (6) Interest earned on the restricted account shall be deposited into the General Fund.

383 (7) The commission shall expend money appropriated by the Legislature to the
384 commission from the restricted account to administer qualifying taxes, fees, or charges.

385 Section 8. Section **59-12-108** is amended to read:

386 **59-12-108. Monthly payment -- Amount of tax a seller may retain -- Penalty --**
387 **Certain amounts allocated to local taxing jurisdictions.**

388 (1) (a) Notwithstanding Section 59-12-107, a seller that has a tax liability under this
389 chapter of \$50,000 or more for the previous calendar year shall:

390 (i) file a return with the commission:

391 (A) monthly on or before the last day of the month immediately following the month
392 for which the seller collects a tax under this chapter; and

393 (B) for the month for which the seller collects a tax under this chapter; and

394 (ii) except as provided in Subsection (1)(b), remit with the return required by
395 Subsection (1)(a)(i) the amount the person is required to remit to the commission for each tax,
396 fee, or charge described in Subsection (1)(c):

397 (A) if that seller's tax liability under this chapter for the previous calendar year is less

398 than \$96,000, by any method permitted by the commission; or

399 (B) if that seller's tax liability under this chapter for the previous calendar year is
400 \$96,000 or more, by electronic funds transfer.

401 (b) A seller shall remit electronically with the return required by Subsection (1)(a)(i)
402 the amount the seller is required to remit to the commission for each tax, fee, or charge
403 described in Subsection (1)(c) if that seller:

404 (i) is required by Section 59-12-107 to file the return electronically; or

405 (ii) (A) is required to collect and remit a tax under Subsection 59-12-107(1)(a); and

406 (B) files a simplified electronic return.

407 (c) Subsections (1)(a) and (b) apply to the following taxes, fees, or charges:

408 (i) a tax under Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

409 (ii) a fee under Section [~~19-6-716~~] 19-6-714;

410 (iii) a fee under Section 19-6-805;

411 (iv) a charge under Section 69-2-5;

412 (v) a charge under Section 69-2-5.5;

413 (vi) a charge under Section 69-2-5.6; or

414 (vii) a tax under this chapter.

415 (d) Notwithstanding Subsection (1)(a)(ii) and in accordance with Title 63G, Chapter 3,
416 Utah Administrative Rulemaking Act, the commission shall make rules providing for a method
417 for making same-day payments other than by electronic funds transfer if making payments by
418 electronic funds transfer fails.

419 (e) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
420 commission shall establish by rule procedures and requirements for determining the amount a
421 seller is required to remit to the commission under this Subsection (1).

422 (2) (a) Except as provided in Subsection (3), a seller subject to Subsection (1) or a
423 seller described in Subsection (4) may retain each month the amount allowed by this
424 Subsection (2).

425 (b) A seller subject to Subsection (1) or a seller described in Subsection (4) may retain
426 each month 1.31% of any amounts the seller is required to remit to the commission:

427 (i) for a transaction described in Subsection 59-12-103(1) that is subject to a state tax
428 and a local tax imposed in accordance with the following, for the month for which the seller is

429 filing a return in accordance with Subsection (1):

430 (A) Subsection 59-12-103(2)(a);

431 (B) Subsection 59-12-103(2)(b); and

432 (C) Subsection 59-12-103(2)(d); and

433 (ii) for an agreement sales and use tax.

434 (c) (i) A seller subject to Subsection (1) or a seller described in Subsection (4) may
435 retain each month the amount calculated under Subsection (2)(c)(ii) for a transaction described
436 in Subsection 59-12-103(1) that is subject to the state tax and the local tax imposed in
437 accordance with Subsection 59-12-103(2)(c).

438 (ii) For purposes of Subsection (2)(c)(i), the amount a seller may retain is an amount
439 equal to the sum of:

440 (A) 1.31% of any amounts the seller is required to remit to the commission for:

441 (I) the state tax and the local tax imposed in accordance with Subsection
442 59-12-103(2)(c);

443 (II) the month for which the seller is filing a return in accordance with Subsection (1);
444 and

445 (III) an agreement sales and use tax; and

446 (B) 1.31% of the difference between:

447 (I) the amounts the seller would have been required to remit to the commission:

448 (Aa) in accordance with Subsection 59-12-103(2)(a) if the transaction had been subject
449 to the state tax and the local tax imposed in accordance with Subsection 59-12-103(2)(a);

450 (Bb) for the month for which the seller is filing a return in accordance with Subsection
451 (1); and

452 (Cc) for an agreement sales and use tax; and

453 (II) the amounts the seller is required to remit to the commission for:

454 (Aa) the state tax and the local tax imposed in accordance with Subsection
455 59-12-103(2)(c);

456 (Bb) the month for which the seller is filing a return in accordance with Subsection (1);
457 and

458 (Cc) an agreement sales and use tax.

459 (d) A seller subject to Subsection (1) or a seller described in Subsection (4) may retain

460 each month 1% of any amounts the seller is required to remit to the commission:

461 (i) for the month for which the seller is filing a return in accordance with Subsection
462 (1); and

463 (ii) under:

464 (A) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

465 (B) Subsection 59-12-603(1)(a)(i)(A); or

466 (C) Subsection 59-12-603(1)(a)(i)(B).

467 (3) A state government entity that is required to remit taxes monthly in accordance
468 with Subsection (1) may not retain any amount under Subsection (2).

469 (4) A seller that has a tax liability under this chapter for the previous calendar year of
470 less than \$50,000 may:

471 (a) voluntarily meet the requirements of Subsection (1); and

472 (b) if the seller voluntarily meets the requirements of Subsection (1), retain the
473 amounts allowed by Subsection (2).

474 (5) Penalties for late payment shall be as provided in Section 59-1-401.

475 (6) (a) Except as provided in Subsection (6)(c), for any amounts required to be remitted
476 to the commission under this part, the commission shall each month calculate an amount equal
477 to the difference between:

478 (i) the total amount retained for that month by all sellers had the percentages listed
479 under Subsections (2)(b) and (2)(c)(ii) been 1.5%; and

480 (ii) the total amount retained for that month by all sellers at the percentages listed
481 under Subsections (2)(b) and (2)(c)(ii).

482 (b) The commission shall each month allocate the amount calculated under Subsection
483 (6)(a) to each county, city, and town on the basis of the proportion of agreement sales and use
484 tax that the commission distributes to each county, city, and town for that month compared to
485 the total agreement sales and use tax that the commission distributes for that month to all
486 counties, cities, and towns.

487 (c) The amount the commission calculates under Subsection (6)(a) may not include an
488 amount collected from a tax that:

489 (i) the state imposes within a county, city, or town, including the unincorporated area
490 of a county; and

491 (ii) is not imposed within the entire state.

492 Section 9. Section **59-12-128** is amended to read:

493 **59-12-128. Amnesty.**

494 (1) As used in this section, "amnesty" means that a seller is not required to pay the
495 following amounts that the seller would otherwise be required to pay:

496 (a) a tax, fee, or charge under:

497 (i) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

498 (ii) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

499 (iii) Section 19-6-714;

500 (iv) Section 19-6-805;

501 (v) Chapter 26, Multi-Channel Video or Audio Service Tax Act;

502 [~~(v)~~] (vi) Section 69-2-5;

503 [~~(vi)~~] (vii) Section 69-2-5.5;

504 [~~(vii)~~] (viii) Section 69-2-5.6; or

505 [~~(viii)~~] (ix) this chapter;

506 (b) a penalty on a tax, fee, or charge described in Subsection (1)(a); or

507 (c) interest on a tax, fee, or charge described in Subsection (1)(a).

508 (2) The commission shall grant a seller amnesty under this section if the seller:

509 (a) was not licensed under Section 59-12-106 at any time during the 12-month period
510 prior to the effective date of the state's participation in the agreement;

511 (b) obtains a license under Section 59-12-106 within a 12-month period after the
512 effective date of the state's participation in the agreement; and

513 (c) is registered under the agreement.

514 (3) A seller may not receive amnesty under this section for a tax, fee, or charge:

515 (a) the seller collects;

516 (b) the seller remits to the commission;

517 (c) that the seller is required to remit to the commission on the seller's purchase; or

518 (d) arising from a transaction that occurs within a time period that is under audit by the
519 commission if:

520 (i) the seller receives notice of the commencement of the audit prior to obtaining a
521 license under Section 59-12-106; and

522 (ii) (A) the audit described in Subsection (3)(d)(i) is not complete; or
523 (B) the seller has not exhausted all administrative and judicial remedies in connection
524 with the audit described in Subsection (3)(d)(i).

525 (4) (a) Except as provided in Subsection (4)(b), amnesty the commission grants to a
526 seller under this section:

527 (i) applies to the time period during which the seller is not licensed under Section
528 59-12-106; and

529 (ii) remains in effect if, for a period of three years, the seller:

530 (A) remains registered under the agreement;

531 (B) collects a tax, fee, or charge on a transaction subject to a tax, fee, or charge
532 described in Subsection (1)(a); and

533 (C) remits to the commission the taxes, fees, and charges the seller collects in
534 accordance with Subsection (4)(a)(ii)(B).

535 (b) The commission may not grant a seller amnesty under this section if, with respect
536 to a tax, fee, or charge for which the seller would otherwise be granted amnesty under this
537 section, the seller commits:

538 (i) fraud; or

539 (ii) an intentional misrepresentation of a material fact.

540 (5) (a) If a seller does not meet a requirement of Subsection (4)(a)(ii), the commission
541 shall require the seller to pay the amounts described in Subsection (1) that the seller would
542 have otherwise been required to pay.

543 (b) Notwithstanding Section 59-1-1410, for purposes of requiring a seller to pay an
544 amount in accordance with Subsection (5)(a), the time period for the commission to make an
545 assessment under Section 59-1-1410 is extended for a time period beginning on the date the
546 seller does not meet a requirement of Subsection (4)(a)(ii) and ends three years after that date.

547 Section 10. Section **59-12-206** is amended to read:

548 **59-12-206. Collection of taxes by commission -- Administrative charge.**

549 (1) ~~[AH] The commission shall transmit the sales and use [taxes collected by] tax~~
550 ~~revenues the commission [pursuant to] collects in accordance with a contract with any county,~~
551 ~~city, or town[, or county shall be transmitted by electronic funds transfer by the commission to~~
552 ~~such city, town, or county monthly, and the commission shall charge the city, town, or county~~

553 for the commission's services specified in this part an amount sufficient to reimburse the
 554 commission for the cost to it in rendering the services. This charge may not exceed an amount
 555 equal to 1-1/2% of the sales or use tax imposed by the ordinance of the applicable city, town,
 556 or county] monthly by electronic funds transfer.

557 [~~(2) Beginning July 1, 1994, this administrative charge shall be placed in a restricted~~
 558 ~~account, called the Sales and Use Tax Administrative Fees Account. Appropriations may be~~
 559 ~~made from this account for sales tax administration.]~~

560 (2) The commission shall retain and deposit an administrative charge in accordance
 561 with Section 59-1-306 from revenues the commission collects from a tax under this part.

562 Section 11. Section **59-12-302** is amended to read:

563 **59-12-302. Collection of tax -- Administrative charge -- Penalties -- Commission**
 564 **to interpret, audit, and adjudicate transient room tax.**

565 (1) (a) Except as provided in Subsection (1)(b) or (c), the tax authorized under this part
 566 shall be administered, collected, and enforced in accordance with:

567 (i) the same procedures used to administer, collect, and enforce the tax under:

568 (A) Part 1, Tax Collection; or

569 (B) Part 2, Local Sales and Use Tax Act; and

570 (ii) Chapter 1, General Taxation Policies.

571 (b) (i) [~~Notwithstanding Section 59-12-206, each~~] A county may collect revenues from
 572 the tax imposed by the county and need not transmit the [tax] revenues to the commission or
 573 contract with the commission to collect the [tax] revenues.

574 (ii) [~~The amount of tax collected shall be reported~~] A county shall report the amount of
 575 revenues the county collects from the tax to the commission as provided in Sections 59-12-211
 576 through 59-12-215.

577 (c) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
 578 Subsections 59-12-205(2) through (6).

579 (d) (i) If the commission collects a tax under this part, the commission:

580 (A) except as provided in Subsection (1)(d)(i)(B), shall distribute the revenues
 581 [~~generated by~~] collected from the tax to the county within which the revenues were [~~generated~~]
 582 collected; and

583 [~~(B) notwithstanding Subsection (1)(d)(i)(A), may retain an amount of tax collected~~

584 ~~under this part of not to exceed the lesser of:]~~

585 ~~[(F) 1.5%; or]~~

586 ~~[(H) an amount equal to the cost to the commission of administering this part.]~~

587 ~~[(ii) Any amount the commission retains under Subsection (1)(d)(i)(B) shall be:]~~

588 ~~[(A) placed in the Sales and Use Tax Administrative Fees Account; and]~~

589 ~~[(B) used as provided in Subsection 59-12-206(2).]~~

590 (B) except as provided in Subsection (1)(d)(ii), shall retain and deposit an

591 administrative charge in accordance with Section 59-1-306 from revenues the commission

592 collects from a tax under this part.

593 (ii) The commission may not retain or deposit an administrative charge from revenues

594 a county collects under Subsection (1)(b)(i) from a tax under this part.

595 (2) (a) The tax ordinance adopted by a county pursuant to Section 59-12-301 may
596 include provisions for the imposition of penalties and interest if a person or entity required to
597 pay a tax under this part fails to timely remit the tax to the collecting agent.

598 (b) A county legislative body may not establish penalties and interest by ordinance that
599 exceed the penalties and interest rates authorized for the commission in Sections 59-1-401 and
600 59-1-402.

601 (3) A county may adopt an ordinance imposing penalties and interest under Subsection
602 (2) only if the county does not contract with the commission to collect the tax.

603 (4) If a county elects to collect the tax as provided in Subsection (1), the commission
604 shall interpret, audit, and adjudicate the tax imposed under this part.

605 Section 12. Section **59-12-354** is amended to read:

606 **59-12-354. Collection of tax -- Administrative charge -- Penalties -- Commission**
607 **to interpret, audit, and adjudicate transient room tax.**

608 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part
609 shall be administered, collected, and enforced in accordance with:

610 (a) the same procedures used to administer, collect, and enforce the tax under:

611 (i) Part 1, Tax Collection; or

612 (ii) Part 2, Local Sales and Use Tax Act; and

613 (b) Chapter 1, General Taxation Policies.

614 (2) ~~[Notwithstanding Section 59-12-206, a]~~ A municipality imposing a tax under this

615 part:

616 (a) may collect ~~[the tax]~~ revenues collected from a tax under this part and is not
617 required to:

618 (i) transmit the revenues ~~[generated by the tax]~~ to the commission; or

619 (ii) contract with the commission to collect the ~~[tax]~~ revenues;

620 (b) shall report the revenues ~~[it]~~ the municipality collects to the commission as
621 provided in Sections 59-12-211 through 59-12-215; and

622 (c) subject to the limitations of Subsections (4) and (5), may adopt an ordinance
623 imposing penalties and interest on a person who:

624 (i) is required to pay the tax under this part; and

625 (ii) does not remit the tax to the collecting agent in a timely manner.

626 (d) (i) If the commission collects a tax under this part, the commission:

627 (A) except as provided in Subsection (2)(d)(i)(B), shall distribute the revenues
628 ~~[generated by]~~ collected from the tax to the municipality within which the revenues were
629 ~~[generated]~~ collected; and

630 ~~[(B) notwithstanding Subsection (2)(d)(i)(A), may retain an amount of tax collected
631 under this part of not to exceed the lesser of:]~~

632 ~~[(I) 1.5%; or]~~

633 ~~[(H) an amount equal to the cost to the commission of administering this part:]~~

634 ~~[(ii) Any amount the commission retains under Subsection (2)(d)(i)(B) shall be:]~~

635 ~~[(A) placed in the Sales and Use Tax Administrative Fees Account; and]~~

636 ~~[(B) used as provided in Subsection 59-12-206(2).]~~

637 (B) except as provided in Subsection (1)(d)(ii), shall retain and deposit an
638 administrative charge in accordance with Section 59-1-306 from the revenues the commission
639 collects from a tax under this part.

640 (ii) The commission may not retain or deposit an administrative charge from revenues
641 a municipality collects under Subsection (2) from a tax under this part.

642 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
643 Subsections 59-12-205(2) through (6).

644 (4) A governing body of a municipality adopting an ordinance imposing penalties and
645 interest under Subsection (2)(c) may impose penalties and interest in amounts that are less than

646 or equal to the penalties and interest rates authorized for the commission under Sections
647 59-1-401 and 59-1-402.

648 (5) A municipality may adopt an ordinance imposing penalties and interest under
649 Subsection (2)(c) only if the municipality does not contract with the commission to collect the
650 tax.

651 (6) If a municipality elects to collect the tax as provided in Subsection (2), the
652 commission shall interpret, audit, and adjudicate the tax imposed under this part.

653 Section 13. Section **59-12-403** is amended to read:

654 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**
655 **Notice requirements -- Administration, collection, and enforcement of tax --**
656 **Administrative charge.**

657 (1) For purposes of this section:

658 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
659 4, Annexation.

660 (b) "Annexing area" means an area that is annexed into a city or town.

661 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a
662 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
663 repeal, or change shall take effect:

664 (i) on the first day of a calendar quarter; and

665 (ii) after a 90-day period beginning on the date the commission receives notice meeting
666 the requirements of Subsection (2)(b) from the city or town.

667 (b) The notice described in Subsection (2)(a)(ii) shall state:

668 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this
669 part;

670 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);

671 (iii) the effective date of the tax described in Subsection (2)(b)(i); and

672 (iv) if the city or town enacts the tax or changes the rate of the tax described in
673 Subsection (2)(b)(i), the rate of the tax.

674 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
675 the first billing period:

676 (A) that begins after the effective date of the enactment of the tax or the tax rate

677 increase; and

678 (B) if the billing period for the transaction begins before the effective date of the
679 enactment of the tax or the tax rate increase imposed under:

680 (I) Section 59-12-401; or

681 (II) Section 59-12-402.

682 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
683 billing period:

684 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;

685 and

686 (B) if the billing period for the transaction begins before the effective date of the repeal
687 of the tax or the tax rate decrease imposed under:

688 (I) Section 59-12-401; or

689 (II) Section 59-12-402.

690 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
691 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
692 a tax described in Subsection (2)(a) takes effect:

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

694 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
695 rate of the tax under Subsection (2)(a).

696 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
697 commission may by rule define the term "catalogue sale."

698 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
699 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
700 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
701 effect:

702 (i) on the first day of a calendar quarter; and

703 (ii) after a 90-day period beginning on the date the commission receives notice meeting
704 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

705 (b) The notice described in Subsection (3)(a)(ii) shall state:

706 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
707 repeal, or change in the rate of a tax under this part for the annexing area;

- 708 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);
- 709 (iii) the effective date of the tax described in Subsection (3)(b)(i); and
- 710 (iv) if the city or town enacts the tax or changes the rate of the tax described in
- 711 Subsection (3)(b)(i), the rate of the tax.
- 712 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
- 713 the first billing period:
- 714 (A) that begins after the effective date of the enactment of the tax or the tax rate
- 715 increase; and
- 716 (B) if the billing period for the transaction begins before the effective date of the
- 717 enactment of the tax or the tax rate increase imposed under:
- 718 (I) Section 59-12-401; or
- 719 (II) Section 59-12-402.
- 720 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
- 721 billing period:
- 722 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
- 723 and
- 724 (B) if the billing period for the transaction begins before the effective date of the repeal
- 725 of the tax or the tax rate decrease imposed under:
- 726 (I) Section 59-12-401; or
- 727 (II) Section 59-12-402.
- 728 (d) (i) Notwithstanding Subsection (3)(a), if a tax due under this chapter on a catalogue
- 729 sale is computed on the basis of sales and use tax rates published in the catalogue, an
- 730 enactment, repeal, or change in the rate of a tax described in Subsection (3)(a) takes effect:
- 731 (A) on the first day of a calendar quarter; and
- 732 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
- 733 rate of the tax under Subsection (3)(a).
- 734 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 735 commission may by rule define the term "catalogue sale."
- 736 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be
- 737 administered, collected, and enforced in accordance with:
- 738 (i) the same procedures used to administer, collect, and enforce the tax under:

- 739 (A) Part 1, Tax Collection; or
- 740 (B) Part 2, Local Sales and Use Tax Act; and
- 741 (ii) Chapter 1, General Taxation Policies.

742 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
 743 Subsections 59-12-205(2) through (6).

744 (5) The commission shall retain and deposit an administrative charge in accordance
 745 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

746 Section 14. Section **59-12-603** is amended to read:

747 **59-12-603. County tax -- Bases -- Rates -- Use of revenues -- Adoption of**
 748 **ordinance required -- Advisory board -- Administration -- Collection -- Administrative**
 749 **charge -- Distribution -- Enactment or repeal of tax or tax rate change -- Effective date --**
 750 **Notice requirements.**

751 (1) (a) In addition to any other taxes, a county legislative body may, as provided in this
 752 part, impose a tax as follows:

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

757 (B) beginning on or after January 1, 1999, a county legislative body of any county
 758 imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under
 759 Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term leases and rentals
 760 of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made
 761 for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant
 762 to a repair or an insurance agreement;

763 (ii) a county legislative body of any county may impose a tax of not to exceed 1% of all
 764 sales of the following that are sold by a restaurant:

- 765 (A) alcoholic beverages;
- 766 (B) food and food ingredients; or
- 767 (C) prepared food; and

768 (iii) a county legislative body of a county of the first class may impose a tax of not to
 769 exceed .5% on charges for the accommodations and services described in Subsection

770 59-12-103(1)(i).

771 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
772 17-31-5.5.

773 (2) (a) Subject to Subsection (2)(b), revenue from the imposition of the taxes provided
774 for in Subsections (1)(a)(i) through (iii) may be used for:

775 (i) financing tourism promotion; and

776 (ii) the development, operation, and maintenance of:

777 (A) an airport facility;

778 (B) a convention facility;

779 (C) a cultural facility;

780 (D) a recreation facility; or

781 (E) a tourist facility.

782 (b) A county of the first class shall expend at least \$450,000 each year of the revenues
783 from the imposition of a tax authorized by Subsection (1)(a)(iii) within the county to fund a
784 marketing and ticketing system designed to:

785 (i) promote tourism in ski areas within the county by persons that do not reside within
786 the state; and

787 (ii) combine the sale of:

788 (A) ski lift tickets; and

789 (B) accommodations and services described in Subsection 59-12-103(1)(i).

790 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other
791 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local
792 Government Bonding Act, or a community development and renewal agency under Title 17C,
793 Chapter 1, Part 5, Agency Bonds, to finance:

794 (a) an airport facility;

795 (b) a convention facility;

796 (c) a cultural facility;

797 (d) a recreation facility; or

798 (e) a tourist facility.

799 (4) (a) In order to impose the tax under Subsection (1), each county legislative body
800 shall adopt an ordinance imposing the tax.

801 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the
802 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on
803 those items and sales described in Subsection (1).

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

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

811 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory
812 board in accordance with Section 17-31-8, the county legislative body of the county of the first
813 class shall create a tax advisory board in accordance with this Subsection (6).

814 (b) The tax advisory board shall be composed of nine members appointed as follows:

815 (i) four members shall be appointed by the county legislative body of the county of the
816 first class as follows:

817 (A) one member shall be a resident of the unincorporated area of the county;

818 (B) two members shall be residents of the incorporated area of the county; and

819 (C) one member shall be a resident of the unincorporated or incorporated area of the
820 county; and

821 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or
822 towns within the county of the first class appointed by an organization representing all mayors
823 of cities and towns within the county of the first class.

824 (c) Five members of the tax advisory board constitute a quorum.

825 (d) The county legislative body of the county of the first class shall determine:

826 (i) terms of the members of the tax advisory board;

827 (ii) procedures and requirements for removing a member of the tax advisory board;

828 (iii) voting requirements, except that action of the tax advisory board shall be by at
829 least a majority vote of a quorum of the tax advisory board;

830 (iv) chairs or other officers of the tax advisory board;

831 (v) how meetings are to be called and the frequency of meetings; and

832 (vi) the compensation, if any, of members of the tax advisory board.

833 (e) The tax advisory board under this Subsection (6) shall advise the county legislative
834 body of the county of the first class on the expenditure of revenues collected within the county
835 of the first class from the taxes described in Subsection (1)(a).

836 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part
837 shall be administered, collected, and enforced in accordance with:

838 (A) the same procedures used to administer, collect, and enforce the tax under:

839 (I) Part 1, Tax Collection; or

840 (II) Part 2, Local Sales and Use Tax Act; and

841 (B) Chapter 1, General Taxation Policies.

842 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
843 Subsections 59-12-205(2) through (6).

844 (b) Except as provided in Subsection (7)(c):

845 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
846 commission shall distribute the revenues to the county imposing the tax; and

847 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenues
848 according to the distribution formula provided in Subsection (8).

849 (c) The commission shall [~~deduct from the distributions under Subsection (7)(b) an~~
850 ~~administrative charge for collecting the tax as provided in Section 59-12-206]~~ retain and
851 deposit an administrative charge in accordance with Section 59-1-306 from the revenues the
852 commission collects from a tax under this part.

853 (8) The commission shall distribute the revenues generated by the tax under Subsection
854 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the
855 following formula:

856 (a) the commission shall distribute 70% of the revenues based on the percentages
857 generated by dividing the revenues collected by each county under Subsection (1)(a)(i)(B) by
858 the total revenues collected by all counties under Subsection (1)(a)(i)(B); and

859 (b) the commission shall distribute 30% of the revenues based on the percentages
860 generated by dividing the population of each county collecting a tax under Subsection
861 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

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

863 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2,
864 [~~Annexation to County~~] Part 2, County Annexation.

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

866 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county
867 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or
868 change shall take effect:

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

870 (B) after a 90-day period beginning on the date the commission receives notice meeting
871 the requirements of Subsection (9)(b)(ii) from the county.

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

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

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

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

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

878 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
879 the first billing period:

880 (A) that begins after the effective date of the enactment of the tax or the tax rate
881 increase; and

882 (B) if the billing period for the transaction begins before the effective date of the
883 enactment of the tax or the tax rate increase imposed under Subsection (1).

884 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
885 billing period:

886 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
887 and

888 (B) if the billing period for the transaction begins before the effective date of the repeal
889 of the tax or the tax rate decrease imposed under Subsection (1).

890 (d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or
891 after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a
892 tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

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

894 (B) after a 90-day period beginning on the date the commission receives notice meeting
895 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

896 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

897 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,
898 repeal, or change in the rate of a tax under this part for the annexing area;

899 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

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

901 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
902 (9)(d)(ii)(A), the rate of the tax.

903 (e) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
904 the first billing period:

905 (A) that begins after the effective date of the enactment of the tax or the tax rate
906 increase; and

907 (B) if the billing period for the transaction begins before the effective date of the
908 enactment of the tax or the tax rate increase imposed under Subsection (1).

909 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
910 billing period:

911 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
912 and

913 (B) if the billing period for the transaction begins before the effective date of the repeal
914 of the tax or the tax rate decrease imposed under Subsection (1).

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

916 **59-12-704. Distribution of revenues -- Advisory board creation -- Determining**
917 **operating expenses -- Administrative charge.**

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

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

925 (b) (i) subject to Subsection (1)(b)(ii) and except as provided in Subsection (1)(b)(iii),
926 12-1/8% of the revenue collected by the county under this section shall be distributed by the
927 county legislative body to support no more than three zoological facilities and organizations
928 located within the county, with 94.5% of that revenue being distributed to zoological facilities
929 and organizations with average annual operating expenses of \$2,000,000 or more and 5.5% of
930 that revenue being distributed to zoological facilities and organizations with average annual
931 operating expenses of less than \$2,000,000;

932 (ii) except as provided in Subsection (1)(b)(iii), the county legislative body shall
933 distribute the money described in Subsection (1)(b)(i) among the zoological facilities and
934 organizations in proportion to their average annual operating expenses as determined under
935 Subsection (3); and

936 (iii) if a zoological facility or organization is created or relocated within the county
937 after June 1, 2003, the county legislative body shall distribute the money described in
938 Subsection (1)(b)(i) as it determines appropriate;

939 (c) (i) 48-7/8% of the revenue collected by the county under this section shall be
940 distributed to no more than 23 botanical and cultural organizations with average annual
941 operating expenses of more than \$250,000 as determined under Subsection (3);

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

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

947 (d) (i) 9% of the revenue collected by the county under this section shall be distributed
948 to botanical and cultural organizations that do not receive revenue under Subsection (1)(c)(i);
949 and

950 (ii) the county legislative body shall determine how the money shall be distributed
951 among the organizations described in Subsection (1)(d)(i).

952 (2) (a) The county legislative body of each county shall create an advisory board to
953 advise the county legislative body on disbursement of funds to botanical and cultural
954 organizations under Subsection (1)(c)(i).

955 (b) (i) The advisory board under Subsection (2)(a) shall consist of seven members

956 appointed by the county legislative body.

957 (ii) In a county of the first class, two of the seven members of the advisory board under
958 Subsection (2)(a) shall be appointed from the Utah Arts Council.

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

962 (i) calculate their average annual operating expenses based upon audited operating
963 expenses for three preceding fiscal years; and

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

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

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

968 (b) Notwithstanding Subsection (3)(a), the county legislative body may waive the
969 operating expenses reporting requirements under Subsection (3)(a) for organizations described
970 in Subsection (1)(d)(i).

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

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

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

977 (6) (a) Beginning on July 1, 2001, in a county except for a county of the first class, the
978 county legislative body shall by ordinance provide for the distribution of the entire amount of
979 the revenues generated by the tax imposed by this section as provided in this Subsection (6).

980 (b) Pursuant to an interlocal agreement established in accordance with Title 11,
981 Chapter 13, Interlocal Cooperation Act, a county described in Subsection (6)(a) may distribute
982 to a city, town, or political subdivision within the county revenues generated by a tax under this
983 part.

984 (c) The revenues distributed under Subsection (6)(a) or (b) shall be used for one or
985 more organizations or facilities defined in Section 59-12-702 regardless of whether the
986 revenues are distributed:

987 (i) directly by the county described in Subsection (6)(a) to be used for an organization
988 or facility defined in Section 59-12-702; or

989 (ii) in accordance with an interlocal agreement described in Subsection (6)(b).

990 (7) A county legislative body may retain up to 1.5% of the proceeds from a tax under
991 this part for the cost of administering the provisions of this part.

992 (8) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~
993 ~~under this part for the cost of administering this part~~] shall retain and deposit an administrative
994 charge in accordance with Section 59-1-306 from the revenues the commission collects from a
995 tax under this part.

996 Section 16. Section **59-12-802** is amended to read:

997 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**
998 **tax revenues -- Base -- Rate -- Administration, collection, and enforcement of tax --**
999 **Administrative charge.**

1000 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class
1001 may impose a sales and use tax of up to 1%:

1002 (i) on the transactions described in Subsection 59-12-103(1) located within the county;
1003 and

1004 (ii) subject to Subsection (3), to fund:

1005 (A) for a county of the third, fourth, or fifth class, rural county health care facilities in
1006 that county; or

1007 (B) for a county of the sixth class:

1008 (I) emergency medical services in that county;

1009 (II) federally qualified health centers in that county;

1010 (III) freestanding urgent care centers in that county;

1011 (IV) rural county health care facilities in that county;

1012 (V) rural health clinics in that county; or

1013 (VI) a combination of Subsections (1)(a)(ii)(B)(I) through (V).

1014 (b) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a
1015 tax under this section on:

1016 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1017 are exempt from taxation under Section 59-12-104;

1018 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in
1019 a city that imposes a tax under Section 59-12-804; and

1020 (iii) except as provided in Subsection (1)(d), amounts paid or charged for food and
1021 food ingredients.

1022 (c) For purposes of this Subsection (1), the location of a transaction shall be
1023 determined in accordance with Sections 59-12-211 through 59-12-215.

1024 (d) A county legislative body imposing a tax under this section shall impose the tax on
1025 amounts paid or charged for food and food ingredients if the food and food ingredients are sold
1026 as part of a bundled transaction attributable to food and food ingredients and tangible personal
1027 property other than food and food ingredients.

1028 (2) (a) Before imposing a tax under Subsection (1)(a), a county legislative body shall
1029 obtain approval to impose the tax from a majority of the:

1030 (i) members of the county's legislative body; and

1031 (ii) county's registered voters voting on the imposition of the tax.

1032 (b) The county legislative body shall conduct the election according to the procedures
1033 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

1034 (3) (a) The money generated by a tax imposed under Subsection (1) by a county
1035 legislative body of a county of the third, fourth, or fifth class may only be used for the
1036 financing of:

1037 (i) ongoing operating expenses of a rural county health care facility within that county;

1038 (ii) the acquisition of land for a rural county health care facility within that county; or

1039 (iii) the design, construction, equipping, or furnishing of a rural county health care
1040 facility within that county.

1041 (b) The money generated by a tax imposed under Subsection (1) by a county of the
1042 sixth class may only be used for the financing of:

1043 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection
1044 (1)(a)(ii)(B) within that county;

1045 (ii) the acquisition of land for a center, clinic, or facility described in Subsection
1046 (1)(a)(ii)(B) within that county;

1047 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility
1048 described in Subsection (1)(a)(ii)(B) within that county; or

1049 (iv) the provision of rural emergency medical services within that county.
1050 (4) (a) A tax under this section shall be:
1051 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1052 accordance with:

1053 (A) the same procedures used to administer, collect, and enforce the tax under:
1054 (I) Part 1, Tax Collection; or
1055 (II) Part 2, Local Sales and Use Tax Act; and
1056 (B) Chapter 1, General Taxation Policies; and
1057 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1058 period by the county legislative body as provided in Subsection (1).

1059 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to
1060 Subsections 59-12-205(2) through (6).

1061 (5) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~
1062 ~~under this section for the cost of administering this tax~~] shall retain and deposit an
1063 administrative charge in accordance with Section 59-1-306 from the revenues the commission
1064 collects from a tax under this section.

1065 Section 17. Section **59-12-804** is amended to read:

1066 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
1067 **collection, and enforcement of tax -- Administrative charge.**

1068 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:
1069 (i) on the transactions described in Subsection 59-12-103(1) located within the city;
1070 and

1071 (ii) to fund rural city hospitals in that city.
1072 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax
1073 under this section on:

1074 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1075 are exempt from taxation under Section 59-12-104; and
1076 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food
1077 ingredients.

1078 (c) For purposes of this Subsection (1), the location of a transaction shall be
1079 determined in accordance with Sections 59-12-211 through 59-12-215.

1080 (d) A city legislative body imposing a tax under this section shall impose the tax on
1081 amounts paid or charged for food and food ingredients if the food and food ingredients are sold
1082 as part of a bundled transaction attributable to food and food ingredients and tangible personal
1083 property other than food and food ingredients.

1084 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall
1085 obtain approval to impose the tax from a majority of the:

- 1086 (i) members of the city legislative body; and
- 1087 (ii) city's registered voters voting on the imposition of the tax.

1088 (b) The city legislative body shall conduct the election according to the procedures and
1089 requirements of Title 11, Chapter 14, Local Government Bonding Act.

1090 (3) The money generated by a tax imposed under Subsection (1) may only be used for
1091 the financing of:

- 1092 (a) ongoing operating expenses of a rural city hospital;
- 1093 (b) the acquisition of land for a rural city hospital; or
- 1094 (c) the design, construction, equipping, or furnishing of a rural city hospital.

1095 (4) (a) A tax under this section shall be:

1096 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1097 accordance with:

1098 (A) the same procedures used to administer, collect, and enforce the tax under:

- 1099 (I) Part 1, Tax Collection; or
- 1100 (II) Part 2, Local Sales and Use Tax Act; and
- 1101 (B) Chapter 1, General Taxation Policies; and

1102 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1103 period by the city legislative body as provided in Subsection (1).

1104 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to
1105 Subsections 59-12-205(2) through (6).

1106 (5) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~
1107 ~~under this section for the cost of administering the tax~~] shall retain and deposit an
1108 administrative charge in accordance with Section 59-1-306 from the revenues the commission
1109 collects from a tax under this section.

1110 Section 18. Section **59-12-1102** is amended to read:

1111 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
1112 **Administration -- Administrative charge -- Commission requirement to retain an amount**
1113 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
1114 **of tax -- Effective date -- Notice requirements.**

1115 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax
1116 authorized by this chapter, a county may impose by ordinance a county option sales and use tax
1117 of .25% upon the transactions described in Subsection 59-12-103(1).

1118 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
1119 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
1120 exempt from taxation under Section 59-12-104.

1121 (b) For purposes of this Subsection (1), the location of a transaction shall be
1122 determined in accordance with Sections 59-12-211 through 59-12-215.

1123 (c) The county option sales and use tax under this section shall be imposed:

1124 (i) upon transactions that are located within the county, including transactions that are
1125 located within municipalities in the county; and

1126 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
1127 January:

1128 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
1129 ordinance is adopted on or before May 25; or

1130 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
1131 ordinance is adopted after May 25.

1132 (d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under
1133 this section shall be imposed:

1134 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
1135 September 4, 1997; or

1136 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
1137 but after September 4, 1997.

1138 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
1139 county shall hold two public hearings on separate days in geographically diverse locations in
1140 the county.

1141 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting

1142 time of no earlier than 6 p.m.

1143 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
1144 days after the day the first advertisement required by Subsection (2)(c) is published.

1145 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
1146 shall advertise:

1147 (A) its intent to adopt a county option sales and use tax;

1148 (B) the date, time, and location of each public hearing; and

1149 (C) a statement that the purpose of each public hearing is to obtain public comments
1150 regarding the proposed tax.

1151 (ii) The advertisement shall be published:

1152 (A) in a newspaper of general circulation in the county once each week for the two
1153 weeks preceding the earlier of the two public hearings; and

1154 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks
1155 preceding the earlier of the two public hearings.

1156 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
1157 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
1158 border.

1159 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
1160 portion of the newspaper where legal notices and classified advertisements appear.

1161 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

1162 (A) the advertisement shall appear in a newspaper that is published at least five days a
1163 week, unless the only newspaper in the county is published less than five days a week; and

1164 (B) the newspaper selected shall be one of general interest and readership in the
1165 community, and not one of limited subject matter.

1166 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
1167 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
1168 6, Local Referenda - Procedures.

1169 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
1170 county option sales and use tax under Subsection (1) is less than 75% of the state population,
1171 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
1172 collected.

1173 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
1174 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
1175 population:

1176 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
1177 the county in which the tax was collected; and

1178 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
1179 (1) in each county shall be distributed proportionately among all counties imposing the tax,
1180 based on the total population of each county.

1181 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
1182 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
1183 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1184 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
1185 be increased so that, when combined with the amount distributed to the county under
1186 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1187 (ii) the amount to be distributed annually to all other counties under Subsection
1188 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
1189 Subsection (3)(c)(i).

1190 (d) The commission shall establish rules to implement the distribution of the tax under
1191 Subsections (3)(a), (b), and (c).

1192 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
1193 shall be administered, collected, and enforced in accordance with:

1194 (i) the same procedures used to administer, collect, and enforce the tax under:

1195 (A) Part 1, Tax Collection; or

1196 (B) Part 2, Local Sales and Use Tax Act; and

1197 (ii) Chapter 1, General Taxation Policies.

1198 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
1199 Subsections 59-12-205(2) through (6).

1200 [~~(c) Notwithstanding Subsection (4)(a), the fee charged by the commission under~~
1201 ~~Section 59-12-206 shall be based on]~~

1202 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
1203 administrative charge in accordance with Section 59-1-306 from the revenues the commission

1204 collects from a tax under this part.

1205 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
1206 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
1207 the distribution amounts resulting after:

1208 [~~(i)~~] (A) the applicable distribution calculations under Subsection (3) have been made;
1209 and

1210 [~~(ii)~~] (B) the commission retains the amount required by Subsection (5).

1211 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
1212 of the sales and use tax collected under this part as provided in this Subsection (5).

1213 (b) For a county that imposes a tax under this part, the commission shall calculate a
1214 percentage each month by dividing the sales and use tax collected under this part for that
1215 month within the boundaries of that county by the total sales and use tax collected under this
1216 part for that month within the boundaries of all of the counties that impose a tax under this part.

1217 (c) For a county that imposes a tax under this part, the commission shall retain each
1218 month an amount equal to the product of:

1219 (i) the percentage the commission determines for the month under Subsection (5)(b)
1220 for the county; and

1221 (ii) \$6,354.

1222 (d) The commission shall deposit an amount the commission retains in accordance
1223 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
1224 9-4-1409.

1225 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
1226 Fund shall be expended as provided in Section 9-4-1409.

1227 (6) (a) For purposes of this Subsection (6):

1228 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
1229 Consolidations and Annexations.

1230 (ii) "Annexing area" means an area that is annexed into a county.

1231 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a
1232 county enacts or repeals a tax under this part:

1233 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

1234 (II) the repeal shall take effect on the first day of a calendar quarter; and

1235 (B) after a 90-day period beginning on the date the commission receives notice meeting
1236 the requirements of Subsection (6)(b)(ii) from the county.

1237 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

1238 (A) that the county will enact or repeal a tax under this part;

1239 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

1240 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

1241 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the
1242 tax.

1243 (c) (i) The enactment of a tax shall take effect on the first day of the first billing period:

1244 (A) that begins after the effective date of the enactment of the tax; and

1245 (B) if the billing period for the transaction begins before the effective date of the
1246 enactment of the tax under Subsection (1).

1247 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

1248 (A) that began before the effective date of the repeal of the tax; and

1249 (B) if the billing period for the transaction begins before the effective date of the repeal
1250 of the tax imposed under Subsection (1).

1251 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1252 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1253 Subsection (6)(b)(i) takes effect:

1254 (A) on the first day of a calendar quarter; and

1255 (B) beginning 60 days after the effective date of the enactment or repeal under
1256 Subsection (6)(b)(i).

1257 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1258 commission may by rule define the term "catalogue sale."

1259 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
1260 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1261 part for an annexing area, the enactment or repeal shall take effect:

1262 (A) on the first day of a calendar quarter; and

1263 (B) after a 90-day period beginning on the date the commission receives notice meeting
1264 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1265 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1266 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
1267 repeal of a tax under this part for the annexing area;

1268 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1269 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1270 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1271 (f) (i) The enactment of a tax shall take effect on the first day of the first billing period:

1272 (A) that begins after the effective date of the enactment of the tax; and

1273 (B) if the billing period for the transaction begins before the effective date of the

1274 enactment of the tax under Subsection (1).

1275 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

1276 (A) that began before the effective date of the repeal of the tax; and

1277 (B) if the billing period for the transaction begins before the effective date of the repeal

1278 of the tax imposed under Subsection (1).

1279 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1280 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1281 Subsection (6)(e)(i) takes effect:

1282 (A) on the first day of a calendar quarter; and

1283 (B) beginning 60 days after the effective date of the enactment or repeal under

1284 Subsection (6)(e)(i).

1285 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1286 commission may by rule define the term "catalogue sale."

1287 Section 19. Section **59-12-1201** is amended to read:

1288 **59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,**
1289 **collection, and enforcement of tax -- Administrative charge -- Deposits.**

1290 (1) (a) Except as provided in Subsection (3), there is imposed a tax of 2.5% on all
1291 short-term leases and rentals of motor vehicles not exceeding 30 days.

1292 (b) The tax imposed in this section is in addition to all other state, county, or municipal
1293 fees and taxes imposed on rentals of motor vehicles.

1294 (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax
1295 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

1296 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall

1297 take effect on the first day of the first billing period:

1298 (A) that begins after the effective date of the tax rate increase; and

1299 (B) if the billing period for the transaction begins before the effective date of a tax rate
1300 increase imposed under Subsection (1).

1301 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax
1302 rate decrease shall take effect on the first day of the last billing period:

1303 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
1304 and

1305 (B) if the billing period for the transaction begins before the effective date of the repeal
1306 of the tax or the tax rate decrease imposed under Subsection (1).

1307 (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

1308 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

1309 (b) the motor vehicle is rented as a personal household goods moving van; or

1310 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily
1311 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an
1312 insurance agreement.

1313 (4) (a) (i) The tax authorized under this section shall be administered, collected, and
1314 enforced in accordance with:

1315 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,
1316 Tax Collection; and

1317 (B) Chapter 1, General Taxation Policies.

1318 (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to
1319 Subsections 59-12-103(4) through (12) or Section 59-12-107.1 or 59-12-123.

1320 (b) The commission [~~may retain a maximum of 1-1/2% of the tax collected under this~~
1321 ~~section for the costs of rendering its services under this section]~~ shall retain and deposit an
1322 administrative charge in accordance with Section 59-1-306 from the revenues the commission
1323 collects from a tax under this part.

1324 (c) Except as provided under Subsection (4)(b), all revenue received by the
1325 commission under this section shall be deposited daily with the state treasurer and credited
1326 monthly to the Transportation Corridor Preservation Revolving Loan Fund under Section
1327 72-2-117.

1328 Section 20. Section **59-12-1302** is amended to read:

1329 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
1330 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
1331 **enforcement of tax -- Administrative charge.**

1332 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
1333 tax as provided in this part in an amount that does not exceed 1%.

1334 (2) A town may impose a tax as provided in this part if the town imposed a license fee
1335 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,
1336 1996.

1337 (3) A town imposing a tax under this section shall:

1338 (a) except as provided in Subsection (4), impose the tax on the transactions described
1339 in Subsection 59-12-103(1) located within the town; and

1340 (b) provide an effective date for the tax as provided in Subsection (5).

1341 (4) (a) Notwithstanding Subsection (3)(a), a town may not impose a tax under this
1342 section on:

1343 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1344 are exempt from taxation under Section 59-12-104; and

1345 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
1346 ingredients.

1347 (b) For purposes of this Subsection (4), the location of a transaction shall be
1348 determined in accordance with Sections 59-12-211 through 59-12-215.

1349 (c) A town imposing a tax under this section shall impose the tax on amounts paid or
1350 charged for food and food ingredients if the food and food ingredients are sold as part of a
1351 bundled transaction attributable to food and food ingredients and tangible personal property
1352 other than food and food ingredients.

1353 (5) (a) For purposes of this Subsection (5):

1354 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
1355 Annexation.

1356 (ii) "Annexing area" means an area that is annexed into a town.

1357 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1358 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,

1359 or change shall take effect:

1360 (A) on the first day of a calendar quarter; and

1361 (B) after a 90-day period beginning on the date the commission receives notice meeting
1362 the requirements of Subsection (5)(b)(ii) from the town.

1363 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1364 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1365 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1366 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1367 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1368 (5)(b)(ii)(A), the rate of the tax.

1369 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
1370 the first billing period:

1371 (A) that begins after the effective date of the enactment of the tax or the tax rate
1372 increase; and

1373 (B) if the billing period for the transaction begins before the effective date of the
1374 enactment of the tax or the tax rate increase imposed under Subsection (1).

1375 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
1376 billing period:

1377 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
1378 and

1379 (B) if the billing period for the transaction begins before the effective date of the repeal
1380 of the tax or the tax rate decrease imposed under Subsection (1).

1381 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1382 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1383 a tax described in Subsection (5)(b)(i) takes effect:

1384 (A) on the first day of a calendar quarter; and

1385 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1386 rate of the tax under Subsection (5)(b)(i).

1387 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1388 commission may by rule define the term "catalogue sale."

1389 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs

1390 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
1391 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1392 effect:

1393 (A) on the first day of a calendar quarter; and

1394 (B) after a 90-day period beginning on the date the commission receives notice meeting
1395 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1396 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1397 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,
1398 repeal, or change in the rate of a tax under this part for the annexing area;

1399 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1400 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1401 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1402 (5)(e)(ii)(A), the rate of the tax.

1403 (f) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
1404 the first billing period:

1405 (A) that begins after the effective date of the enactment of the tax or the tax rate
1406 increase; and

1407 (B) if the billing period for the transaction begins before the effective date of the
1408 enactment of the tax or the tax rate increase imposed under Subsection (1).

1409 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
1410 billing period:

1411 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
1412 and

1413 (B) if the billing period for the transaction begins before the effective date of the repeal
1414 of the tax or the tax rate decrease imposed under Subsection (1).

1415 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1416 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1417 a tax described in Subsection (5)(e)(i) takes effect:

1418 (A) on the first day of a calendar quarter; and

1419 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1420 rate of the tax under Subsection (5)(e)(i).

1421 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1422 commission may by rule define the term "catalogue sale."

1423 (6) The commission shall:

1424 (a) [~~except as provided in Subsection (6)(c);~~] distribute the revenues generated by the
1425 tax under this section to the town imposing the tax; and

1426 (b) except as provided in Subsection [~~(7)~~] (8), administer, collect, and enforce the tax
1427 authorized under this section in accordance with:

1428 (i) the same procedures used to administer, collect, and enforce the tax under:

1429 (A) Part 1, Tax Collection; or

1430 (B) Part 2, Local Sales and Use Tax Act; and

1431 (ii) Chapter 1, General Taxation Policies[; ~~and~~].

1432 [~~(c) deduct from the distribution under Subsection (6)(a) an administrative charge for~~
1433 ~~collecting the tax as provided in Section 59-12-206.~~]

1434 (7) The commission shall retain and deposit an administrative charge in accordance
1435 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1436 [~~(7)~~] (8) Notwithstanding Subsection (6)(b), a tax under this section is not subject to
1437 Subsections 59-12-205(2) through (6).

1438 Section 21. Section **59-12-1403** is amended to read:

1439 **59-12-1403. Distribution of revenues -- Administrative charge.**

1440 (1) (a) The city or town legislative body shall by ordinance provide for the distribution
1441 of the entire amount of the revenues generated by the tax imposed by this part in accordance
1442 with this section.

1443 (b) A city or town may participate in an interlocal agreement provided for under
1444 Section 59-12-704 and distribute the revenues generated by the tax imposed by this part to
1445 participants in the interlocal agreement.

1446 (c) The revenues generated by the tax shall be used for one or more organizations or
1447 facilities defined in Section 59-12-702.

1448 (2) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~
1449 ~~under this part for the cost of administering this part]~~ shall retain and deposit an administrative
1450 charge in accordance with Section 59-1-306 from the revenues the commission collects from a
1451 tax under this part.

1452 Section 22. Section **59-12-2004** is amended to read:

1453 **59-12-2004. Enactment or repeal of tax -- Effective date -- Administration,**
1454 **collection, and enforcement of tax -- Administrative charge.**

1455 (1) Subject to Subsections (2) and (3), a tax rate repeal or a tax rate change for a tax
1456 imposed under this part shall take effect on the first day of a calendar quarter.

1457 (2) (a) The enactment of a tax or a tax rate increase shall take effect on the first day of
1458 the first billing period that begins after the effective date of the enactment of the tax or the tax
1459 rate increase if the billing period for the transaction begins before the effective date of the
1460 enactment of the tax or the tax rate increase under this part.

1461 (b) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
1462 billing period that began before the effective date of the repeal of the tax or the tax rate
1463 decrease if the billing period for the transaction begins before the effective date of the repeal of
1464 the tax or the tax rate decrease imposed under this part.

1465 (3) (a) If a tax due under this part on a catalogue sale is computed on the basis of sales
1466 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1467 under this part takes effect:

1468 (i) on the first day of a calendar quarter; and

1469 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the
1470 rate of the tax under this part.

1471 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1472 commission may by rule define the term "catalogue sale."

1473 (4) The commission shall administer, collect, and enforce a tax under this part in
1474 accordance with:

1475 (a) the same procedures used to administer, collect, and enforce the tax under Part 1,
1476 Tax Collection;

1477 (b) Chapter 1, General Taxation Policies; and

1478 (c) Section 59-12-210.1.

1479 (5) The commission shall retain and deposit an administrative charge in accordance
1480 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1481 Section 23. Section **59-12-2103** is amended to read:

1482 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenues collected**

1483 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1484 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1485 (1) (a) Subject to the other provisions of this section and except as provided in
1486 Subsection (2), beginning on January 1, 2009 and ending on June 30, 2016, if a city or town
1487 receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the city or
1488 town would have received a tax revenue distribution of less than .75% of the taxable sales
1489 within the boundaries of the city or town but for Subsection 59-12-205(3)(a), the city or town
1490 legislative body may impose a sales and use tax of up to .20% on the transactions:

1491 (i) described in Subsection 59-12-103(1); and
1492 (ii) within the city or town.

1493 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall
1494 expend the revenues collected from the tax for the same purposes for which the city or town
1495 may expend the city's or town's general fund revenues.

1496 (c) For purposes of this Subsection (1), the location of a transaction shall be
1497 determined in accordance with Sections 59-12-211 through 59-12-215.

1498 (2) (a) A city or town legislative body may not impose a tax under this section on:

1499 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1500 are exempt from taxation under Section 59-12-104; and

1501 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
1502 ingredients.

1503 (b) A city or town legislative body imposing a tax under this section shall impose the
1504 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
1505 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1506 personal property other than food and food ingredients.

1507 (3) To impose a tax under this part, a city or town legislative body shall obtain
1508 approval from a majority of the members of the city or town legislative body.

1509 (4) The commission shall transmit revenues collected within a city or town from a tax
1510 under this part:

1511 (a) to the city or town legislative body;
1512 (b) monthly; and
1513 (c) by electronic funds transfer.

1514 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
1515 collect, and enforce a tax under this part in accordance with:

1516 (i) the same procedures used to administer, collect, and enforce the tax under:

1517 (A) Part 1, Tax Collection; or

1518 (B) Part 2, Local Sales and Use Tax Act; and

1519 (ii) Chapter 1, General Taxation Policies.

1520 (b) A tax under this part is not subject to Subsections 59-12-205(2) through (6).

1521 ~~[(6)(a) The commission may retain an amount of tax collected under this part of not to~~
1522 ~~exceed the lesser of:]~~

1523 ~~[(i) 1.5%; or]~~

1524 ~~[(ii) an amount equal to the cost to the commission of administering this part.]~~

1525 ~~[(b) Any amount the commission retains under Subsection (6)(a) shall be:]~~

1526 ~~[(i) deposited into the Sales and Use Tax Administrative Fees Account; and]~~

1527 ~~[(ii) used as provided in Subsection 59-12-206(2).]~~

1528 (6) The commission shall retain and deposit an administrative charge in accordance
1529 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1530 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
1531 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
1532 repeal, or change shall take effect:

1533 (A) on the first day of a calendar quarter; and

1534 (B) after a 90-day period beginning on the date the commission receives notice meeting
1535 the requirements of Subsection (7)(a)(i) from the city or town.

1536 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1537 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
1538 this part;

1539 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1540 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1541 (D) if the city or town enacts the tax or changes the rate of the tax described in
1542 Subsection (7)(a)(ii)(A), the rate of the tax.

1543 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
1544 the tax rate increase under Subsection (1), the enactment of a tax or a tax rate increase shall

1545 take effect on the first day of the first billing period that begins after the effective date of the
1546 enactment of the tax or the tax rate increase.

1547 (ii) If the billing period for a transaction begins before the effective date of the repeal
1548 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate
1549 decrease shall take effect on the first day of the last billing period that began before the
1550 effective date of the repeal of the tax or the tax rate decrease.

1551 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1552 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1553 described in Subsection (7)(a)(i) takes effect:

1554 (A) on the first day of a calendar quarter; and

1555 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1556 rate of the tax under Subsection (7)(a)(i).

1557 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1558 commission may by rule define the term "catalogue sale."

1559 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
1560 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
1561 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1562 effect:

1563 (A) on the first day of a calendar quarter; and

1564 (B) after a 90-day period beginning on the date the commission receives notice meeting
1565 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1566 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1567 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
1568 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1569 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1570 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1571 (D) if the city or town enacts the tax or changes the rate of the tax described in
1572 Subsection (7)(d)(ii)(A), the rate of the tax.

1573 (e) (i) If the billing period for a transaction begins before the effective date of the
1574 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
1575 rate increase shall take effect on the first day of the first billing period that begins after the

1576 effective date of the enactment of the tax or the tax rate increase.

1577 (ii) If the billing period for a transaction begins before the effective date of the repeal
1578 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate
1579 decrease shall take effect on the first day of the last billing period that began before the
1580 effective date of the repeal of the tax or the tax rate decrease.

1581 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1582 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1583 described in Subsection (7)(d)(i) takes effect:

1584 (A) on the first day of a calendar quarter; and

1585 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1586 Subsection (7)(d)(i).

1587 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1588 commission may by rule define the term "catalogue sale".

1589 Section 24. Section **59-12-2207** is amended to read:

1590 **59-12-2207. Administrative charge.**

1591 ~~[(1)]~~ The commission ~~[may retain a percentage of revenues collected from a sales and~~
1592 ~~use tax under this part of not to exceed the lesser of:]~~ shall retain and deposit an administrative
1593 charge in accordance with Section 59-1-306 from the revenues the commission collects from a
1594 tax under this part.

1595 ~~[(a) 1.50%; or]~~

1596 ~~[(b) a percentage of revenues collected from a sales and use tax under this part~~
1597 ~~sufficient to cover the cost to the commission of administering this part.]~~

1598 ~~[(2) The commission shall:]~~

1599 ~~[(a) deposit any revenues the commission retains under Subsection (1) into the Sales~~
1600 ~~and Use Tax Administrative Fees Account; and]~~

1601 ~~[(b) expend the revenues described in Subsection (2)(a) as provided in Subsection~~
1602 ~~59-12-206(2).]~~

1603 Section 25. Section **59-26-104** is amended to read:

1604 **59-26-104. Collection of tax.**

1605 A multi-channel video or audio service provider shall:

1606 (1) collect the tax imposed by Section 59-26-103 from the purchaser; ~~[and]~~

1607 (2) ~~[remit] pay~~ the tax collected under Subsection (1) to the commission:
1608 ~~[(a) quarterly on or before the last day of the month immediately following the last day~~
1609 ~~of each calendar quarter; and]~~

1610 ~~[(b) on a return prescribed by the commission.]~~

1611 (a) monthly on or before the last day of the month immediately following the last day
1612 of the previous month if:

1613 (i) the multi-channel video or audio service provider is required to file a sales and use
1614 tax return with the commission monthly under Section 59-12-108; or

1615 (ii) the multi-channel video or audio service provider is not required to file a sales and
1616 use tax return under Chapter 12, Sales and Use Tax Act; or

1617 (b) quarterly on or before the last day of the month immediately following the last day
1618 of the previous quarter if the multi-channel video or audio service provider is required to file a
1619 sales and use tax return with the commission quarterly under Section 59-12-108; and

1620 (3) pay the tax collected under Subsection (1) using a form prescribed by the
1621 commission.

1622 Section 26. Section **59-27-105** is amended to read:

1623 **59-27-105. Sexually explicit business and escort service fund -- Administrative**
1624 **charge.**

1625 (1) There is created a restricted special revenue fund called the "Sexually Explicit
1626 Business and Escort Service Fund."

1627 (2) (a) Except as provided in Subsection (3), the fund consists of all amounts collected
1628 by the commission under this chapter.

1629 (b) (i) The money in the fund shall be invested by the state treasurer pursuant to Title
1630 51, Chapter 7, State Money Management Act.

1631 (ii) All interest or other earnings derived from the fund money shall be deposited in the
1632 fund.

1633 (3) Notwithstanding any other ~~[provisions]~~ provision of this chapter, the commission
1634 ~~[may retain an amount of tax collected under this chapter of not to exceed the lesser of:]~~ shall
1635 retain and deposit an administrative charge in accordance with Section 59-1-306 from the
1636 revenues the commission collects from a tax under this chapter.

1637 ~~[(a) 1.5%; or]~~

1638 ~~[(b) an amount equal to the cost to the commission of administering this chapter.]~~

1639 (4) (a) Fund money shall be used as provided in this Subsection (4).

1640 (b) The Department of Corrections shall use 60% of the money in the fund, in addition
1641 to existing budgets, to provide treatment services to nonworking or indigent adults who:

1642 (i) have been convicted of an offense under Title 76, Chapter 5, Part 4, Sexual
1643 Offenses; and

1644 (ii) are not currently confined or incarcerated in a jail or prison.

1645 (c) The Adult Probation and Parole section of the Department of Corrections shall use
1646 15% of the money in the fund to provide outpatient treatment services to individuals who:

1647 (i) have been convicted of an offense under Title 76, Chapter 5, Part 4, Sexual
1648 Offenses; and

1649 (ii) are not currently confined or incarcerated in a jail or prison.

1650 (d) The Department of Corrections shall use 10% of the money in the fund, in addition
1651 to existing budgets, to implement treatment programs for juveniles who have been convicted of
1652 an offense under Title 76, Chapter 5, Part 4, Sexual Offenses.

1653 (e) The attorney general shall use 15% of the money in the fund to provide funding for
1654 any task force:

1655 (i) administered through the Office of the Attorney General; and

1656 (ii) that investigates and prosecutes individuals who use the Internet to commit crimes
1657 against children.

1658 Section 27. Section **69-2-5** is amended to read:

1659 **69-2-5. Funding for 911 emergency telecommunications service -- Administrative**
1660 **charge.**

1661 (1) In providing funding of 911 emergency telecommunications service, any public
1662 agency establishing a 911 emergency telecommunications service may:

1663 (a) seek assistance from the federal or state government, to the extent constitutionally
1664 permissible, in the form of loans, advances, grants, subsidies, and otherwise, directly or
1665 indirectly;

1666 (b) seek funds appropriated by local governmental taxing authorities for the funding of
1667 public safety agencies; and

1668 (c) seek gifts, donations, or grants from individuals, corporations, or other private

1669 entities.

1670 (2) For purposes of providing funding of 911 emergency telecommunications service,
1671 special service districts may raise funds as provided in Section 17D-1-105 and may borrow
1672 money and incur indebtedness as provided in Section 17D-1-103.

1673 (3) (a) Except as provided in Subsection (3)(b) and subject to the other provisions of
1674 this Subsection (3) a county, city, or town within which 911 emergency telecommunications
1675 service is provided may levy monthly an emergency services telecommunications charge on:

1676 (i) each local exchange service switched access line within the boundaries of the
1677 county, city, or town;

1678 (ii) each revenue producing radio communications access line with a billing address
1679 within the boundaries of the county, city, or town; and

1680 (iii) any other service, including voice over Internet protocol, provided to a user within
1681 the boundaries of the county, city, or town that allows the user to make calls to and receive
1682 calls from the public switched telecommunications network, including commercial mobile
1683 radio service networks.

1684 (b) Notwithstanding Subsection (3)(a), an access line provided for public coin
1685 telecommunications service is exempt from emergency telecommunications charges.

1686 (c) The amount of the charge levied under this section may not exceed:

1687 (i) 61 cents per month for each local exchange service switched access line;

1688 (ii) 61 cents per month for each radio communications access line; and

1689 (iii) 61 cents per month for each service under Subsection (3)(a)(iii).

1690 (d) (i) For purposes of this Subsection (3)(d) the following terms shall be defined as
1691 provided in Section 59-12-102 or 59-12-215:

1692 (A) "mobile telecommunications service";

1693 (B) "place of primary use";

1694 (C) "service address"; and

1695 (D) "telecommunications service."

1696 (ii) An access line described in Subsection (3)(a) is considered to be within the
1697 boundaries of a county, city, or town if the telecommunications services provided over the
1698 access line are located within the county, city, or town:

1699 (A) for purposes of sales and use taxes under Title 59, Chapter 12, Sales and Use Tax

1700 Act; and

1701 (B) determined in accordance with Section 59-12-215.

1702 (iii) The rate imposed on an access line under this section shall be determined in

1703 accordance with Subsection (3)(d)(iv) if the location of an access line described in Subsection

1704 (3)(a) is determined under Subsection (3)(d)(ii) to be a county, city, or town other than county,

1705 city, or town in which is located:

1706 (A) for a telecommunications service, the purchaser's service address; or

1707 (B) for mobile telecommunications service, the purchaser's place of primary use.

1708 (iv) The rate imposed on an access line under this section shall be the lower of:

1709 (A) the rate imposed by the county, city, or town in which the access line is located

1710 under Subsection (3)(d)(ii); or

1711 (B) the rate imposed by the county, city, or town in which it is located:

1712 (I) for telecommunications service, the purchaser's service address; or

1713 (II) for mobile telecommunications service, the purchaser's place of primary use.

1714 (e) (i) A county, city, or town shall notify the Public Service Commission of the intent

1715 to levy the charge under this Subsection (3) at least 30 days before the effective date of the

1716 charge being levied.

1717 (ii) For purposes of this Subsection (3)(e):

1718 (A) "Annexation" means an annexation to:

1719 (I) a city or town under Title 10, Chapter 2, Part 4, Annexation; or

1720 (II) a county under Title 17, Chapter 2, County Consolidations and Annexations.

1721 (B) "Annexing area" means an area that is annexed into a county, city, or town.

1722 (iii) (A) Except as provided in Subsection (3)(e)(iii)(C) or (D), if on or after July 1,

1723 2003, a county, city, or town enacts or repeals a charge or changes the amount of the charge

1724 under this section, the enactment, repeal, or change shall take effect:

1725 (I) on the first day of a calendar quarter; and

1726 (II) after a 90-day period beginning on the date the State Tax Commission receives

1727 notice meeting the requirements of Subsection (3)(e)(iii)(B) from the county, city, or town.

1728 (B) The notice described in Subsection (3)(e)(iii)(A) shall state:

1729 (I) that the county, city, or town will enact or repeal a charge or change the amount of

1730 the charge under this section;

1731 (II) the statutory authority for the charge described in Subsection (3)(e)(iii)(B)(I);
1732 (III) the effective date of the charge described in Subsection (3)(e)(iii)(B)(I); and
1733 (IV) if the county, city, or town enacts the charge or changes the amount of the charge
1734 described in Subsection (3)(e)(iii)(B)(I), the amount of the charge.

1735 (C) Notwithstanding Subsection (3)(e)(iii)(A), the enactment of a charge or a charge
1736 increase under this section shall take effect on the first day of the first billing period:

1737 (I) that begins after the effective date of the enactment of the charge or the charge
1738 increase; and

1739 (II) if the billing period for the charge begins before the effective date of the enactment
1740 of the charge or the charge increase imposed under this section.

1741 (D) Notwithstanding Subsection (3)(e)(iii)(A), the repeal of a charge or a charge
1742 decrease under this section shall take effect on the first day of the last billing period:

1743 (I) that began before the effective date of the repeal of the charge or the charge
1744 decrease; and

1745 (II) if the billing period for the charge begins before the effective date of the repeal of
1746 the charge or the charge decrease imposed under this section.

1747 (iv) (A) Except as provided in Subsection (3)(e)(iv)(C) or (D), if for an annexation that
1748 occurs on or after July 1, 2003, the annexation will result in the enactment, repeal, or a change
1749 in the amount of a charge imposed under this section for an annexing area, the enactment,
1750 repeal, or change shall take effect:

1751 (I) on the first day of a calendar quarter; and

1752 (II) after a 90-day period beginning on the date the State Tax Commission receives
1753 notice meeting the requirements of Subsection (3)(e)(iv)(B) from the county, city, or town that
1754 annexes the annexing area.

1755 (B) The notice described in Subsection (3)(e)(iv)(A) shall state:

1756 (I) that the annexation described in Subsection (3)(e)(iv)(A) will result in an
1757 enactment, repeal, or a change in the charge being imposed under this section for the annexing
1758 area;

1759 (II) the statutory authority for the charge described in Subsection (3)(e)(iv)(B)(I);

1760 (III) the effective date of the charge described in Subsection (3)(e)(iv)(B)(I); and

1761 (IV) if the county, city, or town enacts the charge or changes the amount of the charge

1762 described in Subsection (3)(e)(iv)(B)(I), the amount of the charge.

1763 (C) Notwithstanding Subsection (3)(e)(iv)(A), the enactment of a charge or a charge
1764 increase under this section shall take effect on the first day of the first billing period:

1765 (I) that begins after the effective date of the enactment of the charge or the charge
1766 increase; and

1767 (II) if the billing period for the charge begins before the effective date of the enactment
1768 of the charge or the charge increase imposed under this section.

1769 (D) Notwithstanding Subsection (3)(e)(iv)(A), the repeal of a charge or a charge
1770 decrease under this section shall take effect on the first day of the last billing period:

1771 (I) that began before the effective date of the repeal of the charge or the charge
1772 decrease; and

1773 (II) if the billing period for the charge begins before the effective date of the repeal of
1774 the charge or the charge decrease imposed under this section.

1775 (f) Subject to Subsection (3)(g), an emergency services telecommunications charge
1776 levied under this section shall:

1777 (i) be billed and collected by the person that provides the:

1778 (A) local exchange service switched access line services; or

1779 (B) radio communications access line services; and

1780 (ii) except for costs retained under Subsection (3)(h), remitted to the State Tax
1781 Commission.

1782 (g) An emergency services telecommunications charge on a mobile
1783 telecommunications service may be levied, billed, and collected only to the extent permitted by
1784 the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

1785 (h) The person that bills and collects the charges levied under Subsection (3)(f) may:

1786 (i) bill the charge imposed by this section in combination with the charge levied under
1787 Section 69-2-5.6 as one line item charge; and

1788 (ii) retain an amount not to exceed 1.5% of the levy collected under this section as
1789 reimbursement for the cost of billing, collecting, and remitting the levy.

1790 (i) The State Tax Commission shall:

1791 (i) collect, enforce, and administer the charge imposed under this Subsection (3) using
1792 the same procedures used in the administration, collection, and enforcement of the state sales

1793 and use taxes under:

1794 (A) Title 59, Chapter 1, General Taxation Policies; and

1795 (B) Title 59, Chapter 12, Part 1, Tax Collection, except for:

1796 (I) Section 59-12-104;

1797 (II) Section 59-12-104.1;

1798 (III) Section 59-12-104.2;

1799 (IV) Section 59-12-107.1; and

1800 (V) Section 59-12-123; and

1801 (ii) transmit money collected under this Subsection (3) [~~-(A)~~] monthly [~~;-and-(B)~~] by

1802 electronic funds transfer [~~by the commission~~] to the county, city, or town that imposes the

1803 charge [~~;-and~~].

1804 (j) A person that pays a charge under this section shall pay the charge to the

1805 commission:

1806 (i) monthly on or before the last day of the month immediately following the last day of

1807 the previous month if:

1808 (A) the person is required to file a sales and use tax return with the commission

1809 monthly under Section 59-12-108; or

1810 (B) the person is not required to file a sales and use tax return under Title 59, Chapter

1811 12, Sales and Use Tax Act; or

1812 (ii) quarterly on or before the last day of the month immediately following the last day

1813 of the previous quarter if the person is required to file a sales and use tax return with the

1814 commission quarterly under Section 59-12-108.

1815 (k) A charge a person pays under this section shall be paid using a form prescribed by

1816 the State Tax Commission.

1817 [~~(iii) charge the county, city, or town for the State Tax Commission's services under~~

1818 ~~this Subsection (3) in an amount:]~~

1819 [~~(A) sufficient to reimburse the State Tax Commission for the cost to the State Tax~~

1820 ~~Commission in rendering the services; and]~~

1821 [~~(B) that may not exceed an amount equal to 1.5% of the charges imposed under this~~

1822 ~~Subsection (3).]~~

1823 (l) The State Tax Commission shall retain and deposit an administrative charge in

1824 accordance with Section 59-1-306 from the revenues the State Tax Commission collects from a
1825 charge under this section.

1826 (4) (a) Any money received by a public agency for the provision of 911 emergency
1827 telecommunications service shall be deposited in a special emergency telecommunications
1828 service fund.

1829 (b) (i) Except as provided in Subsection (5)(b), the money in the emergency
1830 telecommunications service fund shall be expended by the public agency to pay the costs of:

1831 (A) establishing, installing, maintaining, and operating a 911 emergency
1832 telecommunications system;

1833 (B) receiving and processing emergency calls from the 911 system or other calls or
1834 requests for emergency services;

1835 (C) integrating a 911 system into an established public safety dispatch center, including
1836 contracting with the providers of local exchange service, radio communications service, and
1837 vendors of appropriate terminal equipment as necessary to implement the 911 emergency
1838 telecommunications service; or

1839 (D) indirect costs associated with the maintaining and operating of a 911 emergency
1840 telecommunications system.

1841 (ii) Revenues derived for the funding of 911 emergency telecommunications service
1842 may be used by the public agency for personnel costs associated with receiving and processing
1843 calls and deploying emergency response resources when the system is integrated with any
1844 public safety dispatch system.

1845 (c) Any unexpended money in the emergency telecommunications service fund at the
1846 end of a fiscal year does not lapse, and must be carried forward to be used for the purposes
1847 described in this section.

1848 (5) (a) Revenue received by a local entity from an increase in the levy imposed under
1849 Subsection (3) after the 2004 Annual General Session:

1850 (i) may be used by the public agency for the purposes under Subsection (4)(b); and

1851 (ii) shall be deposited into the special emergency telecommunications service fund
1852 described in Subsection (4)(a).

1853 (b) Revenue received by a local entity from grants from the Utah 911 Committee under
1854 Section 53-10-605:

1855 (i) shall be deposited into the special emergency telecommunications service fund
1856 under Subsection (4)(a); and

1857 (ii) shall only be used for that portion of the costs related to the development and
1858 operation of wireless and land-based enhanced 911 emergency telecommunications service and
1859 the implementation of wireless E-911 Phase I and Phase II services as provided in Subsection
1860 (5)(c).

1861 (c) The costs allowed under Subsection (5)(b)(ii) include the public safety answering
1862 point's or local entity's costs for:

1863 (i) acquisition, upgrade, modification, maintenance, and operation of public service
1864 answering point equipment capable of receiving E-911 information;

1865 (ii) database development, operation, and maintenance; and

1866 (iii) personnel costs associated with establishing, installing, maintaining, and operating
1867 wireless E-911 Phase I and Phase II services, including training emergency service personnel
1868 regarding receipt and use of E-911 wireless service information and educating consumers
1869 regarding the appropriate and responsible use of E-911 wireless service.

1870 (6) A local entity that increases the levy it imposes under Subsection (3)(c) after the
1871 2004 Annual General Session shall increase the levy to the maximum amount permitted by
1872 Subsection (3)(c).

1873 Section 28. Section **69-2-5.5** is amended to read:

1874 **69-2-5.5. Emergency services telecommunications charge to fund the Poison**
1875 **Control Center -- Administrative charge.**

1876 (1) Subject to Subsection (7), there is imposed an emergency services
1877 telecommunications charge of 7 cents per month on each local exchange service switched
1878 access line and each revenue producing radio communications access line that is subject to an
1879 emergency services telecommunications charge levied by a county, city, or town under Section
1880 69-2-5.

1881 (2) (a) [The] Subject to Subsection (7), an emergency services telecommunications
1882 charge imposed under this section shall be~~[-(a) subject to Subsection (7);]~~ billed and collected
1883 by the person that provides:

1884 (i) local exchange service switched access line services; or

1885 (ii) radio communications access line services~~[;]~~.

1886 (b) A person that pays an emergency services telecommunications charge under this
1887 section shall pay the emergency services telecommunications charge to the commission:

1888 (i) monthly on or before the last day of the month immediately following the last day of
1889 the previous month if:

1890 (A) the person is required to file a sales and use tax return with the commission
1891 monthly under Section 59-12-108; or

1892 (B) the person is not required to file a sales and use tax return under Title 59, Chapter
1893 12, Sales and Use Tax Act; or

1894 (ii) quarterly on or before the last day of the month immediately following the last day
1895 of the previous quarter if the person is required to file a sales and use tax return with the
1896 commission quarterly under Section 59-12-108.

1897 ~~[(b) remitted to the State Tax Commission at the same time as the person remits to the~~
1898 ~~State Tax Commission money collected by the person under Title 59, Chapter 12, Sales and~~
1899 ~~Use Tax Act; and]~~

1900 (c) An emergency services telecommunications charge imposed under this section shall
1901 be deposited into the General Fund as dedicated credits to pay for:

1902 (i) costs of establishing, installing, maintaining, and operating the University of Utah
1903 Poison Control Center; and

1904 (ii) expenses of the State Tax Commission to administer and enforce the collection of
1905 the emergency services telecommunications charges.

1906 (3) Funds for the University of Utah Poison Control Center program are nonlapsing.

1907 (4) Emergency services telecommunications charges remitted to the State Tax
1908 Commission pursuant to Subsection (2) shall be accompanied by the form prescribed by the
1909 State Tax Commission.

1910 (5) (a) The State Tax Commission shall administer, collect, and enforce the charge
1911 imposed under Subsection (1) according to the same procedures used in the administration,
1912 collection, and enforcement of the state sales and use tax under:

1913 (i) Title 59, Chapter 1, General Taxation Policies; and

1914 (ii) Title 59, Chapter 12, Part 1, Tax Collection, except for:

1915 (A) Section 59-12-104;

1916 (B) Section 59-12-104.1;

1917 (C) Section 59-12-104.2; and

1918 (D) Section 59-12-107.1.

1919 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1920 State Tax Commission may make rules to administer, collect, and enforce the emergency
1921 services telecommunications charges imposed under this section.

1922 (c) The State Tax Commission shall retain and deposit an administrative charge in
1923 accordance with Section 59-1-306 from the revenues the State Tax Commission collects from
1924 an emergency services telecommunications charge under this section.

1925 (6) A provider of local exchange service switched access line services or radio
1926 communications access line services who fails to comply with this section is subject to
1927 penalties and interest as provided in Sections 59-1-401 and 59-1-402.

1928 (7) An emergency services telecommunications charge under this section on a mobile
1929 telecommunications service may be imposed, billed, and collected only to the extent permitted
1930 by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

1931 Section 29. Section **69-2-5.6** is amended to read:

1932 **69-2-5.6. Emergency services telecommunications charge to fund statewide**
1933 **unified E-911 emergency service -- Administrative charge.**

1934 (1) Subject to Subsection 69-2-5(3)(g), there is imposed a statewide unified E-911
1935 emergency service charge on each local exchange service switched access line and each
1936 revenue producing radio communications access line that is subject to an emergency services
1937 telecommunications charge levied by a county, city, or town under Section 69-2-5 or 69-2-5.5
1938 at:

1939 (a) 13 cents per month until June 30, 2007; and

1940 (b) 8 cents per month on and after July 1, 2007.

1941 (2) (a) ~~[The]~~ An emergency services telecommunications charge imposed under this
1942 section shall be:

1943 ~~[(a)]~~ (i) subject to Subsection 69-2-5(3)(g); and

1944 ~~[(b)]~~ (ii) billed and collected by the person that provides:

1945 ~~[(i)]~~ (A) local exchange service switched access line services;

1946 ~~[(ii)]~~ (B) radio communications access line services; or

1947 ~~[(iii)]~~ (C) service described in Subsection 69-2-5(3)(a)(iii).

1948 ~~[(c) except for costs retained under Subsection (3), remitted to the State Tax~~
1949 ~~Commission at the same time as the person remits to the State Tax Commission money~~
1950 ~~collected by the person under Title 59, Chapter 12, Sales and Use Tax Act; and]~~

1951 (b) A person that pays a charge under this section shall pay the charge to the
1952 commission:

1953 (i) monthly on or before the last day of the month immediately following the last day of
1954 the previous month if:

1955 (A) the person is required to file a sales and use tax return with the commission
1956 monthly under Section 59-12-108; or

1957 (B) the person is not required to file a sales and use tax return under Title 59, Chapter
1958 12, Sales and Use Tax Act; or

1959 (ii) quarterly on or before the last day of the month immediately following the last day
1960 of the previous quarter if the person is required to file a sales and use tax return with the
1961 commission quarterly under Section 59-12-108.

1962 ~~[(d)]~~ (c) A charge imposed under this section shall be deposited into the Statewide
1963 Unified E-911 Emergency Service [Fund restricted account in the General Fund] Account
1964 created by Section 53-10-603.

1965 (3) The person that bills and collects the charges levied by this section pursuant to
1966 Subsections (2)(b) and (c) may:

1967 (a) bill the charge imposed by this section in combination with the charge levied under
1968 Section 69-2-5 as one line item charge; and

1969 (b) retain an amount not to exceed 1.5% of the charges collected under this section as
1970 reimbursement for the cost of billing, collecting, and remitting the levy.

1971 (4) The State Tax Commission shall collect, enforce, and administer the charges
1972 imposed under Subsection (1) using the same procedures used in the administration, collection,
1973 and enforcement of the emergency services telecommunications charge to fund the Poison
1974 Control Center under Section 69-2-5.5.

1975 (5) Notwithstanding Section 53-10-603, the State Tax Commission shall retain and
1976 deposit an administrative charge in accordance with Section 59-1-306 from the revenues the
1977 State Tax Commission collects from a charge under this section.

1978 ~~[(5)]~~ (6) This section sunsets in accordance with Section 63I-1-269.

1979 Section 30. **Effective date.**

1980 This bill takes effect on July 1, 2011.

1980a **Ĥ→ Section 31. Coordinating S.B. 16 with H.B. 82 -- Substantively superseding amendments.**

1980b **If this S.B. 16 and H.B. 82, Sales and Use Taxes on Certain Lodging Related Purchases,**

1980c **both pass, it is the intent of the Legislature that the amendments to Subsection 59-12-302(1)(b)**

1980d **in H.B. 82 supersede the amendments to Subsection 59-12-302(1)(b) in this S.B. 16 when the**

1980e **Office of Legislative Research and General Counsel prepares the Utah Code database for**

1980f **publication. ←Ĥ**

FISCAL NOTE

S.B. 16 1st Sub. (Green)

SHORT TITLE: **State Tax Commission Tax, Fee, or Charge Administration and Collection Amendments**

SPONSOR: **Niederhauser, W.**

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

The bill imposes monthly filing requirements (instead of quarterly) for the Multi-Channel Video or Audio Service Tax, which increases one-time revenue to the General Fund in FY 2012 by \$525,600. Also, by increasing the frequency of filing for lubricating oil vendors (from quarterly to monthly), one-time revenue to the DEQ Used Oil Administration General Fund Restricted Account increases by \$155,300 in FY 2012.

The bill eliminates the General Fund Restricted Sales and Use Tax Administrative Fees Account and creates a new General Fund Restricted Account known as the State Tax Commission Administrative Charge Account. Revenue from certain dedicated credits (\$317,400) and the Sales and Use Tax Administrative Fee Account (\$8,590,900) would now be deposited in the newly created State Tax Commission Administrative Charge Account (\$8,908,300).

STATE BUDGET DETAIL TABLE

	FY 2011	FY 2012	FY 2013
Revenue:			
General Fund, One-Time	\$0	\$525,600	\$0
General Fund Restricted	\$0	\$317,400	\$317,400
General Fund Restricted	\$0	\$155,300	\$0
Dedicated Credits	\$0	(\$317,400)	(\$317,400)
Total Revenue	\$0	\$680,900	\$0
Expenditure:			
General Fund Restricted	\$0	\$317,400	\$317,400
Dedicated Credits	\$0	(\$317,400)	(\$317,400)
Total Expenditure	\$0	\$0	\$0
Net Impact, All Funds (Rev.-Exp.)	\$0	\$680,900	\$0
Net Impact, General/Education Funds	\$0	\$525,600	\$0

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill increases one-time revenue to local governments by \$467,000 in FY 2012.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

By increasing the frequency of filing requirements, enactment of this bill increases the administrative burden of complying with the tax law on businesses by up to \$11,500. Individuals are unaffected.