

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

3 2011 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Wayne L. Niederhauser**

6 House Sponsor: John Dougall

8 **LONG TITLE**

9 **General Description:**

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

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ defines terms;
- 15 ▶ renames the Sales and Use Tax Administrative Fees Account to the State Tax
16 Commission Administrative Charge Account;
- 17 ▶ specifies the taxes, fees, and charges and the amount of the taxes, fees, and charges
18 that the State Tax Commission shall retain and deposit into the State Tax
19 Commission Administrative Charge Account;
- 20 ▶ provides procedures and requirements for administering the State Tax Commission
21 Administrative Charge Account;
- 22 ▶ addresses the taxes, fees, and charges that are subject to certain sales and use tax
23 collection and administration provisions;
- 24 ▶ addresses the frequency with which certain taxes, fees, or charges are required to be
25 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.

31 This bill coordinates with H.B. 82, Sales and Use Taxes on Certain Lodging Related
32 Purchases, to provide that certain amendments in H.B. 82 supersede certain
33 amendments in this bill.

34 **Utah Code Sections Affected:**

35 AMENDS:

36 **10-1-307**, as last amended by Laws of Utah 2010, Chapter 142

37 **10-1-405**, as last amended by Laws of Utah 2009, Chapter 212

38 **19-6-715**, as enacted by Laws of Utah 1993, Chapter 283

39 **19-6-716**, as enacted by Laws of Utah 1993, Chapter 283

40 **19-6-808**, as last amended by Laws of Utah 2002, Chapter 256

41 **53-10-604**, as last amended by Laws of Utah 2010, Chapter 278

42 **59-12-108**, as last amended by Laws of Utah 2008, Chapters 286, 382, and 384

43 **59-12-128**, as last amended by Laws of Utah 2009, Chapter 212

44 **59-12-206**, as last amended by Laws of Utah 1995, Chapter 226

45 **59-12-302**, as last amended by Laws of Utah 2008, Chapter 384

46 **59-12-354**, as last amended by Laws of Utah 2008, Chapter 384

47 **59-12-403**, as last amended by Laws of Utah 2008, Chapters 382 and 384

48 **59-12-603**, as last amended by Laws of Utah 2009, Chapter 7

49 **59-12-704**, as last amended by Laws of Utah 2003, Chapter 296

50 **59-12-802**, as last amended by Laws of Utah 2008, Chapter 384

51 **59-12-804**, as last amended by Laws of Utah 2008, Chapter 384

52 **59-12-1102**, as last amended by Laws of Utah 2010, Chapter 90

53 **59-12-1201**, as last amended by Laws of Utah 2009, Chapter 203

54 **59-12-1302**, as last amended by Laws of Utah 2008, Chapters 382 and 384

55 **59-12-1403**, as enacted by Laws of Utah 2001, Chapter 192

56 **59-12-2004**, as last amended by Laws of Utah 2009, Chapter 240

57 **59-12-2103**, as enacted by Laws of Utah 2008, Chapter 323

58 **59-12-2207**, as enacted by Laws of Utah 2010, Chapter 263
 59 **59-26-104**, as enacted by Laws of Utah 2004, Chapter 300
 60 **59-27-105**, as enacted by Laws of Utah 2004, Chapter 214
 61 **69-2-5**, as last amended by Laws of Utah 2010, Chapter 307
 62 **69-2-5.5**, as last amended by Laws of Utah 2009, Chapter 212
 63 **69-2-5.6**, as last amended by Laws of Utah 2008, Chapters 382 and 384

64 ENACTS:

65 **59-1-306**, Utah Code Annotated 1953

66 **Utah Code Sections Affected by Coordination Clause:**

67 **59-12-302**, as last amended by Laws of Utah 2008, Chapter 384



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

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

71 **10-1-307. Administration, collection, and enforcement of taxes by commission --**
 72 **Distribution of revenues -- Administrative charge -- Collection of taxes by municipality.**

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

76 ~~(a)~~ (i) Title 59, Chapter 1, General Taxation Policies; and

77 ~~(b)~~ (ii) Title 59, Chapter 12, Part 1, Tax Collection, except for Sections 59-12-107.1
78 and 59-12-123.

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

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

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

85 (B) the energy supplier is not required to file a sales and use tax return under Title 59,

86 Chapter 12, Sales and Use Tax Act; or

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

90 (2) (a) Except as provided in Subsections 10-1-203(3)(d), 10-1-305(5), and
91 10-1-310(2) and subject to Subsection (6), the commission shall pay a municipality the
92 difference between:

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

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

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

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

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

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

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

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

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

112 (c) (i) Subject to Subsection (2)(c)(ii), the commission shall retain and deposit an
113 administrative charge in accordance with Section 59-1-306 from revenues the commission

114 collects from a municipal energy sales and use tax under this part.

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

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

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

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

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

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

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

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

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

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

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

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

- 142 (B) the 2005 base amount, plus:
- 143 (I) 10% of the 2005 base amount; and
- 144 (II) the natural gas portion of municipal energy sales and use tax proceeds paid to the
145 municipality for fiscal year 2006 attributable to an increase in the rate of the municipal energy
146 sales and use tax implemented by the municipality during fiscal year 2006.
- 147 (iv) "2007 rebate amount" means, for a municipality that imposes a municipal energy
148 sales and use tax, the difference between:
- 149 (A) the natural gas portion of municipal energy sales and use tax proceeds paid to the
150 municipality for fiscal year 2007; and
- 151 (B) the 2006 base amount, plus:
- 152 (I) 10% of the 2006 base amount; and
- 153 (II) the natural gas portion of municipal energy sales and use tax proceeds paid to the
154 municipality for fiscal year 2007 attributable to an increase in the rate of the municipal energy
155 sales and use tax implemented by the municipality during fiscal year 2007.
- 156 (v) "Fiscal year 2005" means the period beginning July 1, 2004 and ending June 30,
157 2005.
- 158 (vi) "Fiscal year 2006" means the period beginning July 1, 2005 and ending June 30,
159 2006.
- 160 (vii) "Fiscal year 2007" means the period beginning July 1, 2006 and ending June 30,
161 2007.
- 162 (viii) "Gas supplier" means an energy supplier that supplies natural gas.
- 163 (ix) "Natural gas portion" means the amount of municipal energy sales and use tax
164 proceeds attributable to sales and uses of natural gas.
- 165 (b) (i) In December 2006, each gas supplier shall reduce the natural gas portion of
166 municipal energy sales and use gas proceeds to be paid to a municipality by the 2006 rebate
167 amount.
- 168 (ii) If the 2006 rebate amount exceeds the amount of the natural gas portion of
169 municipal energy sales and use tax proceeds for December 2006, the gas supplier shall reduce

170 the natural gas portion of municipal energy sales and use tax proceeds to be paid to a
171 municipality each month thereafter until the 2006 rebate amount is exhausted.

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

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

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

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

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

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

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

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

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

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

204 **10-1-405. Collection of taxes by commission -- Uniform interlocal agreement --**
205 **Administrative charge -- Rulemaking authority.**

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

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

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

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

213 (A) except for:

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

215 (II) Section 59-12-104;

216 (III) Section 59-12-104.1;

217 (IV) Section 59-12-104.2;

218 (V) Section 59-12-104.3;

219 (VI) Section 59-12-107.1; and

220 (VII) Section 59-12-123; and

221 (B) except that for purposes of Section 59-1-1410, the term "person" may include a
222 customer from whom a municipal telecommunications license tax is recovered in accordance
223 with Subsection 10-1-403(2); and

224 (b) a uniform interlocal agreement[~~-(i)~~] between[~~-(A)~~] the municipality that imposes
225 the municipal telecommunications license tax[;] and [~~(B)~~] the commission[;];

226 ~~[(ii)]~~ (i) that is executed under Title 11, Chapter 13, Interlocal Cooperation Act;

227 ~~[(iii)]~~ (ii) that complies with Subsection (2)(a); and

228 ~~[(iv)]~~ (iii) that is developed by rule in accordance with Subsection (2)(b).

229 (2) (a) The uniform interlocal agreement described in Subsection (1) shall provide that
230 the commission shall:

231 (i) transmit money collected under this part~~[(A)]~~ monthly~~;~~ ~~and (B)]~~ by electronic
232 funds transfer by the commission to the municipality;

233 (ii) conduct audits of the municipal telecommunications license tax;

234 ~~[(iii) charge the municipality for the commission's services under this section in an
235 amount:]~~

236 ~~[(A) sufficient to reimburse the commission for the cost to the commission in
237 rendering the services; and]~~

238 ~~[(B) that may not exceed an amount equal to 1.5% of the municipal
239 telecommunications license tax imposed by the ordinance of the municipality; and]~~

240 (iii) retain and deposit an administrative charge in accordance with Section 59-1-306
241 from revenues the commission collects from a tax under this part; and

242 (iv) collect, enforce, and administer the municipal telecommunications license tax
243 authorized under this part pursuant to the same procedures used in the administration,
244 collection, and enforcement of the state sales and use tax as provided in Subsection (1)(a).

245 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
246 commission shall develop a uniform interlocal agreement that meets the requirements of this
247 section.

248 ~~[(3) The administrative fee charged under Subsection (2)(a) shall be:]~~

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

250 ~~[(b) used for administration of municipal telecommunications license taxes under this
251 part.]~~

252 (3) If a telecommunications provider pays a municipal telecommunications license tax
253 to the commission, the telecommunications provider shall pay the municipal

254 telecommunications license tax to the commission:

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

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

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

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

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

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

268 (i) within the municipality;

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

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

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

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

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

278 (iii) a telecommunications provider is required to pay the municipal
279 telecommunications license tax on or after the day on which the ordinance described in
280 Subsection (4)(b)(ii) takes effect.

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

282 **19-6-715. Recycling fee collection procedures.**

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

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

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

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

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

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

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

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

300 **19-6-716. Fee collection by commission -- Administrative charge.**

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

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

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

310 **19-6-808. Payment of recycling fee -- Administrative charge.**

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

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

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

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

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

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

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

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

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

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

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

337 (b) A tire retailer may retain 2-1/2% of the recycling fee collected under this part for

338 the cost of collecting the fee.

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

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

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

344 **53-10-604. Committee expenses -- Division of Finance responsibilities.**

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

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

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

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

354 ~~[(3)]~~ (2) (a) The Division of Finance shall be responsible for the care, custody,
355 safekeeping, collection, and accounting for grants issued by the committee under the provisions
356 of Section 53-10-605.

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

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

360 **59-1-306. Definition -- State Tax Commission Administrative Charge Account --**
361 **Amount of administrative charge -- Deposit of revenues into the restricted account --**
362 **Interest deposited into General Fund -- Expenditure of money deposited into the**
363 **restricted account.**

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

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

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

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

370 (d) Section 19-6-714;

371 (e) Section 19-6-805;

372 (f) Section 59-27-105;

373 (g) Section 69-2-5;

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

375 (i) Section 69-2-5.6.

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

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

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

382 (a) 1.5%; or

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

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

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

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

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

391 **59-12-108. Monthly payment -- Amount of tax a seller may retain -- Penalty --**
392 **Certain amounts allocated to local taxing jurisdictions.**

393 (1) (a) Notwithstanding Section 59-12-107, a seller that has a tax liability under this

394 chapter of \$50,000 or more for the previous calendar year shall:

395 (i) file a return with the commission:

396 (A) monthly on or before the last day of the month immediately following the month

397 for which the seller collects a tax under this chapter; and

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

399 (ii) except as provided in Subsection (1)(b), remit with the return required by

400 Subsection (1)(a)(i) the amount the person is required to remit to the commission for each tax,

401 fee, or charge described in Subsection (1)(c):

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

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

404 (B) if that seller's tax liability under this chapter for the previous calendar year is

405 \$96,000 or more, by electronic funds transfer.

406 (b) A seller shall remit electronically with the return required by Subsection (1)(a)(i)

407 the amount the seller is required to remit to the commission for each tax, fee, or charge

408 described in Subsection (1)(c) if that seller:

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

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

411 (B) files a simplified electronic return.

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

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

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

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

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

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

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

419 (vii) a tax under this chapter.

420 (d) Notwithstanding Subsection (1)(a)(ii) and in accordance with Title 63G, Chapter 3,

421 Utah Administrative Rulemaking Act, the commission shall make rules providing for a method

422 for making same-day payments other than by electronic funds transfer if making payments by
423 electronic funds transfer fails.

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

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

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

432 (i) for a transaction described in Subsection 59-12-103(1) that is subject to a state tax
433 and a local tax imposed in accordance with the following, for the month for which the seller is
434 filing a return in accordance with Subsection (1):

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

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

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

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

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

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

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

446 (I) the state tax and the local tax imposed in accordance with Subsection
447 59-12-103(2)(c);

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

450 (III) an agreement sales and use tax; and
451 (B) 1.31% of the difference between:
452 (I) the amounts the seller would have been required to remit to the commission:
453 (Aa) in accordance with Subsection 59-12-103(2)(a) if the transaction had been subject
454 to the state tax and the local tax imposed in accordance with Subsection 59-12-103(2)(a);
455 (Bb) for the month for which the seller is filing a return in accordance with Subsection
456 (1); and
457 (Cc) for an agreement sales and use tax; and
458 (II) the amounts the seller is required to remit to the commission for:
459 (Aa) the state tax and the local tax imposed in accordance with Subsection
460 59-12-103(2)(c);
461 (Bb) the month for which the seller is filing a return in accordance with Subsection (1);
462 and
463 (Cc) an agreement sales and use tax.
464 (d) A seller subject to Subsection (1) or a seller described in Subsection (4) may retain
465 each month 1% of any amounts the seller is required to remit to the commission:
466 (i) for the month for which the seller is filing a return in accordance with Subsection
467 (1); and
468 (ii) under:
469 (A) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;
470 (B) Subsection 59-12-603(1)(a)(i)(A); or
471 (C) Subsection 59-12-603(1)(a)(i)(B).
472 (3) A state government entity that is required to remit taxes monthly in accordance
473 with Subsection (1) may not retain any amount under Subsection (2).
474 (4) A seller that has a tax liability under this chapter for the previous calendar year of
475 less than \$50,000 may:
476 (a) voluntarily meet the requirements of Subsection (1); and
477 (b) if the seller voluntarily meets the requirements of Subsection (1), retain the

478 amounts allowed by Subsection (2).

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

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

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

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

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

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

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

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

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

498 **59-12-128. Amnesty.**

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

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

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

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

504 (iii) Section 19-6-714;

505 (iv) Section 19-6-805;

506 (v) Chapter 26, Multi-Channel Video or Audio Service Tax Act;
507 [~~(v)~~] (vi) Section 69-2-5;
508 [~~(vi)~~] (vii) Section 69-2-5.5;
509 [~~(vii)~~] (viii) Section 69-2-5.6; or
510 [~~(viii)~~] (ix) this chapter;
511 (b) a penalty on a tax, fee, or charge described in Subsection (1)(a); or
512 (c) interest on a tax, fee, or charge described in Subsection (1)(a).
513 (2) The commission shall grant a seller amnesty under this section if the seller:
514 (a) was not licensed under Section 59-12-106 at any time during the 12-month period
515 prior to the effective date of the state's participation in the agreement;
516 (b) obtains a license under Section 59-12-106 within a 12-month period after the
517 effective date of the state's participation in the agreement; and
518 (c) is registered under the agreement.
519 (3) A seller may not receive amnesty under this section for a tax, fee, or charge:
520 (a) the seller collects;
521 (b) the seller remits to the commission;
522 (c) that the seller is required to remit to the commission on the seller's purchase; or
523 (d) arising from a transaction that occurs within a time period that is under audit by the
524 commission if:
525 (i) the seller receives notice of the commencement of the audit prior to obtaining a
526 license under Section 59-12-106; and
527 (ii) (A) the audit described in Subsection (3)(d)(i) is not complete; or
528 (B) the seller has not exhausted all administrative and judicial remedies in connection
529 with the audit described in Subsection (3)(d)(i).
530 (4) (a) Except as provided in Subsection (4)(b), amnesty the commission grants to a
531 seller under this section:
532 (i) applies to the time period during which the seller is not licensed under Section
533 59-12-106; and

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

535 (A) remains registered under the agreement;

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

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

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

543 (i) fraud; or

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

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

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

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

553 **59-12-206. Collection of taxes by commission -- Administrative charge.**

554 (1) ~~[AH] The commission shall transmit the sales and use [taxes collected by] tax~~
555 ~~revenues the commission [pursuant to] collects in accordance with a contract with any county,~~
556 ~~city, or town[, or county shall be transmitted by electronic funds transfer by the commission to~~
557 ~~such city, town, or county monthly, and the commission shall charge the city, town, or county~~
558 ~~for the commission's services specified in this part an amount sufficient to reimburse the~~
559 ~~commission for the cost to it in rendering the services. This charge may not exceed an amount~~
560 ~~equal to 1-1/2% of the sales or use tax imposed by the ordinance of the applicable city, town,~~
561 ~~or county] monthly by electronic funds transfer.~~

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

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

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

568 **59-12-302. Collection of tax -- Administrative charge -- Penalties -- Commission**
 569 **to interpret, audit, and adjudicate transient room tax.**

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

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

573 (A) Part 1, Tax Collection; or

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

575 (ii) Chapter 1, General Taxation Policies.

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

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

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

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

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

588 ~~[(B) notwithstanding Subsection (1)(d)(i)(A), may retain an amount of tax collected~~
 589 ~~under this part of not to exceed the lesser of:]~~

590 ~~[(F) 1.5%; or]~~
591 ~~[(H) an amount equal to the cost to the commission of administering this part.]~~
592 ~~[(ii) Any amount the commission retains under Subsection (1)(d)(i)(B) shall be:]~~
593 ~~[(A) placed in the Sales and Use Tax Administrative Fees Account; and]~~
594 ~~[(B) used as provided in Subsection 59-12-206(2).]~~
595 (B) except as provided in Subsection (1)(d)(ii), shall retain and deposit an
596 administrative charge in accordance with Section 59-1-306 from revenues the commission
597 collects from a tax under this part.

598 (ii) The commission may not retain or deposit an administrative charge from revenues
599 a county collects under Subsection (1)(b)(i) from a tax under this part.

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

603 (b) A county legislative body may not establish penalties and interest by ordinance that
604 exceed the penalties and interest rates authorized for the commission in Sections 59-1-401 and
605 59-1-402.

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

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

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

611 **59-12-354. Collection of tax -- Administrative charge -- Penalties -- Commission**
612 **to interpret, audit, and adjudicate transient room tax.**

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

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

616 (i) Part 1, Tax Collection; or

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

618 (b) Chapter 1, General Taxation Policies.

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

620 part:

621 (a) may collect ~~[the tax]~~ revenues collected from a tax under this part and is not

622 required to:

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

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

625 (b) shall report the revenues ~~[it]~~ the municipality collects to the commission as

626 provided in Sections 59-12-211 through 59-12-215; and

627 (c) subject to the limitations of Subsections (4) and (5), may adopt an ordinance

628 imposing penalties and interest on a person who:

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

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

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

632 (A) except as provided in Subsection (2)(d)(i)(B), shall distribute the revenues

633 ~~[generated by]~~ collected from the tax to the municipality within which the revenues were

634 ~~[generated]~~ collected; and

635 ~~[(B) notwithstanding Subsection (2)(d)(i)(A), may retain an amount of tax collected~~

636 under this part of not to exceed the lesser of:]

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

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

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

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

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

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

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

644 collects from a tax under this part.

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

646 a municipality collects under Subsection (2) from a tax under this part.

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

649 (4) A governing body of a municipality adopting an ordinance imposing penalties and
650 interest under Subsection (2)(c) may impose penalties and interest in amounts that are less than
651 or equal to the penalties and interest rates authorized for the commission under Sections
652 59-1-401 and 59-1-402.

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

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

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

659 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**
660 **Notice requirements -- Administration, collection, and enforcement of tax --**
661 **Administrative charge.**

662 (1) For purposes of this section:

663 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
664 4, Annexation.

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

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

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

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

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

673 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this

674 part;

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

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

677 (iv) if the city or town enacts the tax or changes the rate of the tax described in

678 Subsection (2)(b)(i), the rate of the tax.

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

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

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

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

686 (II) Section 59-12-402.

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

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

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

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

694 (II) Section 59-12-402.

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

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

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

701 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

702 commission may by rule define the term "catalogue sale."

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

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

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

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

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

713 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

714 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

715 (iv) if the city or town enacts the tax or changes the rate of the tax described in
716 Subsection (3)(b)(i), the rate of the tax.

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

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

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

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

724 (II) Section 59-12-402.

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

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

728 and

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

730 of the tax or the tax rate decrease imposed under:

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

732 (II) Section 59-12-402.

733 (d) (i) Notwithstanding Subsection (3)(a), if a tax due under this chapter on a catalogue
734 sale is computed on the basis of sales and use tax rates published in the catalogue, an
735 enactment, repeal, or change in the rate of a tax described in Subsection (3)(a) takes effect:

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

737 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
738 rate of the tax under Subsection (3)(a).

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

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

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

744 (A) Part 1, Tax Collection; or

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

746 (ii) Chapter 1, General Taxation Policies.

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

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

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

752 **59-12-603. County tax -- Bases -- Rates -- Use of revenues -- Adoption of**
753 **ordinance required -- Advisory board -- Administration -- Collection -- Administrative**
754 **charge -- Distribution -- Enactment or repeal of tax or tax rate change -- Effective date --**
755 **Notice requirements.**

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

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

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

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

770 (A) alcoholic beverages;

771 (B) food and food ingredients; or

772 (C) prepared food; and

773 (iii) a county legislative body of a county of the first class may impose a tax of not to
774 exceed .5% on charges for the accommodations and services described in Subsection
775 59-12-103(1)(i).

776 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
777 17-31-5.5.

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

780 (i) financing tourism promotion; and

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

782 (A) an airport facility;

783 (B) a convention facility;

784 (C) a cultural facility;

785 (D) a recreation facility; or

786 (E) a tourist facility.

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

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

792 (ii) combine the sale of:

793 (A) ski lift tickets; and

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

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

799 (a) an airport facility;

800 (b) a convention facility;

801 (c) a cultural facility;

802 (d) a recreation facility; or

803 (e) a tourist facility.

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

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

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

812 (5) In order to maintain in effect its tax ordinance adopted under this part, each county
813 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,

814 Tax Collection, adopt amendments to its tax ordinance to conform with the applicable
815 amendments to Part 1, Tax Collection.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

841 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part

842 shall be administered, collected, and enforced in accordance with:

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

844 (I) Part 1, Tax Collection; or

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

846 (B) Chapter 1, General Taxation Policies.

847 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or

848 Subsections 59-12-205(2) through (6).

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

850 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the

851 commission shall distribute the revenues to the county imposing the tax; and

852 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenues

853 according to the distribution formula provided in Subsection (8).

854 (c) The commission shall [~~deduct from the distributions under Subsection (7)(b) an~~

855 ~~administrative charge for collecting the tax as provided in Section 59-12-206]~~ retain and

856 deposit an administrative charge in accordance with Section 59-1-306 from the revenues the

857 commission collects from a tax under this part.

858 (8) The commission shall distribute the revenues generated by the tax under Subsection

859 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the

860 following formula:

861 (a) the commission shall distribute 70% of the revenues based on the percentages

862 generated by dividing the revenues collected by each county under Subsection (1)(a)(i)(B) by

863 the total revenues collected by all counties under Subsection (1)(a)(i)(B); and

864 (b) the commission shall distribute 30% of the revenues based on the percentages

865 generated by dividing the population of each county collecting a tax under Subsection

866 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

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

868 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2,

869 [~~Annexation to County]~~ Part 2, County Annexation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

898 (A) on the first day of a calendar quarter; and
899 (B) after a 90-day period beginning on the date the commission receives notice meeting
900 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

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

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

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

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

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

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

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

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

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

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

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

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

921 **59-12-704. Distribution of revenues -- Advisory board creation -- Determining**
922 **operating expenses -- Administrative charge.**

923 (1) Except as provided in Subsections (3)(b) and (5), and subject to the requirements of
924 this section, any revenues collected by a county of the first class under this part shall be
925 distributed annually by the county legislative body to support recreational and zoological

926 facilities and botanical, cultural, and zoological organizations within that first class county as
927 follows:

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

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

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

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

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

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

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

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

954 and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

997 (8) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~
998 ~~under this part for the cost of administering this part~~] shall retain and deposit an administrative
999 charge in accordance with Section 59-1-306 from the revenues the commission collects from a
1000 tax under this part.

1001 Section 16. Section **59-12-802** is amended to read:

1002 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**
1003 **tax revenues -- Base -- Rate -- Administration, collection, and enforcement of tax --**
1004 **Administrative charge.**

1005 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class
1006 may impose a sales and use tax of up to 1%:

1007 (i) on the transactions described in Subsection 59-12-103(1) located within the county;

1008 and

1009 (ii) subject to Subsection (3), to fund:

1010 (A) for a county of the third, fourth, or fifth class, rural county health care facilities in
1011 that county; or

1012 (B) for a county of the sixth class:

1013 (I) emergency medical services in that county;

1014 (II) federally qualified health centers in that county;

1015 (III) freestanding urgent care centers in that county;

1016 (IV) rural county health care facilities in that county;

1017 (V) rural health clinics in that county; or

1018 (VI) a combination of Subsections (1)(a)(ii)(B)(I) through (V).

1019 (b) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a
1020 tax under this section on:

1021 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1022 are exempt from taxation under Section 59-12-104;

1023 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in
1024 a city that imposes a tax under Section 59-12-804; and

1025 (iii) except as provided in Subsection (1)(d), amounts paid or charged for food and
1026 food ingredients.

1027 (c) For purposes of this Subsection (1), the location of a transaction shall be
1028 determined in accordance with Sections 59-12-211 through 59-12-215.

1029 (d) A county legislative body imposing a tax under this section shall impose the tax on
1030 amounts paid or charged for food and food ingredients if the food and food ingredients are sold
1031 as part of a bundled transaction attributable to food and food ingredients and tangible personal
1032 property other than food and food ingredients.

1033 (2) (a) Before imposing a tax under Subsection (1)(a), a county legislative body shall
1034 obtain approval to impose the tax from a majority of the:

1035 (i) members of the county's legislative body; and

1036 (ii) county's registered voters voting on the imposition of the tax.

1037 (b) The county legislative body shall conduct the election according to the procedures

1038 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

1039 (3) (a) The money generated by a tax imposed under Subsection (1) by a county
1040 legislative body of a county of the third, fourth, or fifth class may only be used for the
1041 financing of:

- 1042 (i) ongoing operating expenses of a rural county health care facility within that county;
- 1043 (ii) the acquisition of land for a rural county health care facility within that county; or
- 1044 (iii) the design, construction, equipping, or furnishing of a rural county health care
1045 facility within that county.

1046 (b) The money generated by a tax imposed under Subsection (1) by a county of the
1047 sixth class may only be used for the financing of:

- 1048 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection
1049 (1)(a)(ii)(B) within that county;
- 1050 (ii) the acquisition of land for a center, clinic, or facility described in Subsection
1051 (1)(a)(ii)(B) within that county;
- 1052 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility
1053 described in Subsection (1)(a)(ii)(B) within that county; or
- 1054 (iv) the provision of rural emergency medical services within that county.

1055 (4) (a) A tax under this section shall be:

1056 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1057 accordance with:

1058 (A) the same procedures used to administer, collect, and enforce the tax under:

1059 (I) Part 1, Tax Collection; or

1060 (II) Part 2, Local Sales and Use Tax Act; and

1061 (B) Chapter 1, General Taxation Policies; and

1062 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1063 period by the county legislative body as provided in Subsection (1).

1064 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to
1065 Subsections 59-12-205(2) through (6).

1066 (5) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~
1067 ~~under this section for the cost of administering this tax]~~ shall retain and deposit an
1068 administrative charge in accordance with Section 59-1-306 from the revenues the commission
1069 collects from a tax under this section.

1070 Section 17. Section **59-12-804** is amended to read:

1071 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
1072 **collection, and enforcement of tax -- Administrative charge.**

1073 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

1074 (i) on the transactions described in Subsection 59-12-103(1) located within the city;

1075 and

1076 (ii) to fund rural city hospitals in that city.

1077 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax
1078 under this section on:

1079 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1080 are exempt from taxation under Section 59-12-104; and

1081 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food
1082 ingredients.

1083 (c) For purposes of this Subsection (1), the location of a transaction shall be
1084 determined in accordance with Sections 59-12-211 through 59-12-215.

1085 (d) A city legislative body imposing a tax under this section shall impose the tax on
1086 amounts paid or charged for food and food ingredients if the food and food ingredients are sold
1087 as part of a bundled transaction attributable to food and food ingredients and tangible personal
1088 property other than food and food ingredients.

1089 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall
1090 obtain approval to impose the tax from a majority of the:

1091 (i) members of the city legislative body; and

1092 (ii) city's registered voters voting on the imposition of the tax.

1093 (b) The city legislative body shall conduct the election according to the procedures and

1094 requirements of Title 11, Chapter 14, Local Government Bonding Act.

1095 (3) The money generated by a tax imposed under Subsection (1) may only be used for
1096 the financing of:

1097 (a) ongoing operating expenses of a rural city hospital;

1098 (b) the acquisition of land for a rural city hospital; or

1099 (c) the design, construction, equipping, or furnishing of a rural city hospital.

1100 (4) (a) A tax under this section shall be:

1101 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1102 accordance with:

1103 (A) the same procedures used to administer, collect, and enforce the tax under:

1104 (I) Part 1, Tax Collection; or

1105 (II) Part 2, Local Sales and Use Tax Act; and

1106 (B) Chapter 1, General Taxation Policies; and

1107 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1108 period by the city legislative body as provided in Subsection (1).

1109 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to
1110 Subsections 59-12-205(2) through (6).

1111 (5) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~
1112 ~~under this section for the cost of administering the tax~~] shall retain and deposit an
1113 administrative charge in accordance with Section 59-1-306 from the revenues the commission
1114 collects from a tax under this section.

1115 Section 18. Section **59-12-1102** is amended to read:

1116 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
1117 **Administration -- Administrative charge -- Commission requirement to retain an amount**
1118 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
1119 **of tax -- Effective date -- Notice requirements.**

1120 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax
1121 authorized by this chapter, a county may impose by ordinance a county option sales and use tax

1122 of .25% upon the transactions described in Subsection 59-12-103(1).

1123 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
1124 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
1125 exempt from taxation under Section 59-12-104.

1126 (b) For purposes of this Subsection (1), the location of a transaction shall be
1127 determined in accordance with Sections 59-12-211 through 59-12-215.

1128 (c) The county option sales and use tax under this section shall be imposed:

1129 (i) upon transactions that are located within the county, including transactions that are
1130 located within municipalities in the county; and

1131 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
1132 January:

1133 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
1134 ordinance is adopted on or before May 25; or

1135 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
1136 ordinance is adopted after May 25.

1137 (d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under
1138 this section shall be imposed:

1139 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
1140 September 4, 1997; or

1141 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
1142 but after September 4, 1997.

1143 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
1144 county shall hold two public hearings on separate days in geographically diverse locations in
1145 the county.

1146 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
1147 time of no earlier than 6 p.m.

1148 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
1149 days after the day the first advertisement required by Subsection (2)(c) is published.

1150 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
1151 shall advertise:

1152 (A) its intent to adopt a county option sales and use tax;

1153 (B) the date, time, and location of each public hearing; and

1154 (C) a statement that the purpose of each public hearing is to obtain public comments
1155 regarding the proposed tax.

1156 (ii) The advertisement shall be published:

1157 (A) in a newspaper of general circulation in the county once each week for the two
1158 weeks preceding the earlier of the two public hearings; and

1159 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks
1160 preceding the earlier of the two public hearings.

1161 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
1162 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
1163 border.

1164 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
1165 portion of the newspaper where legal notices and classified advertisements appear.

1166 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

1167 (A) the advertisement shall appear in a newspaper that is published at least five days a
1168 week, unless the only newspaper in the county is published less than five days a week; and

1169 (B) the newspaper selected shall be one of general interest and readership in the
1170 community, and not one of limited subject matter.

1171 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
1172 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
1173 6, Local Referenda - Procedures.

1174 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
1175 county option sales and use tax under Subsection (1) is less than 75% of the state population,
1176 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
1177 collected.

1178 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
1179 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
1180 population:

1181 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
1182 the county in which the tax was collected; and

1183 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
1184 (1) in each county shall be distributed proportionately among all counties imposing the tax,
1185 based on the total population of each county.

1186 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
1187 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
1188 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1189 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
1190 be increased so that, when combined with the amount distributed to the county under
1191 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1192 (ii) the amount to be distributed annually to all other counties under Subsection
1193 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
1194 Subsection (3)(c)(i).

1195 (d) The commission shall establish rules to implement the distribution of the tax under
1196 Subsections (3)(a), (b), and (c).

1197 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
1198 shall be administered, collected, and enforced in accordance with:

1199 (i) the same procedures used to administer, collect, and enforce the tax under:

1200 (A) Part 1, Tax Collection; or

1201 (B) Part 2, Local Sales and Use Tax Act; and

1202 (ii) Chapter 1, General Taxation Policies.

1203 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
1204 Subsections 59-12-205(2) through (6).

1205 ~~[(c) Notwithstanding Subsection (4)(a), the fee charged by the commission under~~

1206 ~~Section 59-12-206 shall be based on]~~

1207 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
1208 administrative charge in accordance with Section 59-1-306 from the revenues the commission
1209 collects from a tax under this part.

1210 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
1211 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
1212 the distribution amounts resulting after:

1213 ~~[(†)]~~ (A) the applicable distribution calculations under Subsection (3) have been made;
1214 and

1215 ~~[(†)]~~ (B) the commission retains the amount required by Subsection (5).

1216 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
1217 of the sales and use tax collected under this part as provided in this Subsection (5).

1218 (b) For a county that imposes a tax under this part, the commission shall calculate a
1219 percentage each month by dividing the sales and use tax collected under this part for that
1220 month within the boundaries of that county by the total sales and use tax collected under this
1221 part for that month within the boundaries of all of the counties that impose a tax under this part.

1222 (c) For a county that imposes a tax under this part, the commission shall retain each
1223 month an amount equal to the product of:

1224 (i) the percentage the commission determines for the month under Subsection (5)(b)
1225 for the county; and

1226 (ii) \$6,354.

1227 (d) The commission shall deposit an amount the commission retains in accordance
1228 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
1229 9-4-1409.

1230 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
1231 Fund shall be expended as provided in Section 9-4-1409.

1232 (6) (a) For purposes of this Subsection (6):

1233 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County

1234 Consolidations and Annexations.

1235 (ii) "Annexing area" means an area that is annexed into a county.

1236 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a

1237 county enacts or repeals a tax under this part:

1238 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

1239 (II) the repeal shall take effect on the first day of a calendar quarter; and

1240 (B) after a 90-day period beginning on the date the commission receives notice meeting

1241 the requirements of Subsection (6)(b)(ii) from the county.

1242 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

1243 (A) that the county will enact or repeal a tax under this part;

1244 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

1245 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

1246 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the

1247 tax.

1248 (c) (i) The enactment of a tax shall take effect on the first day of the first billing period:

1249 (A) that begins after the effective date of the enactment of the tax; and

1250 (B) if the billing period for the transaction begins before the effective date of the

1251 enactment of the tax under Subsection (1).

1252 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

1253 (A) that began before the effective date of the repeal of the tax; and

1254 (B) if the billing period for the transaction begins before the effective date of the repeal

1255 of the tax imposed under Subsection (1).

1256 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1257 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

1258 Subsection (6)(b)(i) takes effect:

1259 (A) on the first day of a calendar quarter; and

1260 (B) beginning 60 days after the effective date of the enactment or repeal under

1261 Subsection (6)(b)(i).

1262 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1263 commission may by rule define the term "catalogue sale."

1264 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
1265 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1266 part for an annexing area, the enactment or repeal shall take effect:

1267 (A) on the first day of a calendar quarter; and

1268 (B) after a 90-day period beginning on the date the commission receives notice meeting
1269 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1270 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1271 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
1272 repeal of a tax under this part for the annexing area;

1273 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1274 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1275 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1276 (f) (i) The enactment of a tax shall take effect on the first day of the first billing period:

1277 (A) that begins after the effective date of the enactment of the tax; and

1278 (B) if the billing period for the transaction begins before the effective date of the
1279 enactment of the tax under Subsection (1).

1280 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

1281 (A) that began before the effective date of the repeal of the tax; and

1282 (B) if the billing period for the transaction begins before the effective date of the repeal
1283 of the tax imposed under Subsection (1).

1284 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1285 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1286 Subsection (6)(e)(i) takes effect:

1287 (A) on the first day of a calendar quarter; and

1288 (B) beginning 60 days after the effective date of the enactment or repeal under
1289 Subsection (6)(e)(i).

1290 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1291 commission may by rule define the term "catalogue sale."

1292 Section 19. Section **59-12-1201** is amended to read:

1293 **59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,**
1294 **collection, and enforcement of tax -- Administrative charge -- Deposits.**

1295 (1) (a) Except as provided in Subsection (3), there is imposed a tax of 2.5% on all
1296 short-term leases and rentals of motor vehicles not exceeding 30 days.

1297 (b) The tax imposed in this section is in addition to all other state, county, or municipal
1298 fees and taxes imposed on rentals of motor vehicles.

1299 (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax
1300 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

1301 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall
1302 take effect on the first day of the first billing period:

1303 (A) that begins after the effective date of the tax rate increase; and

1304 (B) if the billing period for the transaction begins before the effective date of a tax rate
1305 increase imposed under Subsection (1).

1306 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax
1307 rate decrease shall take effect on the first day of the last billing period:

1308 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;

1309 and

1310 (B) if the billing period for the transaction begins before the effective date of the repeal
1311 of the tax or the tax rate decrease imposed under Subsection (1).

1312 (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

1313 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

1314 (b) the motor vehicle is rented as a personal household goods moving van; or

1315 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily
1316 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an
1317 insurance agreement.

1318 (4) (a) (i) The tax authorized under this section shall be administered, collected, and
1319 enforced in accordance with:

1320 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,
1321 Tax Collection; and

1322 (B) Chapter 1, General Taxation Policies.

1323 (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to
1324 Subsections 59-12-103(4) through (12) or Section 59-12-107.1 or 59-12-123.

1325 (b) The commission [~~may retain a maximum of 1-1/2% of the tax collected under this~~
1326 ~~section for the costs of rendering its services under this section]~~ shall retain and deposit an
1327 administrative charge in accordance with Section 59-1-306 from the revenues the commission
1328 collects from a tax under this part.

1329 (c) Except as provided under Subsection (4)(b), all revenue received by the
1330 commission under this section shall be deposited daily with the state treasurer and credited
1331 monthly to the Transportation Corridor Preservation Revolving Loan Fund under Section
1332 72-2-117.

1333 Section 20. Section **59-12-1302** is amended to read:

1334 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
1335 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
1336 **enforcement of tax -- Administrative charge.**

1337 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
1338 tax as provided in this part in an amount that does not exceed 1%.

1339 (2) A town may impose a tax as provided in this part if the town imposed a license fee
1340 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,
1341 1996.

1342 (3) A town imposing a tax under this section shall:

1343 (a) except as provided in Subsection (4), impose the tax on the transactions described
1344 in Subsection 59-12-103(1) located within the town; and

1345 (b) provide an effective date for the tax as provided in Subsection (5).

1346 (4) (a) Notwithstanding Subsection (3)(a), a town may not impose a tax under this
1347 section on:

1348 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1349 are exempt from taxation under Section 59-12-104; and

1350 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
1351 ingredients.

1352 (b) For purposes of this Subsection (4), the location of a transaction shall be
1353 determined in accordance with Sections 59-12-211 through 59-12-215.

1354 (c) A town imposing a tax under this section shall impose the tax on amounts paid or
1355 charged for food and food ingredients if the food and food ingredients are sold as part of a
1356 bundled transaction attributable to food and food ingredients and tangible personal property
1357 other than food and food ingredients.

1358 (5) (a) For purposes of this Subsection (5):

1359 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
1360 Annexation.

1361 (ii) "Annexing area" means an area that is annexed into a town.

1362 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1363 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,
1364 or change shall take effect:

1365 (A) on the first day of a calendar quarter; and

1366 (B) after a 90-day period beginning on the date the commission receives notice meeting
1367 the requirements of Subsection (5)(b)(ii) from the town.

1368 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1369 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1370 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1371 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1372 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1373 (5)(b)(ii)(A), the rate of the tax.

1374 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
1375 the first billing period:

1376 (A) that begins after the effective date of the enactment of the tax or the tax rate
1377 increase; and

1378 (B) if the billing period for the transaction begins before the effective date of the
1379 enactment of the tax or the tax rate increase imposed under Subsection (1).

1380 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
1381 billing period:

1382 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
1383 and

1384 (B) if the billing period for the transaction begins before the effective date of the repeal
1385 of the tax or the tax rate decrease imposed under Subsection (1).

1386 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1387 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1388 a tax described in Subsection (5)(b)(i) takes effect:

1389 (A) on the first day of a calendar quarter; and

1390 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1391 rate of the tax under Subsection (5)(b)(i).

1392 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1393 commission may by rule define the term "catalogue sale."

1394 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1395 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
1396 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1397 effect:

1398 (A) on the first day of a calendar quarter; and

1399 (B) after a 90-day period beginning on the date the commission receives notice meeting
1400 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1401 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

- 1402 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,
1403 repeal, or change in the rate of a tax under this part for the annexing area;
- 1404 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);
- 1405 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and
- 1406 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1407 (5)(e)(ii)(A), the rate of the tax.
- 1408 (f) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
1409 the first billing period:
 - 1410 (A) that begins after the effective date of the enactment of the tax or the tax rate
1411 increase; and
 - 1412 (B) if the billing period for the transaction begins before the effective date of the
1413 enactment of the tax or the tax rate increase imposed under Subsection (1).
- 1414 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
1415 billing period:
 - 1416 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
1417 and
 - 1418 (B) if the billing period for the transaction begins before the effective date of the repeal
1419 of the tax or the tax rate decrease imposed under Subsection (1).
- 1420 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1421 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1422 a tax described in Subsection (5)(e)(i) takes effect:
 - 1423 (A) on the first day of a calendar quarter; and
 - 1424 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1425 rate of the tax under Subsection (5)(e)(i).
- 1426 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1427 commission may by rule define the term "catalogue sale."
- 1428 (6) The commission shall:
 - 1429 (a) [~~except as provided in Subsection (6)(c);~~] distribute the revenues generated by the

1430 tax under this section to the town imposing the tax; and

1431 (b) except as provided in Subsection [~~(7)~~] (8), administer, collect, and enforce the tax
1432 authorized under this section in accordance with:

1433 (i) the same procedures used to administer, collect, and enforce the tax under:

1434 (A) Part 1, Tax Collection; or

1435 (B) Part 2, Local Sales and Use Tax Act; and

1436 (ii) Chapter 1, General Taxation Policies[~~; and~~].

1437 [~~(c) deduct from the distribution under Subsection (6)(a) an administrative charge for~~
1438 ~~collecting the tax as provided in Section 59-12-206.~~]

1439 (7) The commission shall retain and deposit an administrative charge in accordance
1440 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1441 [~~(7)~~] (8) Notwithstanding Subsection (6)(b), a tax under this section is not subject to
1442 Subsections 59-12-205(2) through (6).

1443 Section 21. Section **59-12-1403** is amended to read:

1444 **59-12-1403. Distribution of revenues -- Administrative charge.**

1445 (1) (a) The city or town legislative body shall by ordinance provide for the distribution
1446 of the entire amount of the revenues generated by the tax imposed by this part in accordance
1447 with this section.

1448 (b) A city or town may participate in an interlocal agreement provided for under
1449 Section 59-12-704 and distribute the revenues generated by the tax imposed by this part to
1450 participants in the interlocal agreement.

1451 (c) The revenues generated by the tax shall be used for one or more organizations or
1452 facilities defined in Section 59-12-702.

1453 (2) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~
1454 ~~under this part for the cost of administering this part~~] shall retain and deposit an administrative
1455 charge in accordance with Section 59-1-306 from the revenues the commission collects from a
1456 tax under this part.

1457 Section 22. Section **59-12-2004** is amended to read:

1458 **59-12-2004. Enactment or repeal of tax -- Effective date -- Administration,**
1459 **collection, and enforcement of tax -- Administrative charge.**

1460 (1) Subject to Subsections (2) and (3), a tax rate repeal or a tax rate change for a tax
1461 imposed under this part shall take effect on the first day of a calendar quarter.

1462 (2) (a) The enactment of a tax or a tax rate increase shall take effect on the first day of
1463 the first billing period that begins after the effective date of the enactment of the tax or the tax
1464 rate increase if the billing period for the transaction begins before the effective date of the
1465 enactment of the tax or the tax rate increase under this part.

1466 (b) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
1467 billing period that began before the effective date of the repeal of the tax or the tax rate
1468 decrease if the billing period for the transaction begins before the effective date of the repeal of
1469 the tax or the tax rate decrease imposed under this part.

1470 (3) (a) If a tax due under this part on a catalogue sale is computed on the basis of sales
1471 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1472 under this part takes effect:

1473 (i) on the first day of a calendar quarter; and

1474 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the
1475 rate of the tax under this part.

1476 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1477 commission may by rule define the term "catalogue sale."

1478 (4) The commission shall administer, collect, and enforce a tax under this part in
1479 accordance with:

1480 (a) the same procedures used to administer, collect, and enforce the tax under Part 1,
1481 Tax Collection;

1482 (b) Chapter 1, General Taxation Policies; and

1483 (c) Section 59-12-210.1.

1484 (5) The commission shall retain and deposit an administrative charge in accordance
1485 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1486 Section 23. Section **59-12-2103** is amended to read:

1487 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenues collected**
1488 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1489 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1490 (1) (a) Subject to the other provisions of this section and except as provided in
1491 Subsection (2), beginning on January 1, 2009 and ending on June 30, 2016, if a city or town
1492 receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the city or
1493 town would have received a tax revenue distribution of less than .75% of the taxable sales
1494 within the boundaries of the city or town but for Subsection 59-12-205(3)(a), the city or town
1495 legislative body may impose a sales and use tax of up to .20% on the transactions:

1496 (i) described in Subsection 59-12-103(1); and

1497 (ii) within the city or town.

1498 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall
1499 expend the revenues collected from the tax for the same purposes for which the city or town
1500 may expend the city's or town's general fund revenues.

1501 (c) For purposes of this Subsection (1), the location of a transaction shall be
1502 determined in accordance with Sections 59-12-211 through 59-12-215.

1503 (2) (a) A city or town legislative body may not impose a tax under this section on:

1504 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1505 are exempt from taxation under Section 59-12-104; and

1506 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
1507 ingredients.

1508 (b) A city or town legislative body imposing a tax under this section shall impose the
1509 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
1510 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1511 personal property other than food and food ingredients.

1512 (3) To impose a tax under this part, a city or town legislative body shall obtain
1513 approval from a majority of the members of the city or town legislative body.

1514 (4) The commission shall transmit revenues collected within a city or town from a tax
1515 under this part:

- 1516 (a) to the city or town legislative body;
- 1517 (b) monthly; and
- 1518 (c) by electronic funds transfer.

1519 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
1520 collect, and enforce a tax under this part in accordance with:

- 1521 (i) the same procedures used to administer, collect, and enforce the tax under:
 - 1522 (A) Part 1, Tax Collection; or
 - 1523 (B) Part 2, Local Sales and Use Tax Act; and
- 1524 (ii) Chapter 1, General Taxation Policies.

1525 (b) A tax under this part is not subject to Subsections 59-12-205(2) through (6).

1526 ~~[(6) (a) The commission may retain an amount of tax collected under this part of not to~~
1527 ~~exceed the lesser of:]~~

1528 ~~[(i) 1.5%; or]~~

1529 ~~[(ii) an amount equal to the cost to the commission of administering this part.]~~

1530 ~~[(b) Any amount the commission retains under Subsection (6)(a) shall be:]~~

1531 ~~[(i) deposited into the Sales and Use Tax Administrative Fees Account; and]~~

1532 ~~[(ii) used as provided in Subsection 59-12-206(2).]~~

1533 (6) The commission shall retain and deposit an administrative charge in accordance
1534 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1535 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
1536 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
1537 repeal, or change shall take effect:

1538 (A) on the first day of a calendar quarter; and

1539 (B) after a 90-day period beginning on the date the commission receives notice meeting
1540 the requirements of Subsection (7)(a)(i) from the city or town.

1541 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1542 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
1543 this part;

1544 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1545 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1546 (D) if the city or town enacts the tax or changes the rate of the tax described in
1547 Subsection (7)(a)(ii)(A), the rate of the tax.

1548 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
1549 the tax rate increase under Subsection (1), the enactment of a tax or a tax rate increase shall
1550 take effect on the first day of the first billing period that begins after the effective date of the
1551 enactment of the tax or the tax rate increase.

1552 (ii) If the billing period for a transaction begins before the effective date of the repeal
1553 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate
1554 decrease shall take effect on the first day of the last billing period that began before the
1555 effective date of the repeal of the tax or the tax rate decrease.

1556 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1557 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1558 described in Subsection (7)(a)(i) takes effect:

1559 (A) on the first day of a calendar quarter; and

1560 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1561 rate of the tax under Subsection (7)(a)(i).

1562 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1563 commission may by rule define the term "catalogue sale."

1564 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
1565 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
1566 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1567 effect:

1568 (A) on the first day of a calendar quarter; and

1569 (B) after a 90-day period beginning on the date the commission receives notice meeting

1570 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1571 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1572 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
1573 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1574 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1575 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1576 (D) if the city or town enacts the tax or changes the rate of the tax described in
1577 Subsection (7)(d)(ii)(A), the rate of the tax.

1578 (e) (i) If the billing period for a transaction begins before the effective date of the
1579 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
1580 rate increase shall take effect on the first day of the first billing period that begins after the
1581 effective date of the enactment of the tax or the tax rate increase.

1582 (ii) If the billing period for a transaction begins before the effective date of the repeal
1583 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate
1584 decrease shall take effect on the first day of the last billing period that began before the
1585 effective date of the repeal of the tax or the tax rate decrease.

1586 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1587 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1588 described in Subsection (7)(d)(i) takes effect:

1589 (A) on the first day of a calendar quarter; and

1590 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1591 Subsection (7)(d)(i).

1592 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1593 commission may by rule define the term "catalogue sale".

1594 Section 24. Section **59-12-2207** is amended to read:

1595 **59-12-2207. Administrative charge.**

1596 [(+) The commission [~~may retain a percentage of revenues collected from a sales and~~
1597 ~~use tax under this part of not to exceed the lesser of:] shall retain and deposit an administrative~~

1598 charge in accordance with Section 59-1-306 from the revenues the commission collects from a
1599 tax under this part.

1600 [~~(a) 1.50%; or~~]

1601 [~~(b) a percentage of revenues collected from a sales and use tax under this part~~
1602 ~~sufficient to cover the cost to the commission of administering this part.]~~

1603 [~~(2) The commission shall:~~]

1604 [~~(a) deposit any revenues the commission retains under Subsection (1) into the Sales~~
1605 ~~and Use Tax Administrative Fees Account; and]~~

1606 [~~(b) expend the revenues described in Subsection (2)(a) as provided in Subsection~~
1607 ~~59-12-206(2).]~~

1608 Section 25. Section **59-26-104** is amended to read:

1609 **59-26-104. Collection of tax.**

1610 A multi-channel video or audio service provider shall:

1611 (1) collect the tax imposed by Section 59-26-103 from the purchaser; ~~[and]~~

1612 (2) ~~[remit]~~ pay the tax collected under Subsection (1) to the commission:

1613 [~~(a) quarterly on or before the last day of the month immediately following the last day~~
1614 ~~of each calendar quarter; and]~~

1615 [~~(b) on a return prescribed by the commission.]~~

1616 (a) monthly on or before the last day of the month immediately following the last day
1617 of the previous month if:

1618 (i) the multi-channel video or audio service provider is required to file a sales and use
1619 tax return with the commission monthly under Section 59-12-108; or

1620 (ii) the multi-channel video or audio service provider is not required to file a sales and
1621 use tax return under Chapter 12, Sales and Use Tax Act; or

1622 (b) quarterly on or before the last day of the month immediately following the last day
1623 of the previous quarter if the multi-channel video or audio service provider is required to file a
1624 sales and use tax return with the commission quarterly under Section 59-12-108; and

1625 (3) pay the tax collected under Subsection (1) using a form prescribed by the

1626 commission.

1627 Section 26. Section **59-27-105** is amended to read:

1628 **59-27-105. Sexually explicit business and escort service fund -- Administrative**
1629 **charge.**

1630 (1) There is created a restricted special revenue fund called the "Sexually Explicit
1631 Business and Escort Service Fund."

1632 (2) (a) Except as provided in Subsection (3), the fund consists of all amounts collected
1633 by the commission under this chapter.

1634 (b) (i) The money in the fund shall be invested by the state treasurer pursuant to Title
1635 51, Chapter 7, State Money Management Act.

1636 (ii) All interest or other earnings derived from the fund money shall be deposited in the
1637 fund.

1638 (3) Notwithstanding any other [~~provisions~~] provision of this chapter, the commission
1639 [~~may retain an amount of tax collected under this chapter of not to exceed the lesser of:] shall~~
1640 retain and deposit an administrative charge in accordance with Section 59-1-306 from the
1641 revenues the commission collects from a tax under this chapter.

1642 [~~(a) 1.5%; or]~~

1643 [~~(b) an amount equal to the cost to the commission of administering this chapter.]~~

1644 (4) (a) Fund money shall be used as provided in this Subsection (4).

1645 (b) The Department of Corrections shall use 60% of the money in the fund, in addition
1646 to existing budgets, to provide treatment services to nonworking or indigent adults 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 (c) The Adult Probation and Parole section of the Department of Corrections shall use
1651 15% of the money in the fund to provide outpatient treatment services to individuals who:

1652 (i) have been convicted of an offense under Title 76, Chapter 5, Part 4, Sexual
1653 Offenses; and

1654 (ii) are not currently confined or incarcerated in a jail or prison.

1655 (d) The Department of Corrections shall use 10% of the money in the fund, in addition
1656 to existing budgets, to implement treatment programs for juveniles who have been convicted of
1657 an offense under Title 76, Chapter 5, Part 4, Sexual Offenses.

1658 (e) The attorney general shall use 15% of the money in the fund to provide funding for
1659 any task force:

1660 (i) administered through the Office of the Attorney General; and

1661 (ii) that investigates and prosecutes individuals who use the Internet to commit crimes
1662 against children.

1663 Section 27. Section **69-2-5** is amended to read:

1664 **69-2-5. Funding for 911 emergency telecommunications service -- Administrative**
1665 **charge.**

1666 (1) In providing funding of 911 emergency telecommunications service, any public
1667 agency establishing a 911 emergency telecommunications service may:

1668 (a) seek assistance from the federal or state government, to the extent constitutionally
1669 permissible, in the form of loans, advances, grants, subsidies, and otherwise, directly or
1670 indirectly;

1671 (b) seek funds appropriated by local governmental taxing authorities for the funding of
1672 public safety agencies; and

1673 (c) seek gifts, donations, or grants from individuals, corporations, or other private
1674 entities.

1675 (2) For purposes of providing funding of 911 emergency telecommunications service,
1676 special service districts may raise funds as provided in Section 17D-1-105 and may borrow
1677 money and incur indebtedness as provided in Section 17D-1-103.

1678 (3) (a) Except as provided in Subsection (3)(b) and subject to the other provisions of
1679 this Subsection (3) a county, city, or town within which 911 emergency telecommunications
1680 service is provided may levy monthly an emergency services telecommunications charge on:

1681 (i) each local exchange service switched access line within the boundaries of the

1682 county, city, or town;

1683 (ii) each revenue producing radio communications access line with a billing address
1684 within the boundaries of the county, city, or town; and

1685 (iii) any other service, including voice over Internet protocol, provided to a user within
1686 the boundaries of the county, city, or town that allows the user to make calls to and receive
1687 calls from the public switched telecommunications network, including commercial mobile
1688 radio service networks.

1689 (b) Notwithstanding Subsection (3)(a), an access line provided for public coin
1690 telecommunications service is exempt from emergency telecommunications charges.

1691 (c) The amount of the charge levied under this section may not exceed:

1692 (i) 61 cents per month for each local exchange service switched access line;

1693 (ii) 61 cents per month for each radio communications access line; and

1694 (iii) 61 cents per month for each service under Subsection (3)(a)(iii).

1695 (d) (i) For purposes of this Subsection (3)(d) the following terms shall be defined as
1696 provided in Section 59-12-102 or 59-12-215:

1697 (A) "mobile telecommunications service";

1698 (B) "place of primary use";

1699 (C) "service address"; and

1700 (D) "telecommunications service."

1701 (ii) An access line described in Subsection (3)(a) is considered to be within the
1702 boundaries of a county, city, or town if the telecommunications services provided over the
1703 access line are located within the county, city, or town:

1704 (A) for purposes of sales and use taxes under Title 59, Chapter 12, Sales and Use Tax
1705 Act; and

1706 (B) determined in accordance with Section 59-12-215.

1707 (iii) The rate imposed on an access line under this section shall be determined in
1708 accordance with Subsection (3)(d)(iv) if the location of an access line described in Subsection
1709 (3)(a) is determined under Subsection (3)(d)(ii) to be a county, city, or town other than county,

1710 city, or town in which is located:

1711 (A) for a telecommunications service, the purchaser's service address; or

1712 (B) for mobile telecommunications service, the purchaser's place of primary use.

1713 (iv) The rate imposed on an access line under this section shall be the lower of:

1714 (A) the rate imposed by the county, city, or town in which the access line is located

1715 under Subsection (3)(d)(ii); or

1716 (B) the rate imposed by the county, city, or town in which it is located:

1717 (I) for telecommunications service, the purchaser's service address; or

1718 (II) for mobile telecommunications service, the purchaser's place of primary use.

1719 (e) (i) A county, city, or town shall notify the Public Service Commission of the intent

1720 to levy the charge under this Subsection (3) at least 30 days before the effective date of the

1721 charge being levied.

1722 (ii) For purposes of this Subsection (3)(e):

1723 (A) "Annexation" means an annexation to:

1724 (I) a city or town under Title 10, Chapter 2, Part 4, Annexation; or

1725 (II) a county under Title 17, Chapter 2, County Consolidations and Annexations.

1726 (B) "Annexing area" means an area that is annexed into a county, city, or town.

1727 (iii) (A) Except as provided in Subsection (3)(e)(iii)(C) or (D), if on or after July 1,

1728 2003, a county, city, or town enacts or repeals a charge or changes the amount of the charge

1729 under this section, the enactment, repeal, or change shall take effect:

1730 (I) on the first day of a calendar quarter; and

1731 (II) after a 90-day period beginning on the date the State Tax Commission receives

1732 notice meeting the requirements of Subsection (3)(e)(iii)(B) from the county, city, or town.

1733 (B) The notice described in Subsection (3)(e)(iii)(A) shall state:

1734 (I) that the county, city, or town will enact or repeal a charge or change the amount of

1735 the charge under this section;

1736 (II) the statutory authority for the charge described in Subsection (3)(e)(iii)(B)(I);

1737 (III) the effective date of the charge described in Subsection (3)(e)(iii)(B)(I); and

1738 (IV) if the county, city, or town enacts the charge or changes the amount of the charge
1739 described in Subsection (3)(e)(iii)(B)(I), the amount of the charge.

1740 (C) Notwithstanding Subsection (3)(e)(iii)(A), the enactment of a charge or a charge
1741 increase under this section shall take effect on the first day of the first billing period:

1742 (I) that begins after the effective date of the enactment of the charge or the charge
1743 increase; and

1744 (II) if the billing period for the charge begins before the effective date of the enactment
1745 of the charge or the charge increase imposed under this section.

1746 (D) Notwithstanding Subsection (3)(e)(iii)(A), the repeal of a charge or a charge
1747 decrease under this section shall take effect on the first day of the last billing period:

1748 (I) that began before the effective date of the repeal of the charge or the charge
1749 decrease; and

1750 (II) if the billing period for the charge begins before the effective date of the repeal of
1751 the charge or the charge decrease imposed under this section.

1752 (iv) (A) Except as provided in Subsection (3)(e)(iv)(C) or (D), if for an annexation that
1753 occurs on or after July 1, 2003, the annexation will result in the enactment, repeal, or a change
1754 in the amount of a charge imposed under this section for an annexing area, the enactment,
1755 repeal, or change shall take effect:

1756 (I) on the first day of a calendar quarter; and

1757 (II) after a 90-day period beginning on the date the State Tax Commission receives
1758 notice meeting the requirements of Subsection (3)(e)(iv)(B) from the county, city, or town that
1759 annexes the annexing area.

1760 (B) The notice described in Subsection (3)(e)(iv)(A) shall state:

1761 (I) that the annexation described in Subsection (3)(e)(iv)(A) will result in an
1762 enactment, repeal, or a change in the charge being imposed under this section for the annexing
1763 area;

1764 (II) the statutory authority for the charge described in Subsection (3)(e)(iv)(B)(I);

1765 (III) the effective date of the charge described in Subsection (3)(e)(iv)(B)(I); and

1766 (IV) if the county, city, or town enacts the charge or changes the amount of the charge
1767 described in Subsection (3)(e)(iv)(B)(I), the amount of the charge.

1768 (C) Notwithstanding Subsection (3)(e)(iv)(A), the enactment of a charge or a charge
1769 increase under this section shall take effect on the first day of the first billing period:

1770 (I) that begins after the effective date of the enactment of the charge or the charge
1771 increase; and

1772 (II) if the billing period for the charge begins before the effective date of the enactment
1773 of the charge or the charge increase imposed under this section.

1774 (D) Notwithstanding Subsection (3)(e)(iv)(A), the repeal of a charge or a charge
1775 decrease under this section shall take effect on the first day of the last billing period:

1776 (I) that began before the effective date of the repeal of the charge or the charge
1777 decrease; and

1778 (II) if the billing period for the charge begins before the effective date of the repeal of
1779 the charge or the charge decrease imposed under this section.

1780 (f) Subject to Subsection (3)(g), an emergency services telecommunications charge
1781 levied under this section shall:

1782 (i) be billed and collected by the person that provides the:

1783 (A) local exchange service switched access line services; or

1784 (B) radio communications access line services; and

1785 (ii) except for costs retained under Subsection (3)(h), remitted to the State Tax
1786 Commission.

1787 (g) An emergency services telecommunications charge on a mobile
1788 telecommunications service may be levied, billed, and collected only to the extent permitted by
1789 the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

1790 (h) The person that bills and collects the charges levied under Subsection (3)(f) may:

1791 (i) bill the charge imposed by this section in combination with the charge levied under
1792 Section 69-2-5.6 as one line item charge; and

1793 (ii) retain an amount not to exceed 1.5% of the levy collected under this section as

1794 reimbursement for the cost of billing, collecting, and remitting the levy.

1795 (i) The State Tax Commission shall:

1796 (i) collect, enforce, and administer the charge imposed under this Subsection (3) using
1797 the same procedures used in the administration, collection, and enforcement of the state sales
1798 and use taxes under:

1799 (A) Title 59, Chapter 1, General Taxation Policies; and

1800 (B) Title 59, Chapter 12, Part 1, Tax Collection, except for:

1801 (I) Section 59-12-104;

1802 (II) Section 59-12-104.1;

1803 (III) Section 59-12-104.2;

1804 (IV) Section 59-12-107.1; and

1805 (V) Section 59-12-123; and

1806 (ii) transmit money collected under this Subsection (3) ~~[(A)]~~ monthly ~~[-and (B)]~~ by
1807 electronic funds transfer ~~[by the commission]~~ to the county, city, or town that imposes the
1808 charge ~~[-and]~~.

1809 (j) A person that pays a charge under this section shall pay the charge to the
1810 commission:

1811 (i) monthly on or before the last day of the month immediately following the last day of
1812 the previous month if:

1813 (A) the person is required to file a sales and use tax return with the commission
1814 monthly under Section 59-12-108; or

1815 (B) the person is not required to file a sales and use tax return under Title 59, Chapter
1816 12, Sales and Use Tax Act; or

1817 (ii) quarterly on or before the last day of the month immediately following the last day
1818 of the previous quarter if the person is required to file a sales and use tax return with the
1819 commission quarterly under Section 59-12-108.

1820 (k) A charge a person pays under this section shall be paid using a form prescribed by
1821 the State Tax Commission.

1822 ~~[(iii) charge the county, city, or town for the State Tax Commission's services under~~
1823 ~~this Subsection (3) in an amount:]~~

1824 ~~[(A) sufficient to reimburse the State Tax Commission for the cost to the State Tax~~
1825 ~~Commission in rendering the services; and]~~

1826 ~~[(B) that may not exceed an amount equal to 1.5% of the charges imposed under this~~
1827 ~~Subsection (3).]~~

1828 (1) The State Tax Commission shall retain and deposit an administrative charge in
1829 accordance with Section 59-1-306 from the revenues the State Tax Commission collects from a
1830 charge under this section.

1831 (4) (a) Any money received by a public agency for the provision of 911 emergency
1832 telecommunications service shall be deposited in a special emergency telecommunications
1833 service fund.

1834 (b) (i) Except as provided in Subsection (5)(b), the money in the emergency
1835 telecommunications service fund shall be expended by the public agency to pay the costs of:

1836 (A) establishing, installing, maintaining, and operating a 911 emergency
1837 telecommunications system;

1838 (B) receiving and processing emergency calls from the 911 system or other calls or
1839 requests for emergency services;

1840 (C) integrating a 911 system into an established public safety dispatch center, including
1841 contracting with the providers of local exchange service, radio communications service, and
1842 vendors of appropriate terminal equipment as necessary to implement the 911 emergency
1843 telecommunications service; or

1844 (D) indirect costs associated with the maintaining and operating of a 911 emergency
1845 telecommunications system.

1846 (ii) Revenues derived for the funding of 911 emergency telecommunications service
1847 may be used by the public agency for personnel costs associated with receiving and processing
1848 calls and deploying emergency response resources when the system is integrated with any
1849 public safety dispatch system.

1850 (c) Any unexpended money in the emergency telecommunications service fund at the
1851 end of a fiscal year does not lapse, and must be carried forward to be used for the purposes
1852 described in this section.

1853 (5) (a) Revenue received by a local entity from an increase in the levy imposed under
1854 Subsection (3) after the 2004 Annual General Session:

1855 (i) may be used by the public agency for the purposes under Subsection (4)(b); and

1856 (ii) shall be deposited into the special emergency telecommunications service fund
1857 described in Subsection (4)(a).

1858 (b) Revenue received by a local entity from grants from the Utah 911 Committee under
1859 Section 53-10-605:

1860 (i) shall be deposited into the special emergency telecommunications service fund
1861 under Subsection (4)(a); and

1862 (ii) shall only be used for that portion of the costs related to the development and
1863 operation of wireless and land-based enhanced 911 emergency telecommunications service and
1864 the implementation of wireless E-911 Phase I and Phase II services as provided in Subsection
1865 (5)(c).

1866 (c) The costs allowed under Subsection (5)(b)(ii) include the public safety answering
1867 point's or local entity's costs for:

1868 (i) acquisition, upgrade, modification, maintenance, and operation of public service
1869 answering point equipment capable of receiving E-911 information;

1870 (ii) database development, operation, and maintenance; and

1871 (iii) personnel costs associated with establishing, installing, maintaining, and operating
1872 wireless E-911 Phase I and Phase II services, including training emergency service personnel
1873 regarding receipt and use of E-911 wireless service information and educating consumers
1874 regarding the appropriate and responsible use of E-911 wireless service.

1875 (6) A local entity that increases the levy it imposes under Subsection (3)(c) after the
1876 2004 Annual General Session shall increase the levy to the maximum amount permitted by
1877 Subsection (3)©.

1878 Section 28. Section **69-2-5.5** is amended to read:

1879 **69-2-5.5. Emergency services telecommunications charge to fund the Poison**
1880 **Control Center -- Administrative charge.**

1881 (1) Subject to Subsection (7), there is imposed an emergency services
1882 telecommunications charge of 7 cents per month on each local exchange service switched
1883 access line and each revenue producing radio communications access line that is subject to an
1884 emergency services telecommunications charge levied by a county, city, or town under Section
1885 69-2-5.

1886 (2) (a) ~~[The]~~ Subject to Subsection (7), an emergency services telecommunications
1887 charge imposed under this section shall be ~~[: (a) subject to Subsection (7);]~~ billed and collected
1888 by the person that provides:

1889 (i) local exchange service switched access line services; or

1890 (ii) radio communications access line services~~[:]~~.

1891 (b) A person that pays an emergency services telecommunications charge under this
1892 section shall pay the emergency services telecommunications charge to the commission:

1893 (i) monthly on or before the last day of the month immediately following the last day of
1894 the previous month if:

1895 (A) the person is required to file a sales and use tax return with the commission
1896 monthly under Section 59-12-108; or

1897 (B) the person is not required to file a sales and use tax return under Title 59, Chapter
1898 12, Sales and Use Tax Act; or

1899 (ii) quarterly on or before the last day of the month immediately following the last day
1900 of the previous quarter if the person is required to file a sales and use tax return with the
1901 commission quarterly under Section 59-12-108.

1902 ~~[(b) remitted to the State Tax Commission at the same time as the person remits to the~~
1903 ~~State Tax Commission money collected by the person under Title 59, Chapter 12, Sales and~~
1904 ~~Use Tax Act; and]~~

1905 (c) An emergency services telecommunications charge imposed under this section shall

1906 be deposited into the General Fund as dedicated credits to pay for:

1907 (i) costs of establishing, installing, maintaining, and operating the University of Utah
1908 Poison Control Center; and

1909 (ii) expenses of the State Tax Commission to administer and enforce the collection of
1910 the emergency services telecommunications charges.

1911 (3) Funds for the University of Utah Poison Control Center program are nonlapsing.

1912 (4) Emergency services telecommunications charges remitted to the State Tax
1913 Commission pursuant to Subsection (2) shall be accompanied by the form prescribed by the
1914 State Tax Commission.

1915 (5) (a) The State Tax Commission shall administer, collect, and enforce the charge
1916 imposed under Subsection (1) according to the same procedures used in the administration,
1917 collection, and enforcement of the state sales and use tax under:

1918 (i) Title 59, Chapter 1, General Taxation Policies; and

1919 (ii) Title 59, Chapter 12, Part 1, Tax Collection, except for:

1920 (A) Section 59-12-104;

1921 (B) Section 59-12-104.1;

1922 (C) Section 59-12-104.2; and

1923 (D) Section 59-12-107.1.

1924 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1925 State Tax Commission may make rules to administer, collect, and enforce the emergency
1926 services telecommunications charges imposed under this section.

1927 (c) The State Tax Commission shall retain and deposit an administrative charge in
1928 accordance with Section 59-1-306 from the revenues the State Tax Commission collects from
1929 an emergency services telecommunications charge under this section.

1930 (6) A provider of local exchange service switched access line services or radio
1931 communications access line services who fails to comply with this section is subject to
1932 penalties and interest as provided in Sections 59-1-401 and 59-1-402.

1933 (7) An emergency services telecommunications charge under this section on a mobile

1934 telecommunications service may be imposed, billed, and collected only to the extent permitted
1935 by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

1936 Section 29. Section 69-2-5.6 is amended to read:

1937 **69-2-5.6. Emergency services telecommunications charge to fund statewide**
1938 **unified E-911 emergency service -- Administrative charge.**

1939 (1) Subject to Subsection 69-2-5(3)(g), there is imposed a statewide unified E-911
1940 emergency service charge on each local exchange service switched access line and each
1941 revenue producing radio communications access line that is subject to an emergency services
1942 telecommunications charge levied by a county, city, or town under Section 69-2-5 or 69-2-5.5
1943 at:

- 1944 (a) 13 cents per month until June 30, 2007; and
- 1945 (b) 8 cents per month on and after July 1, 2007.

1946 (2) (a) ~~The~~ An emergency services telecommunications charge imposed under this
1947 section shall be:

- 1948 ~~(a)~~ (i) subject to Subsection 69-2-5(3)(g); and
- 1949 ~~(b)~~ (ii) billed and collected by the person that provides:
- 1950 ~~(i)~~ (A) local exchange service switched access line services;
- 1951 ~~(ii)~~ (B) radio communications access line services; or
- 1952 ~~(iii)~~ (C) service described in Subsection 69-2-5(3)(a)(iii).

1953 ~~(c) except for costs retained under Subsection (3), remitted to the State Tax~~
1954 ~~Commission at the same time as the person remits to the State Tax Commission money~~
1955 ~~collected by the person under Title 59, Chapter 12, Sales and Use Tax Act; and]~~

1956 (b) A person that pays a charge under this section shall pay the charge to the
1957 commission:

1958 (i) monthly on or before the last day of the month immediately following the last day of
1959 the previous month if:

1960 (A) the person is required to file a sales and use tax return with the commission
1961 monthly under Section 59-12-108; or

1962 (B) the person is not required to file a sales and use tax return under Title 59, Chapter
1963 12, Sales and Use Tax Act; or

1964 (ii) quarterly on or before the last day of the month immediately following the last day
1965 of the previous quarter if the person is required to file a sales and use tax return with the
1966 commission quarterly under Section 59-12-108.

1967 [~~(c)~~] (c) A charge imposed under this section shall be deposited into the Statewide
1968 Unified E-911 Emergency Service [Fund restricted account in the General Fund] Account
1969 created by Section 53-10-603.

1970 (3) The person that bills and collects the charges levied by this section pursuant to
1971 Subsections (2)(b) and (c) may:

1972 (a) bill the charge imposed by this section in combination with the charge levied under
1973 Section 69-2-5 as one line item charge; and

1974 (b) retain an amount not to exceed 1.5% of the charges collected under this section as
1975 reimbursement for the cost of billing, collecting, and remitting the levy.

1976 (4) The State Tax Commission shall collect, enforce, and administer the charges
1977 imposed under Subsection (1) using the same procedures used in the administration, collection,
1978 and enforcement of the emergency services telecommunications charge to fund the Poison
1979 Control Center under Section 69-2-5.5.

1980 (5) Notwithstanding Section 53-10-603, the State Tax Commission shall retain and
1981 deposit an administrative charge in accordance with Section 59-1-306 from the revenues the
1982 State Tax Commission collects from a charge under this section.

1983 [~~(6)~~] (6) This section sunsets in accordance with Section 63I-1-269.

1984 Section 30. **Effective date.**

1985 This bill takes effect on July 1, 2011.

1986 Section 31. **Coordinating S.B. 16 with H.B. 82 -- Substantive superseding**
1987 **amendments.**

1988 If this S.B. 16 and H.B. 82, Sales and Use Taxes on Certain Lodging Related Purchases,
1989 both pass, it is the intent of the Legislature that the amendments to Subsection 59-12-302(1)(b)

S.B. 16

Enrolled Copy

1990 in H.B. 82 supersede the amendments to Subsection 59-12-302(1)(b) in this S.B. 16 when the
1991 Office of Legislative Research and General Counsel prepares the Utah Code database for
1992 publication.