

1 **AMENDMENTS TO LOCAL SALES AND USE TAXES FOR**
2 **BOTANICAL, CULTURAL, RECREATIONAL, AND**
3 **ZOOLOGICAL ORGANIZATIONS OR FACILITIES**

4 2011 GENERAL SESSION

5 STATE OF UTAH

6 **Chief Sponsor: Lyle W. Hillyard**

7 House Sponsor: Wayne A. Harper

8
9 **LONG TITLE**

10 **General Description:**

11 This bill amends the Sales and Use Tax Act to address local sales and use taxes for
12 botanical, cultural, recreational, and zoological organizations or facilities.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ modifies definitions;
- 16 ▶ prescribes what an opinion question shall state for purposes of local sales and use
17 taxes for botanical, cultural, recreational, and zoological organizations or facilities;
- 18 ▶ addresses the purposes for which revenues collected from local sales and use taxes
19 for botanical, cultural, recreational, and zoological organizations or facilities may be
20 expended;
- 21 ▶ changes the reauthorization period for a city or town sales and use tax for botanical,
22 cultural, recreational, and zoological organizations or facilities from an eight-year
23 period to a ten-year period;
- 24 ▶ repeals obsolete language; and
- 25 ▶ makes technical and conforming changes.

26 **Money Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 This bill takes effect on July 1, 2011.

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **59-12-702**, as last amended by Laws of Utah 2010, Chapter 211

33 **59-12-703**, as last amended by Laws of Utah 2008, Chapters 382 and 384

34 **59-12-704**, as last amended by Laws of Utah 2003, Chapter 296

35 **59-12-705**, as enacted by Laws of Utah 1996, Chapter 284

36 **59-12-1402**, as last amended by Laws of Utah 2008, Chapters 382 and 384

37 **59-12-1403**, as enacted by Laws of Utah 2001, Chapter 192

38

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

40 Section 1. Section **59-12-702** is amended to read:

41 **59-12-702. Definitions.**

42 As used in this part:

43 (1) "Administrative unit" means a division of a private nonprofit organization or
44 institution that:

45 (a) would, if it were a separate entity, be a botanical organization or cultural
46 organization; and

47 (b) consistently maintains books and records separate from those of its parent
48 organization.

49 (2) "Botanical organization" means:

50 (a) a private nonprofit organization or institution having as its primary purpose the
51 advancement and preservation of plant science through horticultural display, botanical
52 research, and community education; or

53 (b) an administrative unit.

54 (3) "Cultural facility" is as defined in Section 59-12-602.

55 (4) (a) "Cultural organization":

56 (i) means:

57 (A) a private nonprofit organization or institution having as its primary purpose the

58 advancement and preservation of:

59 (I) natural history;

60 (II) art;

61 (III) music;

62 (IV) theater; [~~or~~]

63 (V) dance; [~~and~~] or

64 (VI) cultural arts, including literature, a motion picture, or storytelling;

65 (B) an administrative unit; and

66 (ii) includes, for purposes of Subsections 59-12-704(1)(d) and (6) only:

67 (A) a private nonprofit organization or institution having as its primary purpose the
68 advancement and preservation of history; or

69 (B) a municipal or county cultural council having as its primary purpose the

70 advancement and preservation of:

71 (I) history;

72 (II) natural history;

73 (III) art;

74 (IV) music;

75 (V) theater; or

76 (VI) dance.

77 (b) "Cultural organization" does not include:

78 (i) [~~any~~] an agency of the state;

79 (ii) except as provided in Subsection (4)(a)(ii)(B), [~~any~~] a political subdivision of the
80 state;

81 (iii) [~~any~~] an educational institution whose annual revenues are directly derived more
82 than 50% from state funds; or

83 (iv) in a county of the first or second class, [~~any~~] a radio or television broadcasting
84 network or station, cable communications system, newspaper, or magazine.

85 (5) "Institution" means [~~any of the institutions~~] an institution listed in Subsections

86 53B-1-102(1)(b) through (k).

87 (6) "Recreational facility" means [~~any~~] a publicly owned or operated park,
88 campground, marina, dock, golf course, playground, athletic field, gymnasium, swimming
89 pool, trail system, [~~cultural facility,~~] or other facility used for recreational purposes.

90 (7) "Rural radio station" means a nonprofit radio station based in a county of the third,
91 fourth, fifth, or sixth class.

92 (8) In a county of the first class, "zoological [~~facilities-~~] facility" means [~~any~~] a public,
93 public-private partnership, or private nonprofit [~~buildings, exhibits, utilities and infrastructure,~~
94 ~~walkways, pathways, roadways, offices, administration facilities, public service facilities,~~
95 ~~educational facilities, enclosures, public viewing areas, animal barriers, animal housing, animal~~
96 ~~care facilities, and veterinary and hospital facilities related to the advancement, exhibition, or~~
97 ~~preservation of mammals, birds, reptiles, or amphibians]~~ building, exhibit, utility and
98 infrastructure, walkway, pathway, roadway, office, administration facility, public service
99 facility, educational facility, enclosure, public viewing area, animal barrier, animal housing,
100 animal care facility, and veterinary and hospital facility related to the advancement, exhibition,
101 or preservation of a mammal, bird, reptile, or an amphibian.

102 (9) (a) (i) Except as provided in Subsection (9)(a)(ii), "zoological organization" means
103 a public, public-private partnership, or private nonprofit organization having as its primary
104 purpose the advancement and preservation of zoology.

105 (ii) In a county of the first class, "zoological organization" means a nonprofit
106 organization having as its primary purpose the advancement and exhibition of [~~mammals,~~
107 ~~birds, reptiles, or amphibians]~~ a mammal, bird, reptile, or an amphibian to an audience of
108 75,000 or more persons annually.

109 (b) "Zoological organization" does not include [~~any~~] an agency of the state, educational
110 institution, radio or television broadcasting network or station, cable communications system,
111 newspaper, or magazine.

112 Section 2. Section **59-12-703** is amended to read:

113 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**

114 Expenditure of revenues -- Enactment or repeal of tax -- Effective date -- Notice
115 requirements.

116 (1) (a) ~~[(†)A]~~ Subject to the other provisions of this section, a county legislative body
117 may submit an opinion question to the residents of that county, by majority vote of all members
118 of the legislative body, so that each resident of the county, except residents in municipalities
119 that have already imposed a sales and use tax under Part 14, City or Town Option Funding For
120 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an
121 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
122 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

123 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
124 organizations, cultural organizations, and zoological organizations, and rural radio stations, in
125 that county[-]; or

126 (ii) provide funding for a botanical organization, cultural organization, or zoological
127 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
128 furtherance of the botanical organization's, cultural organization's, or zoological organization's
129 primary purpose.

130 (b) The opinion question required by this section shall state:

131 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and
132 use tax for (list the purposes for which the revenues collected from the sales and use tax shall
133 be expended)?"

134 ~~[(†)]~~ (c) Notwithstanding Subsection (1)(a)~~[(†)]~~, a county legislative body may not
135 impose a tax under this section on:

136 ~~[(A)]~~ (i) the sales and uses described in Section 59-12-104 to the extent the sales and
137 uses are exempt from taxation under Section 59-12-104;

138 ~~[(B)]~~ (ii) sales and uses within municipalities that have already imposed a sales and use
139 tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and
140 Zoological Organizations or Facilities; and

141 ~~[(C)]~~ (iii) except as provided in Subsection (1)~~[(e)]~~(e), amounts paid or charged for

142 food and food ingredients.

143 ~~[(b)]~~ (d) For purposes of this Subsection (1), the location of a transaction shall be
144 determined in accordance with Sections 59-12-211 through 59-12-215.

145 ~~[(c)]~~ (e) A county legislative body imposing a tax under this section shall impose the
146 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
147 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
148 personal property other than food and food ingredients.

149 ~~[(d)]~~ (f) The election shall follow the procedures outlined in Title 11, Chapter 14,
150 Local Government Bonding Act.

151 (2) (a) If the county legislative body determines that a majority of the county's
152 registered voters voting on the imposition of the tax have voted in favor of the imposition of
153 the tax as prescribed in Subsection (1)~~[(a)]~~, the county legislative body may impose the tax by a
154 majority vote of all members of the legislative body on the transactions:

155 (i) described in Subsection (1); and

156 (ii) within the county, including the cities and towns located in the county, except those
157 cities and towns that have already imposed a sales and use tax under Part 14, City or Town
158 Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or
159 Facilities.

160 (b) A county legislative body may revise county ordinances to reflect statutory changes
161 to the distribution formula or eligible recipients of revenues generated from a tax imposed
162 under Subsection (2)(a):

163 (i) after the county legislative body submits an opinion question to residents of the
164 county in accordance with Subsection (1) giving them the opportunity to express their opinion
165 on the proposed revisions to county ordinances; and

166 (ii) if the county legislative body determines that a majority of those voting on the
167 opinion question have voted in favor of the revisions.

168 (3) ~~[The money generated from any]~~ Subject to Section 59-12-704, revenues collected
169 from a tax imposed under Subsection (2) shall be [used for funding] expended:

170 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
171 within the county or a city or town located in the county, except a city or town that has already
172 imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical,
173 Cultural, Recreational, and Zoological Organizations or Facilities; ~~and~~

174 (b) to fund ongoing operating expenses of:
175 (i) recreational facilities described in Subsection (3)(a);
176 (ii) botanical organizations, cultural organizations, and zoological organizations within
177 the county; and
178 (iii) rural radio stations within the county~~[-]; and~~

179 (c) as stated in the opinion question described in Subsection (1).

180 (4) (a) A tax authorized under this part shall be:

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

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

184 (I) Part 1, Tax Collection; or

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

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

187 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
188 period in accordance with this section.

189 (b) ~~[Notwithstanding Subsection (4)(a)(i), a]~~ A tax under this part is not subject to
190 Subsections 59-12-205(2) through (6).

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

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

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

195 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
196 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

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

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

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

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

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

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

204 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the
205 tax.

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

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

208 (B) if the billing period for the transaction begins before the effective date of the
209 enactment of the tax under this section.

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

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

212 (B) if the billing period for the transaction begins before the effective date of the repeal
213 of the tax imposed under this section.

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

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

218 (B) beginning 60 days after the effective date of the enactment or repeal under
219 Subsection (5)(b)(i).

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

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

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

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

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

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

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

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

233 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

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

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

236 (B) if the billing period for the transaction begins before the effective date of the
237 enactment of the tax under this section.

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

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

240 (B) if the billing period for the transaction begins before the effective date of the repeal
241 of the tax imposed under this section.

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

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

246 (B) beginning 60 days after the effective date of the enactment or repeal under
247 Subsection (5)(e)(i).

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

250 Section 3. Section **59-12-704** is amended to read:

251 **59-12-704. Distribution of revenues -- Advisory board creation -- Determining**
252 **operating expenses.**

253 (1) Except as provided in Subsections (3)(b) and (5), and subject to the requirements of

254 this section, any revenues collected by a county of the first class under this part shall be
255 distributed annually by the county legislative body to support cultural facilities, recreational
256 facilities, and zoological facilities and botanical organizations, cultural organizations, and
257 zoological organizations within that first class county as follows:

258 (a) 30% of the revenue collected by the county under this section shall be distributed
259 by the county legislative body to support cultural facilities and recreational facilities located
260 within the county;

261 (b) (i) subject to Subsection (1)(b)(ii) and except as provided in Subsection (1)(b)(iii),
262 12-1/8% of the revenue collected by the county under this section shall be distributed by the
263 county legislative body to support no more than three zoological facilities and zoological
264 organizations located within the county, with 94.5% of that revenue being distributed to
265 zoological facilities and zoological organizations with average annual operating expenses of
266 \$2,000,000 or more and 5.5% of that revenue being distributed to zoological facilities and
267 zoological organizations with average annual operating expenses of less than \$2,000,000;

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

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

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

278 (ii) subject to Subsection (1)(c)(iii), the county legislative body shall distribute the
279 money described in Subsection (1)(c)(i) among the botanical organizations and cultural
280 organizations in proportion to their average annual operating expenses as determined under
281 Subsection (3); and

282 (iii) the amount distributed to any botanical organization or cultural organization
283 described in Subsection (1)(c)(i) may not exceed 35% of the botanical organization's or cultural
284 organization's operating budget; and

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

288 (ii) the county legislative body shall determine how the money shall be distributed
289 among the botanical organizations and cultural organizations described in Subsection (1)(d)(i).

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

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

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

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

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

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

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

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

306 (b) [~~Notwithstanding Subsection (3)(a), the~~] The county legislative body may waive the
307 operating expenses reporting requirements under Subsection (3)(a) for organizations described
308 in Subsection (1)(d)(i).

309 (4) When calculating average annual operating expenses as described in Subsection

310 (3), each botanical organization, cultural organization, and zoological organization shall use the
311 same three-year fiscal period as determined by the county legislative body.

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

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

315 (6) (a) [~~Beginning on July 1, 2001, in~~] In a county except for a county of the first class,
316 the county legislative body shall by ordinance provide for the distribution of the entire amount
317 of the revenues generated by the tax imposed by this section;

318 (i) as provided in this Subsection (6)~~[-]; and~~

319 (ii) as stated in the opinion question described in Subsection 59-12-703(1).

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

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

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

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

330 (7) A county legislative body may retain up to 1.5% of the proceeds from a tax under
331 this part for the cost of administering [~~the provisions of~~] this part.

332 (8) The commission may retain an amount not to exceed [~~1-1/2%~~] 1.5% of the tax
333 collected under this part for the cost of administering this part.

334 Section 4. Section **59-12-705** is amended to read:

335 **59-12-705. Free or reduced admission day available to all state residents.**

336 Each botanical organization, cultural organization, or zoological organization that
337 receives money from a tax imposed under [~~the authority of~~] this part and that periodically

338 offers a waived or discounted admission fee shall make [~~such~~] the waived or discounted
339 admission fee available to all residents of the state.

340 Section 5. Section **59-12-1402** is amended to read:

341 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**
342 **Expenditure of revenues -- Enactment or repeal of tax -- Effective date -- Notice**
343 **requirements.**

344 (1) (a) [~~(†)~~] Subject to [~~Subsection (6), beginning on January 1, 2003,~~] the other
345 provisions of this section, a city or town legislative body subject to this part may submit an
346 opinion question to the residents of that city or town, by majority vote of all members of the
347 legislative body, so that each resident of the city or town has an opportunity to express the
348 resident's opinion on the imposition of a local sales and use tax of .1% on the transactions
349 described in Subsection 59-12-103(1) located within the city or town, to:

350 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical
351 organizations, cultural organizations, and zoological organizations in that city or town[-]; or

352 (ii) provide funding for a botanical organization, cultural organization, or zoological
353 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
354 furtherance of the botanical organization's, cultural organization's, or zoological organization's
355 primary purpose.

356 (b) The opinion question required by this section shall state:

357 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
358 and use tax for (list the purposes for which the revenues collected from the sales and use tax
359 shall be expended)?"

360 [~~(†)~~] (c) Notwithstanding Subsection (1)(a)[~~(†)~~], a city or town legislative body may not
361 impose a tax under this section:

362 [~~(A)~~] (i) if the county in which the city or town is located imposes a tax under Part 7,
363 County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
364 Facilities;

365 [~~(B)~~] (ii) on the sales and uses described in Section 59-12-104 to the extent the sales

366 and uses are exempt from taxation under Section 59-12-104; and

367 ~~[(c)]~~ (iii) except as provided in Subsection (1)~~[(c)]~~(e), on amounts paid or charged for
368 food and food ingredients.

369 ~~[(b)]~~ (d) For purposes of this Subsection (1), the location of a transaction shall be
370 determined in accordance with Sections 59-12-211 through 59-12-215.

371 ~~[(c)]~~ (e) A city or town legislative body imposing a tax under this section shall impose
372 the tax on amounts paid or charged for food and food ingredients if the food and food
373 ingredients are sold as part of a bundled transaction attributable to food and food ingredients
374 and tangible personal property other than food and food ingredients.

375 ~~[(d)]~~ (f) ~~[(The)]~~ Except as provided in Subsection (6), the election shall be held at a
376 regular general election or a municipal general election, as those terms are defined in Section
377 20A-1-102, and shall follow the procedures outlined in Title 11, Chapter 14, Local
378 Government Bonding Act~~[-, except as provided in Subsection (6)]~~.

379 (2) If the city or town legislative body determines that a majority of the city's or town's
380 registered voters voting on the imposition of the tax have voted in favor of the imposition of
381 the tax as prescribed in Subsection (1)~~[(a)]~~, the city or town legislative body may impose the
382 tax by a majority vote of all members of the legislative body.

383 (3) ~~[(The money generated from any)]~~ Subject to Section 59-12-1403, revenues collected
384 from a tax imposed under Subsection (2) shall be [used for financing] expended:

385 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
386 the city or town or within the geographic area of entities that are parties to an interlocal
387 agreement, to which the city or town is a party, providing for cultural facilities, recreational
388 facilities, or zoological facilities; [and]

389 (b) to finance ongoing operating expenses of:

390 (i) recreational facilities described in Subsection (3)(a) within the city or town or
391 within the geographic area of entities that are parties to an interlocal agreement, to which the
392 city or town is a party, providing for recreational facilities; or

393 (ii) botanical organizations, cultural organizations, and zoological organizations

394 within the city or town or within the geographic area of entities that are parties to an interlocal
395 agreement, to which the city or town is a party, providing for the support of botanical
396 organizations, cultural organizations, or zoological organizations[-]; and

397 (c) as stated in the opinion question described in Subsection (1).

398 (4) (a) [~~A~~] Except as provided in Subsection (4)(b), a tax authorized under this part
399 shall be:

400 (i) [~~except as provided in Subsection (4)(b),~~] administered, collected, and enforced in
401 accordance with:

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

403 (I) Part 1, Tax Collection; or

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

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

406 (ii) (A) levied for a period of eight years; and

407 (B) may be reauthorized at the end of the eight-year period in accordance with this
408 section.

409 [~~(b) Notwithstanding Subsection (4)(a)(i), a~~]

410 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the
411 tax shall be levied for a period of 10 years.

412 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
413 after July 1, 2011, the tax shall be reauthorized for a ten-year period.

414 (c) A tax under this section is not subject to Subsections 59-12-205(2) through (6).

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

416 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
417 4, Annexation.

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

419 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
420 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

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

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

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

425 (A) that the city or town will enact or repeal a tax under this part;

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

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

428 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of
429 the tax.

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

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

432 (B) if the billing period for the transaction begins before the effective date of the
433 enactment of the tax under this section.

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

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

436 (B) if the billing period for the transaction begins before the effective date of the repeal
437 of the tax imposed under this section.

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

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

442 (B) beginning 60 days after the effective date of the enactment or repeal under
443 Subsection (5)(b)(i).

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

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

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

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

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

453 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
454 repeal a tax under this part for the annexing area;

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

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

457 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

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

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

460 (B) if the billing period for the transaction begins before the effective date of the
461 enactment of the tax under this section.

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

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

464 (B) if the billing period for the transaction begins before the effective date of the repeal
465 of the tax imposed under this section.

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

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

470 (B) beginning 60 days after the effective date of the enactment or repeal under
471 Subsection (5)(e)(i).

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

474 (6) (a) Before a city or town legislative body submits an opinion question to the
475 residents of the city or town under Subsection (1)[~~(a)(i)~~], the city or town legislative body shall:

476 (i) submit to the county legislative body in which the city or town is located a written
477 notice of the intent to submit the opinion question to the residents of the city or town; and

478 (ii) receive from the county legislative body:

479 (A) a written resolution passed by the county legislative body stating that the county
480 legislative body is not seeking to impose a tax under Part 7, County Option Funding for
481 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

482 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
483 opinion question submitted to the residents of the county under Part 7, County Option Funding
484 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
485 or town legislative body to submit the opinion question to the residents of the city or town in
486 accordance with this part.

487 (b) (i) Within 60 days after the day the county legislative body receives from a city or
488 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
489 opinion question to the residents of the city or town, the county legislative body shall provide
490 the city or town legislative body:

491 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

492 (B) written notice that the county legislative body will submit an opinion question to
493 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
494 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under
495 that part.

496 (ii) If the county legislative body provides the city or town legislative body the written
497 notice that the county legislative body will submit an opinion question as provided in
498 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no
499 later than, from the date the county legislative body sends the written notice, the later of:

500 (A) a 12-month period;

501 (B) the next regular primary election; or

502 (C) the next regular general election.

503 (iii) Within 30 days of the date of the canvass of the election at which the opinion
504 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
505 city or town legislative body described in Subsection (6)(a) written results of the opinion

506 question submitted by the county legislative body under Part 7, County Option Funding for
507 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

508 (A) (I) the city or town legislative body may not impose a tax under this part because a
509 majority of the county's registered voters voted in favor of the county imposing the tax and the
510 county legislative body by a majority vote approved the imposition of the tax; or

511 (II) for at least 12 months from the date the written results are submitted to the city or
512 town legislative body, the city or town legislative body may not submit to the county legislative
513 body a written notice of the intent to submit an opinion question under this part because a
514 majority of the county's registered voters voted against the county imposing the tax and the
515 majority of the registered voters who are residents of the city or town described in Subsection
516 (6)(a) voted against the imposition of the county tax; or

517 (B) the city or town legislative body may submit the opinion question to the residents
518 of the city or town in accordance with this part because although a majority of the county's
519 registered voters voted against the county imposing the tax, the majority of the registered voters
520 who are residents of the city or town voted for the imposition of the county tax.

521 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
522 provide a city or town legislative body described in Subsection (6)(a) a written resolution
523 passed by the county legislative body stating that the county legislative body is not seeking to
524 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
525 Zoological Organizations or Facilities, which permits the city or town legislative body to
526 submit under Subsection (1)~~(a)(i)~~ an opinion question to the city's or town's residents.

527 Section 6. Section **59-12-1403** is amended to read:

528 **59-12-1403. Distribution of revenues -- Administrative costs.**

529 (1) (a) The city or town legislative body shall by ordinance provide for the distribution
530 of the entire amount of the revenues ~~[generated by]~~ collected from the tax imposed by this part:

531 (i) in accordance with this section[-]; and

532 (ii) as stated in the opinion question described in Subsection 59-12-1402(1).

533 (b) A city or town may participate in an interlocal agreement provided for under

534 Section 59-12-704 and distribute the revenues [~~generated by~~] collected from the tax imposed
535 by this part to participants in the interlocal agreement.

536 (c) [~~The~~] Subject to Subsection (1)(a), revenues [~~generated by~~] collected from the tax
537 shall be used for one or more organizations or facilities defined in Section 59-12-702.

538 (2) The commission may retain an amount not to exceed [~~1-1/2%~~] 1.5% of the tax
539 collected under this part for the cost of administering this part.

540 Section 7. **Effective date.**

541 This bill takes effect on July 1, 2011.