

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

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne L. Niederhauser**

House Sponsor: \_\_\_\_\_

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**LONG TITLE**

**Committee Note:**

The Revenue and Taxation Interim Committee recommended this bill.

**General Description:**

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

**Highlighted Provisions:**

This bill:

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



28           ▶ makes technical and conforming changes.

29 **Money Appropriated in this Bill:**

30           None

31 **Other Special Clauses:**

32           This bill takes effect on July 1, 2011.

33 **Utah Code Sections Affected:**

34 **AMENDS:**

35           **10-1-307**, as last amended by Laws of Utah 2010, Chapter 142

36           **10-1-405**, as last amended by Laws of Utah 2009, Chapter 212

37           **19-6-715**, as enacted by Laws of Utah 1993, Chapter 283

38           **19-6-716**, as enacted by Laws of Utah 1993, Chapter 283

39           **19-6-808**, as last amended by Laws of Utah 2002, Chapter 256

40           **53-10-604**, as last amended by Laws of Utah 2010, Chapter 278

41           **59-12-108**, as last amended by Laws of Utah 2008, Chapters 286, 382, and 384

42           **59-12-128**, as last amended by Laws of Utah 2009, Chapter 212

43           **59-12-206**, as last amended by Laws of Utah 1995, Chapter 226

44           **59-12-302**, as last amended by Laws of Utah 2008, Chapter 384

45           **59-12-354**, as last amended by Laws of Utah 2008, Chapter 384

46           **59-12-403**, as last amended by Laws of Utah 2008, Chapters 382 and 384

47           **59-12-603**, as last amended by Laws of Utah 2009, Chapter 7

48           **59-12-704**, as last amended by Laws of Utah 2003, Chapter 296

49           **59-12-802**, as last amended by Laws of Utah 2008, Chapter 384

50           **59-12-804**, as last amended by Laws of Utah 2008, Chapter 384

51           **59-12-1102**, as last amended by Laws of Utah 2010, Chapter 90

52           **59-12-1201**, as last amended by Laws of Utah 2009, Chapter 203

53           **59-12-1302**, as last amended by Laws of Utah 2008, Chapters 382 and 384

54           **59-12-1403**, as enacted by Laws of Utah 2001, Chapter 192

55           **59-12-2004**, as last amended by Laws of Utah 2009, Chapter 240

56           **59-12-2103**, as enacted by Laws of Utah 2008, Chapter 323

57           **59-12-2207**, as enacted by Laws of Utah 2010, Chapter 263

58           **59-26-104**, as enacted by Laws of Utah 2004, Chapter 300

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

63 ENACTS:

64           **59-1-306**, Utah Code Annotated 1953



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

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

68           **10-1-307. Administration, collection, and enforcement of taxes by commission --**  
 69 **Distribution of revenues -- Administrative charge -- Collection of taxes by municipality.**

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

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

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

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

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

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

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

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

87           (2) (a) Except as provided in Subsections 10-1-203(3)(d), 10-1-305(5), and  
 88 10-1-310(2) and subject to Subsection (6), the commission shall pay a municipality the  
 89 difference between:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

132 (ii) "2006 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 2006, reduced by the 2006 rebate amount.

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

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

139 (B) the 2005 base amount, plus:

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

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

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

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

148 (B) the 2006 base amount, plus:

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

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

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

153 (v) "Fiscal year 2005" means the period beginning July 1, 2004 and ending June 30,  
154 2005.

155 (vi) "Fiscal year 2006" means the period beginning July 1, 2005 and ending June 30,  
156 2006.

157 (vii) "Fiscal year 2007" means the period beginning July 1, 2006 and ending June 30,  
158 2007.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

201 **10-1-405. Collection of taxes by commission -- Uniform interlocal agreement --**  
202 **Administrative charge -- Rulemaking authority.**

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

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

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

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

210 (A) except for:

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

212 (II) Section 59-12-104;

213 (III) Section 59-12-104.1;

214 (IV) Section 59-12-104.2;

215 (V) Section 59-12-104.3;

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

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

218 (B) except that for purposes of Section 59-1-1410, the term "person" may include a

219 customer from whom a municipal telecommunications license tax is recovered in accordance

220 with Subsection 10-1-403(2); and

221 (b) a uniform interlocal agreement~~[(i)]~~ between~~[(A)]~~ the municipality that imposes

222 the municipal telecommunications license tax~~;~~ and ~~[(B)]~~ the commission~~;~~:

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

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

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

226 (2) (a) The uniform interlocal agreement described in Subsection (1) shall provide that

227 the commission shall:

228 (i) transmit money collected under this part~~[(A)]~~ monthly~~;~~~~and~~~~[(B)]~~ by electronic

229 funds transfer by the commission to the municipality;

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

231 ~~[(iii) charge the municipality for the commission's services under this section in an~~

232 ~~amount:]~~

233 ~~[(A) sufficient to reimburse the commission for the cost to the commission in~~

234 ~~rendering the services; and]~~

235 ~~[(B) that may not exceed an amount equal to 1.5% of the municipal~~

236 ~~telecommunications license tax imposed by the ordinance of the municipality; and]~~

237 (iii) retain and deposit an administrative charge in accordance with Section 59-1-306

238 from revenues the commission collects from a tax under this part; and

239 (iv) collect, enforce, and administer the municipal telecommunications license tax

240 authorized under this part pursuant to the same procedures used in the administration,

241 collection, and enforcement of the state sales and use tax as provided in Subsection (1)(a).

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

243 commission shall develop a uniform interlocal agreement that meets the requirements of this

244 section.



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

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

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

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

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

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

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

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

265 (i) within the municipality;

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

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

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

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

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

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

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

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

279 **19-6-715. Recycling fee collection procedures.**

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

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

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

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

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

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

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

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

297 **19-6-716. Fee collection by commission -- Administrative charge.**

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

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

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

307 **19-6-808. Payment of recycling fee -- Administrative charge.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

341 **53-10-604. Committee expenses -- Division of Finance responsibilities.**

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

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

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

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

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

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

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

357 **59-1-306. Definition -- State Tax Commission Administrative Charge Account --**  
358 **Amount of administrative charge -- Deposit of revenues into the restricted account --**  
359 **Interest deposited into General Fund -- Unallocated balance at end of a fiscal year is**  
360 **nonlapsing -- Expenditure of money deposited into the restricted account.**

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

363 (a) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 18,  
364 Additional State Sales and Use Tax Act;

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

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

367 (d) Section 19-6-714;

368 (e) Section 19-6-805;

369 (f) Section 59-27-105;

370 (g) Section 69-2-5;

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

372 (i) Section 69-2-5.6.

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

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

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

379 (a) 1.50%; or

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

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

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

385 (7) Any unallocated balance in the restricted account at the end of a fiscal year is  
386 nonlapsing.

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

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

390 **59-12-108. Monthly payment -- Amount of tax a seller may retain -- Penalty --**  
391 **Certain amounts allocated to local taxing jurisdictions.**

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

394 (i) file a return with the commission:

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

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

398 (ii) except as provided in Subsection (1)(b), remit with the return required by  
399 Subsection (1)(a)(i) the amount the person is required to remit to the commission for each tax,

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

401 (A) if that seller's tax liability under this chapter for the previous calendar year is less  
402 than \$96,000, by any method permitted by the commission; or

403 (B) if that seller's tax liability under this chapter for the previous calendar year is  
404 \$96,000 or more, by electronic funds transfer.

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

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

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

410 (B) files a simplified electronic return.

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

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

413 (ii) a tax under Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax

414 Act;

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

416 [~~(iii)~~] (iv) a fee under Section 19-6-805;

417 (v) a tax under Chapter 26, Multi-Channel Video or Audio Service Tax Act;

418 [~~(iv)~~] (vi) a charge under Section 69-2-5;

419 [~~(v)~~] (vii) a charge under Section 69-2-5.5;

420 [~~(vi)~~] (viii) a charge under Section 69-2-5.6; or

421 [~~(vii)~~] (ix) a tax under this chapter.

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

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

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

431 Subsection (2).

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

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

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

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

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

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

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

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

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

448 (I) the state tax and the local tax imposed in accordance with Subsection

449 59-12-103(2)(c);

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

451 and

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

453 (B) 1.31% of the difference between:

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

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

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

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

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

461 (Aa) the state tax and the local tax imposed in accordance with Subsection

462 59-12-103(2)(c);  
463 (Bb) the month for which the seller is filing a return in accordance with Subsection (1);  
464 and  
465 (Cc) an agreement sales and use tax.  
466 (d) A seller subject to Subsection (1) or a seller described in Subsection (4) may retain  
467 each month 1% of any amounts the seller is required to remit to the commission:  
468 (i) for the month for which the seller is filing a return in accordance with Subsection  
469 (1); and  
470 (ii) under:  
471 (A) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;  
472 (B) Subsection 59-12-603(1)(a)(i)(A); or  
473 (C) Subsection 59-12-603(1)(a)(i)(B).  
474 (3) A state government entity that is required to remit taxes monthly in accordance  
475 with Subsection (1) may not retain any amount under Subsection (2).  
476 (4) A seller that has a tax liability under this chapter for the previous calendar year of  
477 less than \$50,000 may:  
478 (a) voluntarily meet the requirements of Subsection (1); and  
479 (b) if the seller voluntarily meets the requirements of Subsection (1), retain the  
480 amounts allowed by Subsection (2).  
481 (5) Penalties for late payment shall be as provided in Section 59-1-401.  
482 (6) (a) Except as provided in Subsection (6)(c), for any amounts required to be remitted  
483 to the commission under this part, the commission shall each month calculate an amount equal  
484 to the difference between:  
485 (i) the total amount retained for that month by all sellers had the percentages listed  
486 under Subsections (2)(b) and (2)(c)(ii) been 1.5%; and  
487 (ii) the total amount retained for that month by all sellers at the percentages listed  
488 under Subsections (2)(b) and (2)(c)(ii).  
489 (b) The commission shall each month allocate the amount calculated under Subsection  
490 (6)(a) to each county, city, and town on the basis of the proportion of agreement sales and use  
491 tax that the commission distributes to each county, city, and town for that month compared to  
492 the total agreement sales and use tax that the commission distributes for that month to all



493 counties, cities, and towns.

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

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

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

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

500 **59-12-128. Amnesty.**

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

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

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

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

506 (iii) Section 19-6-714;

507 (iv) Section 19-6-805;

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

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

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

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

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

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

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

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

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

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

520 (c) is registered under the agreement.

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

522 (a) the seller collects;

523 (b) the seller remits to the commission;

524 (c) that the seller is required to remit to the commission on the seller's purchase; or  
525 (d) arising from a transaction that occurs within a time period that is under audit by the  
526 commission if:

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

529 (ii) (A) the audit described in Subsection (3)(d)(i) is not complete; or

530 (B) the seller has not exhausted all administrative and judicial remedies in connection  
531 with the audit described in Subsection (3)(d)(i).

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

534 (i) applies to the time period during which the seller is not licensed under Section  
535 59-12-106; and

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

537 (A) remains registered under the agreement;

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

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

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

545 (i) fraud; or

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

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

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

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

555 **59-12-206. Collection of taxes by commission -- Administrative charge.**

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

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

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

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

570 **59-12-302. Collection of tax -- Administrative charge -- Penalties -- Commission**  
 571 **to interpret, audit, and adjudicate transient room tax.**

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

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

575 (A) Part 1, Tax Collection; or

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

577 (ii) Chapter 1, General Taxation Policies.

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

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

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

586 (d) (i) If the commission collects a tax under this part, the commission:  
587 (A) except as provided in Subsection (1)(d)(i)(B), shall distribute the revenues  
588 ~~[generated by]~~ collected from the tax to the county within which the revenues were ~~[generated]~~  
589 collected; and  
590 ~~[(B) notwithstanding Subsection (1)(d)(i)(A), may retain an amount of tax collected~~  
591 ~~under this part of not to exceed the lesser of:]~~  
592 ~~[(I) 1.5%; or]~~  
593 ~~[(H) an amount equal to the cost to the commission of administering this part.]~~  
594 ~~[(ii) Any amount the commission retains under Subsection (1)(d)(i)(B) shall be:]~~  
595 ~~[(A) placed in the Sales and Use Tax Administrative Fees Account; and]~~  
596 ~~[(B) used as provided in Subsection 59-12-206(2).]~~  
597 (B) except as provided in Subsection (1)(d)(ii), shall retain and deposit an  
598 administrative charge in accordance with Section 59-1-306 from revenues the commission  
599 collects from a tax under this part.  
600 (ii) The commission may not retain or deposit an administrative charge from revenues  
601 a county collects under Subsection (1)(b)(i) from a tax under this part.  
602 (2) (a) The tax ordinance adopted by a county pursuant to Section 59-12-301 may  
603 include provisions for the imposition of penalties and interest if a person or entity required to  
604 pay a tax under this part fails to timely remit the tax to the collecting agent.  
605 (b) A county legislative body may not establish penalties and interest by ordinance that  
606 exceed the penalties and interest rates authorized for the commission in Sections 59-1-401 and  
607 59-1-402.  
608 (3) A county may adopt an ordinance imposing penalties and interest under Subsection  
609 (2) only if the county does not contract with the commission to collect the tax.  
610 (4) If a county elects to collect the tax as provided in Subsection (1), the commission  
611 shall interpret, audit, and adjudicate the tax imposed under this part.  
612 Section 12. Section **59-12-354** is amended to read:  
613 **59-12-354. Collection of tax -- Administrative charge -- Penalties -- Commission**  
614 **to interpret, audit, and adjudicate transient room tax.**  
615 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part  
616 shall be administered, collected, and enforced in accordance with:

- 617 (a) the same procedures used to administer, collect, and enforce the tax under:
- 618 (i) Part 1, Tax Collection; or
- 619 (ii) Part 2, Local Sales and Use Tax Act; and
- 620 (b) Chapter 1, General Taxation Policies.
- 621 (2) ~~[Notwithstanding Section 59-12-206, a]~~ A municipality imposing a tax under this
- 622 part:
- 623 (a) may collect ~~[the tax]~~ revenues collected from a tax under this part and is not
- 624 required to:
- 625 (i) transmit the revenues ~~[generated by the tax]~~ to the commission; or
- 626 (ii) contract with the commission to collect the ~~[tax]~~ revenues;
- 627 (b) shall report the revenues ~~[it]~~ the municipality collects to the commission as
- 628 provided in Sections 59-12-211 through 59-12-215; and
- 629 (c) subject to the limitations of Subsections (4) and (5), may adopt an ordinance
- 630 imposing penalties and interest on a person who:
- 631 (i) is required to pay the tax under this part; and
- 632 (ii) does not remit the tax to the collecting agent in a timely manner.
- 633 (d) (i) If the commission collects a tax under this part, the commission:
- 634 (A) except as provided in Subsection (2)(d)(i)(B), shall distribute the revenues
- 635 ~~[generated by]~~ collected from the tax to the municipality within which the revenues were
- 636 ~~[generated]~~ collected; and
- 637 ~~[(B) notwithstanding Subsection (2)(d)(i)(A), may retain an amount of tax collected~~
- 638 ~~under this part of not to exceed the lesser of:]~~
- 639 ~~[(F) 1.5%; or]~~
- 640 ~~[(H) an amount equal to the cost to the commission of administering this part:]~~
- 641 ~~[(ii) Any amount the commission retains under Subsection (2)(d)(i)(B) shall be:]~~
- 642 ~~[(A) placed in the Sales and Use Tax Administrative Fees Account; and]~~
- 643 ~~[(B) used as provided in Subsection 59-12-206(2).]~~
- 644 (B) except as provided in Subsection (1)(d)(ii), shall retain and deposit an
- 645 administrative charge in accordance with Section 59-1-306 from the revenues the commission
- 646 collects from a tax under this part.
- 647 (ii) The commission may not retain or deposit an administrative charge from revenues

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

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

651 (4) A governing body of a municipality adopting an ordinance imposing penalties and  
652 interest under Subsection (2)(c) may impose penalties and interest in amounts that are less than  
653 or equal to the penalties and interest rates authorized for the commission under Sections  
654 59-1-401 and 59-1-402.

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

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

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

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

664 (1) For purposes of this section:

665 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
666 4, Annexation.

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

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

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

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

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

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

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

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

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

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

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

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

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

688 (II) Section 59-12-402.

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

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

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

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

696 (II) Section 59-12-402.

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

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

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

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

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

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

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

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

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

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

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

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

718 Subsection (3)(b)(i), the rate of the tax.

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

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

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

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

726 (II) Section 59-12-402.

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

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

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

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

734 (II) Section 59-12-402.

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

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

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



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

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

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

746 (A) Part 1, Tax Collection; or

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

748 (ii) Chapter 1, General Taxation Policies.

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

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

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

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

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

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

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

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

772 (A) alcoholic beverages;  
773 (B) food and food ingredients; or  
774 (C) prepared food; and  
775 (iii) a county legislative body of a county of the first class may impose a tax of not to  
776 exceed .5% on charges for the accommodations and services described in Subsection  
777 59-12-103(1)(i).

778 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section  
779 17-31-5.5.

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

- 782 (i) financing tourism promotion; and
- 783 (ii) the development, operation, and maintenance of:
  - 784 (A) an airport facility;
  - 785 (B) a convention facility;
  - 786 (C) a cultural facility;
  - 787 (D) a recreation facility; or
  - 788 (E) a tourist facility.

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

- 792 (i) promote tourism in ski areas within the county by persons that do not reside within  
793 the state; and
- 794 (ii) combine the sale of:
  - 795 (A) ski lift tickets; and
  - 796 (B) accommodations and services described in Subsection 59-12-103(1)(i).

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

- 801 (a) an airport facility;
- 802 (b) a convention facility;

803 (c) a cultural facility;

804 (d) a recreation facility; or

805 (e) a tourist facility.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 834 (ii) procedures and requirements for removing a member of the tax advisory board;
- 835 (iii) voting requirements, except that action of the tax advisory board shall be by at
- 836 least a majority vote of a quorum of the tax advisory board;
- 837 (iv) chairs or other officers of the tax advisory board;
- 838 (v) how meetings are to be called and the frequency of meetings; and
- 839 (vi) the compensation, if any, of members of the tax advisory board.

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

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

- 845 (A) the same procedures used to administer, collect, and enforce the tax under:
- 846 (I) Part 1, Tax Collection; or
- 847 (II) Part 2, Local Sales and Use Tax Act; and
- 848 (B) Chapter 1, General Taxation Policies.

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

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

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

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

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

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

863 (a) the commission shall distribute 70% of the revenues based on the percentages  
864 generated by dividing the revenues collected by each county under Subsection (1)(a)(i)(B) by

865 the total revenues collected by all counties under Subsection (1)(a)(i)(B); and  
866 (b) the commission shall distribute 30% of the revenues based on the percentages  
867 generated by dividing the population of each county collecting a tax under Subsection  
868 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).  
869 (9) (a) For purposes of this Subsection (9):  
870 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2,  
871 ~~[Annexation to County]~~ Part 2, County Annexation.  
872 (ii) "Annexing area" means an area that is annexed into a county.  
873 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county  
874 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or  
875 change shall take effect:  
876 (A) on the first day of a calendar quarter; and  
877 (B) after a 90-day period beginning on the date the commission receives notice meeting  
878 the requirements of Subsection (9)(b)(ii) from the county.  
879 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:  
880 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;  
881 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);  
882 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and  
883 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
884 (9)(b)(ii)(A), the rate of the tax.  
885 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of  
886 the first billing period:  
887 (A) that begins after the effective date of the enactment of the tax or the tax rate  
888 increase; and  
889 (B) if the billing period for the transaction begins before the effective date of the  
890 enactment of the tax or the tax rate increase imposed under Subsection (1).  
891 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
892 billing period:  
893 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
894 and  
895 (B) if the billing period for the transaction begins before the effective date of the repeal

896 of the tax or the tax rate decrease imposed under Subsection (1).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

923 **59-12-704. Distribution of revenues -- Advisory board creation -- Determining**  
924 **operating expenses -- Administrative charge.**

925 (1) Except as provided in Subsections (3)(b) and (5), and subject to the requirements of  
926 this section, any revenues collected by a county of the first class under this part shall be

927 distributed annually by the county legislative body to support recreational and zoological  
928 facilities and botanical, cultural, and zoological organizations within that first class county as  
929 follows:

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

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

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

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

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

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

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

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

957 (ii) the county legislative body shall determine how the money shall be distributed

958 among the organizations described in Subsection (1)(d)(i).

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

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

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

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

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

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

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

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

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

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

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

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

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

987 (b) Pursuant to an interlocal agreement established in accordance with Title 11,  
988 Chapter 13, Interlocal Cooperation Act, a county described in Subsection (6)(a) may distribute



989 to a city, town, or political subdivision within the county revenues generated by a tax under this  
990 part.

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

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

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

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

999 (8) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~  
1000 ~~under this part for the cost of administering this part]~~ shall retain and deposit an administrative  
1001 charge in accordance with Section 59-1-306 from the revenues the commission collects from a  
1002 tax under this part.

1003 Section 16. Section **59-12-802** is amended to read:

1004 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**  
1005 **tax revenues -- Base -- Rate -- Administration, collection, and enforcement of tax --**  
1006 **Administrative charge.**

1007 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class  
1008 may impose a sales and use tax of up to 1%:

1009 (i) on the transactions described in Subsection 59-12-103(1) located within the county;  
1010 and

1011 (ii) subject to Subsection (3), to fund:

1012 (A) for a county of the third, fourth, or fifth class, rural county health care facilities in  
1013 that county; or

1014 (B) for a county of the sixth class:

1015 (I) emergency medical services in that county;

1016 (II) federally qualified health centers in that county;

1017 (III) freestanding urgent care centers in that county;

1018 (IV) rural county health care facilities in that county;

1019 (V) rural health clinics in that county; or

1020 (VI) a combination of Subsections (1)(a)(ii)(B)(I) through (V).

1021 (b) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a  
1022 tax under this section on:

1023 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1024 are exempt from taxation under Section 59-12-104;

1025 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in  
1026 a city that imposes a tax under Section 59-12-804; and

1027 (iii) except as provided in Subsection (1)(d), amounts paid or charged for food and  
1028 food ingredients.

1029 (c) For purposes of this Subsection (1), the location of a transaction shall be  
1030 determined in accordance with Sections 59-12-211 through 59-12-215.

1031 (d) A county legislative body imposing a tax under this section shall impose the tax on  
1032 amounts paid or charged for food and food ingredients if the food and food ingredients are sold  
1033 as part of a bundled transaction attributable to food and food ingredients and tangible personal  
1034 property other than food and food ingredients.

1035 (2) (a) Before imposing a tax under Subsection (1)(a), a county legislative body shall  
1036 obtain approval to impose the tax from a majority of the:

1037 (i) members of the county's legislative body; and

1038 (ii) county's registered voters voting on the imposition of the tax.

1039 (b) The county legislative body shall conduct the election according to the procedures  
1040 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

1041 (3) (a) The money generated by a tax imposed under Subsection (1) by a county  
1042 legislative body of a county of the third, fourth, or fifth class may only be used for the  
1043 financing of:

1044 (i) ongoing operating expenses of a rural county health care facility within that county;

1045 (ii) the acquisition of land for a rural county health care facility within that county; or

1046 (iii) the design, construction, equipping, or furnishing of a rural county health care  
1047 facility within that county.

1048 (b) The money generated by a tax imposed under Subsection (1) by a county of the  
1049 sixth class may only be used for the financing of:

1050 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection

1051 (1)(a)(ii)(B) within that county;

1052 (ii) the acquisition of land for a center, clinic, or facility described in Subsection

1053 (1)(a)(ii)(B) within that county;

1054 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility

1055 described in Subsection (1)(a)(ii)(B) within that county; or

1056 (iv) the provision of rural emergency medical services within that county.

1057 (4) (a) A tax under this section shall be:

1058 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in

1059 accordance with:

1060 (A) the same procedures used to administer, collect, and enforce the tax under:

1061 (I) Part 1, Tax Collection; or

1062 (II) Part 2, Local Sales and Use Tax Act; and

1063 (B) Chapter 1, General Taxation Policies; and

1064 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year

1065 period by the county legislative body as provided in Subsection (1).

1066 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to

1067 Subsections 59-12-205(2) through (6).

1068 (5) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~

1069 ~~under this section for the cost of administering this tax~~] shall retain and deposit an

1070 administrative charge in accordance with Section 59-1-306 from the revenues the commission

1071 collects from a tax under this section.

1072 Section 17. Section **59-12-804** is amended to read:

1073 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**

1074 **collection, and enforcement of tax -- Administrative charge.**

1075 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

1076 (i) on the transactions described in Subsection 59-12-103(1) located within the city;

1077 and

1078 (ii) to fund rural city hospitals in that city.

1079 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax

1080 under this section on:

1081 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses

1082 are exempt from taxation under Section 59-12-104; and

1083 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food  
1084 ingredients.

1085 (c) For purposes of this Subsection (1), the location of a transaction shall be  
1086 determined in accordance with Sections 59-12-211 through 59-12-215.

1087 (d) A city legislative body imposing a tax under this section shall impose the tax on  
1088 amounts paid or charged for food and food ingredients if the food and food ingredients are sold  
1089 as part of a bundled transaction attributable to food and food ingredients and tangible personal  
1090 property other than food and food ingredients.

1091 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall  
1092 obtain approval to impose the tax from a majority of the:

1093 (i) members of the city legislative body; and

1094 (ii) city's registered voters voting on the imposition of the tax.

1095 (b) The city legislative body shall conduct the election according to the procedures and  
1096 requirements of Title 11, Chapter 14, Local Government Bonding Act.

1097 (3) The money generated by a tax imposed under Subsection (1) may only be used for  
1098 the financing of:

1099 (a) ongoing operating expenses of a rural city hospital;

1100 (b) the acquisition of land for a rural city hospital; or

1101 (c) the design, construction, equipping, or furnishing of a rural city hospital.

1102 (4) (a) A tax under this section shall be:

1103 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
1104 accordance with:

1105 (A) the same procedures used to administer, collect, and enforce the tax under:

1106 (I) Part 1, Tax Collection; or

1107 (II) Part 2, Local Sales and Use Tax Act; and

1108 (B) Chapter 1, General Taxation Policies; and

1109 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
1110 period by the city legislative body as provided in Subsection (1).

1111 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to  
1112 Subsections 59-12-205(2) through (6).

1113 (5) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~  
 1114 ~~under this section for the cost of administering the tax]~~ shall retain and deposit an  
 1115 administrative charge in accordance with Section 59-1-306 from the revenues the commission  
 1116 collects from a tax under this section.

1117 Section 18. Section **59-12-1102** is amended to read:

1118 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**  
 1119 **Administration -- Administrative charge -- Commission requirement to retain an amount**  
 1120 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**  
 1121 **of tax -- Effective date -- Notice requirements.**

1122 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax  
 1123 authorized by this chapter, a county may impose by ordinance a county option sales and use tax  
 1124 of .25% upon the transactions described in Subsection 59-12-103(1).

1125 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this  
 1126 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
 1127 exempt from taxation under Section 59-12-104.

1128 (b) For purposes of this Subsection (1), the location of a transaction shall be  
 1129 determined in accordance with Sections 59-12-211 through 59-12-215.

1130 (c) The county option sales and use tax under this section shall be imposed:

1131 (i) upon transactions that are located within the county, including transactions that are  
 1132 located within municipalities in the county; and

1133 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of  
 1134 January:

1135 (A) of the next calendar year after adoption of the ordinance imposing the tax if the  
 1136 ordinance is adopted on or before May 25; or

1137 (B) of the second calendar year after adoption of the ordinance imposing the tax if the  
 1138 ordinance is adopted after May 25.

1139 (d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under  
 1140 this section shall be imposed:

1141 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before  
 1142 September 4, 1997; or

1143 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997

1144 but after September 4, 1997.

1145 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a  
1146 county shall hold two public hearings on separate days in geographically diverse locations in  
1147 the county.

1148 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting  
1149 time of no earlier than 6 p.m.

1150 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven  
1151 days after the day the first advertisement required by Subsection (2)(c) is published.

1152 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county  
1153 shall advertise:

1154 (A) its intent to adopt a county option sales and use tax;

1155 (B) the date, time, and location of each public hearing; and

1156 (C) a statement that the purpose of each public hearing is to obtain public comments  
1157 regarding the proposed tax.

1158 (ii) The advertisement shall be published:

1159 (A) in a newspaper of general circulation in the county once each week for the two  
1160 weeks preceding the earlier of the two public hearings; and

1161 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks  
1162 preceding the earlier of the two public hearings.

1163 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8  
1164 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch  
1165 border.

1166 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that  
1167 portion of the newspaper where legal notices and classified advertisements appear.

1168 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

1169 (A) the advertisement shall appear in a newspaper that is published at least five days a  
1170 week, unless the only newspaper in the county is published less than five days a week; and

1171 (B) the newspaper selected shall be one of general interest and readership in the  
1172 community, and not one of limited subject matter.

1173 (d) The adoption of an ordinance imposing a county option sales and use tax is subject  
1174 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part

1175 6, Local Referenda - Procedures.

1176 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a  
1177 county option sales and use tax under Subsection (1) is less than 75% of the state population,  
1178 the tax levied under Subsection (1) shall be distributed to the county in which the tax was  
1179 collected.

1180 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a  
1181 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state  
1182 population:

1183 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to  
1184 the county in which the tax was collected; and

1185 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection  
1186 (1) in each county shall be distributed proportionately among all counties imposing the tax,  
1187 based on the total population of each county.

1188 (c) Except as provided in Subsection (5), the amount to be distributed annually to a  
1189 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county  
1190 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1191 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall  
1192 be increased so that, when combined with the amount distributed to the county under  
1193 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1194 (ii) the amount to be distributed annually to all other counties under Subsection  
1195 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under  
1196 Subsection (3)(c)(i).

1197 (d) The commission shall establish rules to implement the distribution of the tax under  
1198 Subsections (3)(a), (b), and (c).

1199 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part  
1200 shall be administered, collected, and enforced in accordance with:

1201 (i) the same procedures used to administer, collect, and enforce the tax under:

1202 (A) Part 1, Tax Collection; or

1203 (B) Part 2, Local Sales and Use Tax Act; and

1204 (ii) Chapter 1, General Taxation Policies.

1205 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to

1206 Subsections 59-12-205(2) through (6).

1207 ~~[(c) Notwithstanding Subsection (4)(a), the fee charged by the commission under~~  
1208 ~~Section 59-12-206 shall be based on]~~

1209 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an  
1210 administrative charge in accordance with Section 59-1-306 from the revenues the commission  
1211 collects from a tax under this part.

1212 (ii) Notwithstanding Section 59-1-306, the administrative charge described in  
1213 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of  
1214 the distribution amounts resulting after:

1215 ~~[(i)]~~ (A) the applicable distribution calculations under Subsection (3) have been made;  
1216 and

1217 ~~[(ii)]~~ (B) the commission retains the amount required by Subsection (5).

1218 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion  
1219 of the sales and use tax collected under this part as provided in this Subsection (5).

1220 (b) For a county that imposes a tax under this part, the commission shall calculate a  
1221 percentage each month by dividing the sales and use tax collected under this part for that  
1222 month within the boundaries of that county by the total sales and use tax collected under this  
1223 part for that month within the boundaries of all of the counties that impose a tax under this part.

1224 (c) For a county that imposes a tax under this part, the commission shall retain each  
1225 month an amount equal to the product of:

1226 (i) the percentage the commission determines for the month under Subsection (5)(b)  
1227 for the county; and

1228 (ii) \$6,354.

1229 (d) The commission shall deposit an amount the commission retains in accordance  
1230 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section  
1231 9-4-1409.

1232 (e) An amount the commission deposits into the Qualified Emergency Food Agencies  
1233 Fund shall be expended as provided in Section 9-4-1409.

1234 (6) (a) For purposes of this Subsection (6):

1235 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County  
1236 Consolidations and Annexations.



- 1237 (ii) "Annexing area" means an area that is annexed into a county.
- 1238 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a  
1239 county enacts or repeals a tax under this part:
- 1240 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or  
1241 (II) the repeal shall take effect on the first day of a calendar quarter; and  
1242 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1243 the requirements of Subsection (6)(b)(ii) from the county.
- 1244 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:
- 1245 (A) that the county will enact or repeal a tax under this part;  
1246 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);  
1247 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and  
1248 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the  
1249 tax.
- 1250 (c) (i) The enactment of a tax shall take effect on the first day of the first billing period:  
1251 (A) that begins after the effective date of the enactment of the tax; and  
1252 (B) if the billing period for the transaction begins before the effective date of the  
1253 enactment of the tax under Subsection (1).
- 1254 (ii) The repeal of a tax shall take effect on the first day of the last billing period:  
1255 (A) that began before the effective date of the repeal of the tax; and  
1256 (B) if the billing period for the transaction begins before the effective date of the repeal  
1257 of the tax imposed under Subsection (1).
- 1258 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1259 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1260 Subsection (6)(b)(i) takes effect:
- 1261 (A) on the first day of a calendar quarter; and  
1262 (B) beginning 60 days after the effective date of the enactment or repeal under  
1263 Subsection (6)(b)(i).
- 1264 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1265 commission may by rule define the term "catalogue sale."
- 1266 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs  
1267 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this

1268 part for an annexing area, the enactment or repeal shall take effect:

1269 (A) on the first day of a calendar quarter; and

1270 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1271 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1272 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1273 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or  
1274 repeal of a tax under this part for the annexing area;

1275 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1276 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1277 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1278 (f) (i) The enactment of a tax shall take effect on the first day of the first billing period:

1279 (A) that begins after the effective date of the enactment of the tax; and

1280 (B) if the billing period for the transaction begins before the effective date of the  
1281 enactment of the tax under Subsection (1).

1282 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

1283 (A) that began before the effective date of the repeal of the tax; and

1284 (B) if the billing period for the transaction begins before the effective date of the repeal  
1285 of the tax imposed under Subsection (1).

1286 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1287 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1288 Subsection (6)(e)(i) takes effect:

1289 (A) on the first day of a calendar quarter; and

1290 (B) beginning 60 days after the effective date of the enactment or repeal under  
1291 Subsection (6)(e)(i).

1292 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1293 commission may by rule define the term "catalogue sale."

1294 Section 19. Section **59-12-1201** is amended to read:

1295 **59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,**  
1296 **collection, and enforcement of tax -- Administrative charge -- Deposits.**

1297 (1) (a) Except as provided in Subsection (3), there is imposed a tax of 2.5% on all  
1298 short-term leases and rentals of motor vehicles not exceeding 30 days.

1299 (b) The tax imposed in this section is in addition to all other state, county, or municipal  
1300 fees and taxes imposed on rentals of motor vehicles.

1301 (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax  
1302 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

1303 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall  
1304 take effect on the first day of the first billing period:

1305 (A) that begins after the effective date of the tax rate increase; and

1306 (B) if the billing period for the transaction begins before the effective date of a tax rate  
1307 increase imposed under Subsection (1).

1308 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax  
1309 rate decrease shall take effect on the first day of the last billing period:

1310 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
1311 and

1312 (B) if the billing period for the transaction begins before the effective date of the repeal  
1313 of the tax or the tax rate decrease imposed under Subsection (1).

1314 (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

1315 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

1316 (b) the motor vehicle is rented as a personal household goods moving van; or

1317 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily  
1318 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an  
1319 insurance agreement.

1320 (4) (a) (i) The tax authorized under this section shall be administered, collected, and  
1321 enforced in accordance with:

1322 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,  
1323 Tax Collection; and

1324 (B) Chapter 1, General Taxation Policies.

1325 (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to  
1326 Subsections 59-12-103(4) through (12) or Section 59-12-107.1 or 59-12-123.

1327 (b) The commission [~~may retain a maximum of 1-1/2% of the tax collected under this~~  
1328 ~~section for the costs of rendering its services under this section]~~ shall retain and deposit an  
1329 administrative charge in accordance with Section 59-1-306 from the revenues the commission

1330 collects from a tax under this part.

1331 (c) Except as provided under Subsection (4)(b), all revenue received by the  
1332 commission under this section shall be deposited daily with the state treasurer and credited  
1333 monthly to the Transportation Corridor Preservation Revolving Loan Fund under Section  
1334 72-2-117.

1335 Section 20. Section **59-12-1302** is amended to read:

1336 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**  
1337 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**  
1338 **enforcement of tax -- Administrative charge.**

1339 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a  
1340 tax as provided in this part in an amount that does not exceed 1%.

1341 (2) A town may impose a tax as provided in this part if the town imposed a license fee  
1342 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,  
1343 1996.

1344 (3) A town imposing a tax under this section shall:

1345 (a) except as provided in Subsection (4), impose the tax on the transactions described  
1346 in Subsection 59-12-103(1) located within the town; and

1347 (b) provide an effective date for the tax as provided in Subsection (5).

1348 (4) (a) Notwithstanding Subsection (3)(a), a town may not impose a tax under this  
1349 section on:

1350 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1351 are exempt from taxation under Section 59-12-104; and

1352 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food  
1353 ingredients.

1354 (b) For purposes of this Subsection (4), the location of a transaction shall be  
1355 determined in accordance with Sections 59-12-211 through 59-12-215.

1356 (c) A town imposing a tax under this section shall impose the tax on amounts paid or  
1357 charged for food and food ingredients if the food and food ingredients are sold as part of a  
1358 bundled transaction attributable to food and food ingredients and tangible personal property  
1359 other than food and food ingredients.

1360 (5) (a) For purposes of this Subsection (5):

1361 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,  
1362 Annexation.

1363 (ii) "Annexing area" means an area that is annexed into a town.

1364 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
1365 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,  
1366 or change shall take effect:

1367 (A) on the first day of a calendar quarter; and

1368 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1369 the requirements of Subsection (5)(b)(ii) from the town.

1370 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1371 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1372 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1373 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1374 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
1375 (5)(b)(ii)(A), the rate of the tax.

1376 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of  
1377 the first billing period:

1378 (A) that begins after the effective date of the enactment of the tax or the tax rate  
1379 increase; and

1380 (B) if the billing period for the transaction begins before the effective date of the  
1381 enactment of the tax or the tax rate increase imposed under Subsection (1).

1382 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
1383 billing period:

1384 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
1385 and

1386 (B) if the billing period for the transaction begins before the effective date of the repeal  
1387 of the tax or the tax rate decrease imposed under Subsection (1).

1388 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1389 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
1390 a tax described in Subsection (5)(b)(i) takes effect:

1391 (A) on the first day of a calendar quarter; and

1392 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1393 rate of the tax under Subsection (5)(b)(i).

1394 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1395 commission may by rule define the term "catalogue sale."

1396 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
1397 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the  
1398 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
1399 effect:

1400 (A) on the first day of a calendar quarter; and

1401 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1402 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1403 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1404 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,  
1405 repeal, or change in the rate of a tax under this part for the annexing area;

1406 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1407 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1408 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
1409 (5)(e)(ii)(A), the rate of the tax.

1410 (f) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of  
1411 the first billing period:

1412 (A) that begins after the effective date of the enactment of the tax or the tax rate  
1413 increase; and

1414 (B) if the billing period for the transaction begins before the effective date of the  
1415 enactment of the tax or the tax rate increase imposed under Subsection (1).

1416 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
1417 billing period:

1418 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
1419 and

1420 (B) if the billing period for the transaction begins before the effective date of the repeal  
1421 of the tax or the tax rate decrease imposed under Subsection (1).

1422 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1423 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
 1424 a tax described in Subsection (5)(e)(i) takes effect:

1425 (A) on the first day of a calendar quarter; and

1426 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
 1427 rate of the tax under Subsection (5)(e)(i).

1428 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
 1429 commission may by rule define the term "catalogue sale."

1430 (6) The commission shall:

1431 (a) [~~except as provided in Subsection (6)(c);~~] distribute the revenues generated by the  
 1432 tax under this section to the town imposing the tax; and

1433 (b) except as provided in Subsection [~~(7)~~] (8), administer, collect, and enforce the tax  
 1434 authorized under this section in accordance with:

1435 (i) the same procedures used to administer, collect, and enforce the tax under:

1436 (A) Part 1, Tax Collection; or

1437 (B) Part 2, Local Sales and Use Tax Act; and

1438 (ii) Chapter 1, General Taxation Policies[~~; and~~].

1439 [~~(c) deduct from the distribution under Subsection (6)(a) an administrative charge for~~  
 1440 ~~collecting the tax as provided in Section 59-12-206.~~]

1441 (7) The commission shall retain and deposit an administrative charge in accordance  
 1442 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1443 [~~(7)~~] (8) Notwithstanding Subsection (6)(b), a tax under this section is not subject to  
 1444 Subsections 59-12-205(2) through (6).

1445 Section 21. Section **59-12-1403** is amended to read:

1446 **59-12-1403. Distribution of revenues -- Administrative charge.**

1447 (1) (a) The city or town legislative body shall by ordinance provide for the distribution  
 1448 of the entire amount of the revenues generated by the tax imposed by this part in accordance  
 1449 with this section.

1450 (b) A city or town may participate in an interlocal agreement provided for under  
 1451 Section 59-12-704 and distribute the revenues generated by the tax imposed by this part to  
 1452 participants in the interlocal agreement.

1453 (c) The revenues generated by the tax shall be used for one or more organizations or

1454 facilities defined in Section 59-12-702.

1455 (2) The commission [~~may retain an amount not to exceed 1-1/2% of the tax collected~~  
1456 ~~under this part for the cost of administering this part~~] shall retain and deposit an administrative  
1457 charge in accordance with Section 59-1-306 from the revenues the commission collects from a  
1458 tax under this part.

1459 Section 22. Section **59-12-2004** is amended to read:

1460 **59-12-2004. Enactment or repeal of tax -- Effective date -- Administration,**  
1461 **collection, and enforcement of tax -- Administrative charge.**

1462 (1) Subject to Subsections (2) and (3), a tax rate repeal or a tax rate change for a tax  
1463 imposed under this part shall take effect on the first day of a calendar quarter.

1464 (2) (a) The enactment of a tax or a tax rate increase shall take effect on the first day of  
1465 the first billing period that begins after the effective date of the enactment of the tax or the tax  
1466 rate increase if the billing period for the transaction begins before the effective date of the  
1467 enactment of the tax or the tax rate increase under this part.

1468 (b) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
1469 billing period that began before the effective date of the repeal of the tax or the tax rate  
1470 decrease if the billing period for the transaction begins before the effective date of the repeal of  
1471 the tax or the tax rate decrease imposed under this part.

1472 (3) (a) If a tax due under this part on a catalogue sale is computed on the basis of sales  
1473 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
1474 under this part takes effect:

1475 (i) on the first day of a calendar quarter; and

1476 (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1477 rate of the tax under this part.

1478 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1479 commission may by rule define the term "catalogue sale."

1480 (4) The commission shall administer, collect, and enforce a tax under this part in  
1481 accordance with:

1482 (a) the same procedures used to administer, collect, and enforce the tax under Part 1,  
1483 Tax Collection;

1484 (b) Chapter 1, General Taxation Policies; and



1485 (c) Section 59-12-210.1.

1486 (5) The commission shall retain and deposit an administrative charge in accordance  
1487 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1488 Section 23. Section **59-12-2103** is amended to read:

1489 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenues collected**  
1490 **from the tax -- Administration, collection, and enforcement of tax by commission --**  
1491 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1492 (1) (a) Subject to the other provisions of this section and except as provided in  
1493 Subsection (2), beginning on January 1, 2009 and ending on June 30, 2016, if a city or town  
1494 receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the city or  
1495 town would have received a tax revenue distribution of less than .75% of the taxable sales  
1496 within the boundaries of the city or town but for Subsection 59-12-205(3)(a), the city or town  
1497 legislative body may impose a sales and use tax of up to .20% on the transactions:

1498 (i) described in Subsection 59-12-103(1); and

1499 (ii) within the city or town.

1500 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall  
1501 expend the revenues collected from the tax for the same purposes for which the city or town  
1502 may expend the city's or town's general fund revenues.

1503 (c) For purposes of this Subsection (1), the location of a transaction shall be  
1504 determined in accordance with Sections 59-12-211 through 59-12-215.

1505 (2) (a) A city or town legislative body may not impose a tax under this section on:

1506 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1507 are exempt from taxation under Section 59-12-104; and

1508 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food  
1509 ingredients.

1510 (b) A city or town legislative body imposing a tax under this section shall impose the  
1511 tax on amounts paid or charged for food and food ingredients if the food and food ingredients  
1512 are sold as part of a bundled transaction attributable to food and food ingredients and tangible  
1513 personal property other than food and food ingredients.

1514 (3) To impose a tax under this part, a city or town legislative body shall obtain  
1515 approval from a majority of the members of the city or town legislative body.

1516 (4) The commission shall transmit revenues collected within a city or town from a tax  
1517 under this part:

1518 (a) to the city or town legislative body;

1519 (b) monthly; and

1520 (c) by electronic funds transfer.

1521 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,  
1522 collect, and enforce a tax under this part in accordance with:

1523 (i) the same procedures used to administer, collect, and enforce the tax under:

1524 (A) Part 1, Tax Collection; or

1525 (B) Part 2, Local Sales and Use Tax Act; and

1526 (ii) Chapter 1, General Taxation Policies.

1527 (b) A tax under this part is not subject to Subsections 59-12-205(2) through (6).

1528 ~~[(6) (a) The commission may retain an amount of tax collected under this part of not to~~  
1529 ~~exceed the lesser of:]~~

1530 ~~[(i) 1.5%, or]~~

1531 ~~[(ii) an amount equal to the cost to the commission of administering this part.]~~

1532 ~~[(b) Any amount the commission retains under Subsection (6)(a) shall be:]~~

1533 ~~[(i) deposited into the Sales and Use Tax Administrative Fees Account; and]~~

1534 ~~[(ii) used as provided in Subsection 59-12-206(2).]~~

1535 (6) The commission shall retain and deposit an administrative charge in accordance  
1536 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

1537 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,  
1538 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,  
1539 repeal, or change shall take effect:

1540 (A) on the first day of a calendar quarter; and

1541 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1542 the requirements of Subsection (7)(a)(i) from the city or town.

1543 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1544 (A) that the city or town will enact or repeal a tax or change the rate of the tax under  
1545 this part;

1546 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1547 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1548 (D) if the city or town enacts the tax or changes the rate of the tax described in

1549 Subsection (7)(a)(ii)(A), the rate of the tax.

1550 (b) (i) If the billing period for a transaction begins before the enactment of the tax or

1551 the tax rate increase under Subsection (1), the enactment of a tax or a tax rate increase shall

1552 take effect on the first day of the first billing period that begins after the effective date of the

1553 enactment of the tax or the tax rate increase.

1554 (ii) If the billing period for a transaction begins before the effective date of the repeal

1555 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate

1556 decrease shall take effect on the first day of the last billing period that began before the

1557 effective date of the repeal of the tax or the tax rate decrease.

1558 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales

1559 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax

1560 described in Subsection (7)(a)(i) takes effect:

1561 (A) on the first day of a calendar quarter; and

1562 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the

1563 rate of the tax under Subsection (7)(a)(i).

1564 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

1565 commission may by rule define the term "catalogue sale."

1566 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs

1567 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the

1568 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take

1569 effect:

1570 (A) on the first day of a calendar quarter; and

1571 (B) after a 90-day period beginning on the date the commission receives notice meeting

1572 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1573 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1574 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the

1575 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1576 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1577 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1578 (D) if the city or town enacts the tax or changes the rate of the tax described in  
 1579 Subsection (7)(d)(ii)(A), the rate of the tax.

1580 (e) (i) If the billing period for a transaction begins before the effective date of the  
 1581 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax  
 1582 rate increase shall take effect on the first day of the first billing period that begins after the  
 1583 effective date of the enactment of the tax or the tax rate increase.

1584 (ii) If the billing period for a transaction begins before the effective date of the repeal  
 1585 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of a tax or a tax rate  
 1586 decrease shall take effect on the first day of the last billing period that began before the  
 1587 effective date of the repeal of the tax or the tax rate decrease.

1588 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
 1589 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
 1590 described in Subsection (7)(d)(i) takes effect:

1591 (A) on the first day of a calendar quarter; and

1592 (B) beginning 60 days after the effective date of the enactment, repeal, or change under  
 1593 Subsection (7)(d)(i).

1594 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
 1595 commission may by rule define the term "catalogue sale".

1596 Section 24. Section **59-12-2207** is amended to read:

1597 **59-12-2207. Administrative charge.**

1598 [~~(1)~~] The commission [~~may retain a percentage of revenues collected from a sales and~~  
 1599 ~~use tax under this part of not to exceed the lesser of:~~] shall retain and deposit an administrative  
 1600 charge in accordance with Section 59-1-306 from the revenues the commission collects from a  
 1601 tax under this part.

1602 [~~(a) 1.50%; or~~]

1603 [~~(b) a percentage of revenues collected from a sales and use tax under this part~~  
 1604 ~~sufficient to cover the cost to the commission of administering this part.]~~

1605 [~~(2) The commission shall:~~]

1606 [~~(a) deposit any revenues the commission retains under Subsection (1) into the Sales~~  
 1607 ~~and Use Tax Administrative Fees Account; and]~~

1608 [~~(b) expend the revenues described in Subsection (2)(a) as provided in Subsection~~

1609 59-12-206(2):]

1610 Section 25. Section **59-26-104** is amended to read:

1611 **59-26-104. Collection of tax.**

1612 A multi-channel video or audio service provider shall:

1613 (1) collect the tax imposed by Section 59-26-103 from the purchaser; [~~and~~]

1614 (2) [~~remit~~] pay the tax collected under Subsection (1) to the commission:

1615 [~~(a) quarterly on or before the last day of the month immediately following the last day~~  
1616 ~~of each calendar quarter; and]~~

1617 [~~(b) on a return prescribed by the commission:]~~

1618 (a) monthly on or before the last day of the month immediately following the last day  
1619 of the previous month if:

1620 (i) the multi-channel video or audio service provider is required to file a sales and use  
1621 tax return with the commission monthly under Section 59-12-108; or

1622 (ii) the multi-channel video or audio service provider is not required to file a sales and  
1623 use tax return under Chapter 12, Sales and Use Tax Act; or

1624 (b) quarterly on or before the last day of the month immediately following the last day  
1625 of the previous quarter if the multi-channel video or audio service provider is required to file a  
1626 sales and use tax return with the commission quarterly under Section 59-12-108; and

1627 (3) pay the tax collected under Subsection (1) using a form prescribed by the  
1628 commission.

1629 Section 26. Section **59-27-105** is amended to read:

1630 **59-27-105. Sexually explicit business and escort service fund -- Administrative**  
1631 **charge.**

1632 (1) There is created a restricted special revenue fund called the "Sexually Explicit  
1633 Business and Escort Service Fund."

1634 (2) (a) Except as provided in Subsection (3), the fund consists of all amounts collected  
1635 by the commission under this chapter.

1636 (b) (i) The money in the fund shall be invested by the state treasurer pursuant to Title  
1637 51, Chapter 7, State Money Management Act.

1638 (ii) All interest or other earnings derived from the fund money shall be deposited in the  
1639 fund.

1640 (3) Notwithstanding any other [~~provisions~~] provision of this chapter, the commission  
 1641 [~~may retain an amount of tax collected under this chapter of not to exceed the lesser of:~~] shall  
 1642 retain and deposit an administrative charge in accordance with Section 59-1-306 from the  
 1643 revenues the commission collects from a tax under this chapter.

1644 [~~(a) 1.5%; or~~]

1645 [~~(b) an amount equal to the cost to the commission of administering this chapter.~~]

1646 (4) (a) Fund money shall be used as provided in this Subsection (4).

1647 (b) The Department of Corrections shall use 60% of the money in the fund, in addition  
 1648 to existing budgets, to provide treatment services to nonworking or indigent adults who:

1649 (i) have been convicted of an offense under Title 76, Chapter 5, Part 4, Sexual  
 1650 Offenses; and

1651 (ii) are not currently confined or incarcerated in a jail or prison.

1652 (c) The Adult Probation and Parole section of the Department of Corrections shall use  
 1653 15% of the money in the fund to provide outpatient treatment services to individuals who:

1654 (i) have been convicted of an offense under Title 76, Chapter 5, Part 4, Sexual  
 1655 Offenses; and

1656 (ii) are not currently confined or incarcerated in a jail or prison.

1657 (d) The Department of Corrections shall use 10% of the money in the fund, in addition  
 1658 to existing budgets, to implement treatment programs for juveniles who have been convicted of  
 1659 an offense under Title 76, Chapter 5, Part 4, Sexual Offenses.

1660 (e) The attorney general shall use 15% of the money in the fund to provide funding for  
 1661 any task force:

1662 (i) administered through the Office of the Attorney General; and

1663 (ii) that investigates and prosecutes individuals who use the Internet to commit crimes  
 1664 against children.

1665 Section 27. Section **69-2-5** is amended to read:

1666 **69-2-5. Funding for 911 emergency telecommunications service -- Administrative**  
 1667 **charge.**

1668 (1) In providing funding of 911 emergency telecommunications service, any public  
 1669 agency establishing a 911 emergency telecommunications service may:

1670 (a) seek assistance from the federal or state government, to the extent constitutionally

1671 permissible, in the form of loans, advances, grants, subsidies, and otherwise, directly or  
1672 indirectly;

1673 (b) seek funds appropriated by local governmental taxing authorities for the funding of  
1674 public safety agencies; and

1675 (c) seek gifts, donations, or grants from individuals, corporations, or other private  
1676 entities.

1677 (2) For purposes of providing funding of 911 emergency telecommunications service,  
1678 special service districts may raise funds as provided in Section 17D-1-105 and may borrow  
1679 money and incur indebtedness as provided in Section 17D-1-103.

1680 (3) (a) Except as provided in Subsection (3)(b) and subject to the other provisions of  
1681 this Subsection (3) a county, city, or town within which 911 emergency telecommunications  
1682 service is provided may levy monthly an emergency services telecommunications charge on:

1683 (i) each local exchange service switched access line within the boundaries of the  
1684 county, city, or town;

1685 (ii) each revenue producing radio communications access line with a billing address  
1686 within the boundaries of the county, city, or town; and

1687 (iii) any other service, including voice over Internet protocol, provided to a user within  
1688 the boundaries of the county, city, or town that allows the user to make calls to and receive  
1689 calls from the public switched telecommunications network, including commercial mobile  
1690 radio service networks.

1691 (b) Notwithstanding Subsection (3)(a), an access line provided for public coin  
1692 telecommunications service is exempt from emergency telecommunications charges.

1693 (c) The amount of the charge levied under this section may not exceed:

1694 (i) 61 cents per month for each local exchange service switched access line;

1695 (ii) 61 cents per month for each radio communications access line; and

1696 (iii) 61 cents per month for each service under Subsection (3)(a)(iii).

1697 (d) (i) For purposes of this Subsection (3)(d) the following terms shall be defined as  
1698 provided in Section 59-12-102 or 59-12-215:

1699 (A) "mobile telecommunications service";

1700 (B) "place of primary use";

1701 (C) "service address"; and

- 1702 (D) "telecommunications service."
- 1703 (ii) An access line described in Subsection (3)(a) is considered to be within the
- 1704 boundaries of a county, city, or town if the telecommunications services provided over the
- 1705 access line are located within the county, city, or town:
  - 1706 (A) for purposes of sales and use taxes under Title 59, Chapter 12, Sales and Use Tax
  - 1707 Act; and
  - 1708 (B) determined in accordance with Section 59-12-215.
- 1709 (iii) The rate imposed on an access line under this section shall be determined in
- 1710 accordance with Subsection (3)(d)(iv) if the location of an access line described in Subsection
- 1711 (3)(a) is determined under Subsection (3)(d)(ii) to be a county, city, or town other than county,
- 1712 city, or town in which is located:
  - 1713 (A) for a telecommunications service, the purchaser's service address; or
  - 1714 (B) for mobile telecommunications service, the purchaser's place of primary use.
- 1715 (iv) The rate imposed on an access line under this section shall be the lower of:
  - 1716 (A) the rate imposed by the county, city, or town in which the access line is located
  - 1717 under Subsection (3)(d)(ii); or
  - 1718 (B) the rate imposed by the county, city, or town in which it is located:
    - 1719 (I) for telecommunications service, the purchaser's service address; or
    - 1720 (II) for mobile telecommunications service, the purchaser's place of primary use.
- 1721 (e) (i) A county, city, or town shall notify the Public Service Commission of the intent
- 1722 to levy the charge under this Subsection (3) at least 30 days before the effective date of the
- 1723 charge being levied.
- 1724 (ii) For purposes of this Subsection (3)(e):
  - 1725 (A) "Annexation" means an annexation to:
    - 1726 (I) a city or town under Title 10, Chapter 2, Part 4, Annexation; or
    - 1727 (II) a county under Title 17, Chapter 2, County Consolidations and Annexations.
  - 1728 (B) "Annexing area" means an area that is annexed into a county, city, or town.
- 1729 (iii) (A) Except as provided in Subsection (3)(e)(iii)(C) or (D), if on or after July 1,
- 1730 2003, a county, city, or town enacts or repeals a charge or changes the amount of the charge
- 1731 under this section, the enactment, repeal, or change shall take effect:
  - 1732 (I) on the first day of a calendar quarter; and



1733 (II) after a 90-day period beginning on the date the State Tax Commission receives  
1734 notice meeting the requirements of Subsection (3)(e)(iii)(B) from the county, city, or town.

1735 (B) The notice described in Subsection (3)(e)(iii)(A) shall state:

1736 (I) that the county, city, or town will enact or repeal a charge or change the amount of  
1737 the charge under this section;

1738 (II) the statutory authority for the charge described in Subsection (3)(e)(iii)(B)(I);

1739 (III) the effective date of the charge described in Subsection (3)(e)(iii)(B)(I); and

1740 (IV) if the county, city, or town enacts the charge or changes the amount of the charge  
1741 described in Subsection (3)(e)(iii)(B)(I), the amount of the charge.

1742 (C) Notwithstanding Subsection (3)(e)(iii)(A), the enactment of a charge or a charge  
1743 increase under this section shall take effect on the first day of the first billing period:

1744 (I) that begins after the effective date of the enactment of the charge or the charge  
1745 increase; and

1746 (II) if the billing period for the charge begins before the effective date of the enactment  
1747 of the charge or the charge increase imposed under this section.

1748 (D) Notwithstanding Subsection (3)(e)(iii)(A), the repeal of a charge or a charge  
1749 decrease under this section shall take effect on the first day of the last billing period:

1750 (I) that began before the effective date of the repeal of the charge or the charge  
1751 decrease; and

1752 (II) if the billing period for the charge begins before the effective date of the repeal of  
1753 the charge or the charge decrease imposed under this section.

1754 (iv) (A) Except as provided in Subsection (3)(e)(iv)(C) or (D), if for an annexation that  
1755 occurs on or after July 1, 2003, the annexation will result in the enactment, repeal, or a change  
1756 in the amount of a charge imposed under this section for an annexing area, the enactment,  
1757 repeal, or change shall take effect:

1758 (I) on the first day of a calendar quarter; and

1759 (II) after a 90-day period beginning on the date the State Tax Commission receives  
1760 notice meeting the requirements of Subsection (3)(e)(iv)(B) from the county, city, or town that  
1761 annexes the annexing area.

1762 (B) The notice described in Subsection (3)(e)(iv)(A) shall state:

1763 (I) that the annexation described in Subsection (3)(e)(iv)(A) will result in an

1764 enactment, repeal, or a change in the charge being imposed under this section for the annexing  
1765 area;

1766 (II) the statutory authority for the charge described in Subsection (3)(e)(iv)(B)(I);

1767 (III) the effective date of the charge described in Subsection (3)(e)(iv)(B)(I); and

1768 (IV) if the county, city, or town enacts the charge or changes the amount of the charge  
1769 described in Subsection (3)(e)(iv)(B)(I), the amount of the charge.

1770 (C) Notwithstanding Subsection (3)(e)(iv)(A), the enactment of a charge or a charge  
1771 increase under this section shall take effect on the first day of the first billing period:

1772 (I) that begins after the effective date of the enactment of the charge or the charge  
1773 increase; and

1774 (II) if the billing period for the charge begins before the effective date of the enactment  
1775 of the charge or the charge increase imposed under this section.

1776 (D) Notwithstanding Subsection (3)(e)(iv)(A), the repeal of a charge or a charge  
1777 decrease under this section shall take effect on the first day of the last billing period:

1778 (I) that began before the effective date of the repeal of the charge or the charge  
1779 decrease; and

1780 (II) if the billing period for the charge begins before the effective date of the repeal of  
1781 the charge or the charge decrease imposed under this section.

1782 (f) Subject to Subsection (3)(g), an emergency services telecommunications charge  
1783 levied under this section shall:

1784 (i) be billed and collected by the person that provides the:

1785 (A) local exchange service switched access line services; or

1786 (B) radio communications access line services; and

1787 (ii) except for costs retained under Subsection (3)(h), remitted to the State Tax  
1788 Commission.

1789 (g) An emergency services telecommunications charge on a mobile  
1790 telecommunications service may be levied, billed, and collected only to the extent permitted by  
1791 the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

1792 (h) The person that bills and collects the charges levied under Subsection (3)(f) may:

1793 (i) bill the charge imposed by this section in combination with the charge levied under  
1794 Section 69-2-5.6 as one line item charge; and

1795 (ii) retain an amount not to exceed 1.5% of the levy collected under this section as  
 1796 reimbursement for the cost of billing, collecting, and remitting the levy.

1797 (i) The State Tax Commission shall:

1798 (i) collect, enforce, and administer the charge imposed under this Subsection (3) using  
 1799 the same procedures used in the administration, collection, and enforcement of the state sales  
 1800 and use taxes under:

1801 (A) Title 59, Chapter 1, General Taxation Policies; and

1802 (B) Title 59, Chapter 12, Part 1, Tax Collection, except for:

1803 (I) Section 59-12-104;

1804 (II) Section 59-12-104.1;

1805 (III) Section 59-12-104.2;

1806 (IV) Section 59-12-107.1; and

1807 (V) Section 59-12-123; and

1808 (ii) transmit money collected under this Subsection (3) ~~[(A)]~~ monthly ~~[, and (B)]~~ by  
 1809 electronic funds transfer ~~[by the commission]~~ to the county, city, or town that imposes the  
 1810 charge ~~[, and]~~.

1811 (j) A person that pays a charge under this section shall pay the charge to the  
 1812 commission:

1813 (i) monthly on or before the last day of the month immediately following the last day of  
 1814 the previous month if:

1815 (A) the person is required to file a sales and use tax return with the commission  
 1816 monthly under Section 59-12-108; or

1817 (B) the person is not required to file a sales and use tax return under Title 59, Chapter  
 1818 12, Sales and Use Tax Act; or

1819 (ii) quarterly on or before the last day of the month immediately following the last day  
 1820 of the previous quarter if the person is required to file a sales and use tax return with the  
 1821 commission quarterly under Section 59-12-108.

1822 (k) A charge a person pays under this section shall be paid using a form prescribed by  
 1823 the State Tax Commission.

1824 ~~[(iii) charge the county, city, or town for the State Tax Commission's services under~~  
 1825 ~~this Subsection (3) in an amount:]~~

1826           ~~[(A) sufficient to reimburse the State Tax Commission for the cost to the State Tax~~  
1827 ~~Commission in rendering the services; and]~~

1828           ~~[(B) that may not exceed an amount equal to 1.5% of the charges imposed under this~~  
1829 ~~Subsection (3).]~~

1830           (l) The State Tax Commission shall retain and deposit an administrative charge in  
1831 accordance with Section 59-1-306 from the revenues the State Tax Commission collects from a  
1832 charge under this section.

1833           (4) (a) Any money received by a public agency for the provision of 911 emergency  
1834 telecommunications service shall be deposited in a special emergency telecommunications  
1835 service fund.

1836           (b) (i) Except as provided in Subsection (5)(b), the money in the emergency  
1837 telecommunications service fund shall be expended by the public agency to pay the costs of:

1838           (A) establishing, installing, maintaining, and operating a 911 emergency  
1839 telecommunications system;

1840           (B) receiving and processing emergency calls from the 911 system or other calls or  
1841 requests for emergency services;

1842           (C) integrating a 911 system into an established public safety dispatch center, including  
1843 contracting with the providers of local exchange service, radio communications service, and  
1844 vendors of appropriate terminal equipment as necessary to implement the 911 emergency  
1845 telecommunications service; or

1846           (D) indirect costs associated with the maintaining and operating of a 911 emergency  
1847 telecommunications system.

1848           (ii) Revenues derived for the funding of 911 emergency telecommunications service  
1849 may be used by the public agency for personnel costs associated with receiving and processing  
1850 calls and deploying emergency response resources when the system is integrated with any  
1851 public safety dispatch system.

1852           (c) Any unexpended money in the emergency telecommunications service fund at the  
1853 end of a fiscal year does not lapse, and must be carried forward to be used for the purposes  
1854 described in this section.

1855           (5) (a) Revenue received by a local entity from an increase in the levy imposed under  
1856 Subsection (3) after the 2004 Annual General Session:

1857 (i) may be used by the public agency for the purposes under Subsection (4)(b); and  
1858 (ii) shall be deposited into the special emergency telecommunications service fund  
1859 described in Subsection (4)(a).

1860 (b) Revenue received by a local entity from grants from the Utah 911 Committee under  
1861 Section 53-10-605:

1862 (i) shall be deposited into the special emergency telecommunications service fund  
1863 under Subsection (4)(a); and

1864 (ii) shall only be used for that portion of the costs related to the development and  
1865 operation of wireless and land-based enhanced 911 emergency telecommunications service and  
1866 the implementation of wireless E-911 Phase I and Phase II services as provided in Subsection  
1867 (5)(c).

1868 (c) The costs allowed under Subsection (5)(b)(ii) include the public safety answering  
1869 point's or local entity's costs for:

1870 (i) acquisition, upgrade, modification, maintenance, and operation of public service  
1871 answering point equipment capable of receiving E-911 information;

1872 (ii) database development, operation, and maintenance; and

1873 (iii) personnel costs associated with establishing, installing, maintaining, and operating  
1874 wireless E-911 Phase I and Phase II services, including training emergency service personnel  
1875 regarding receipt and use of E-911 wireless service information and educating consumers  
1876 regarding the appropriate and responsible use of E-911 wireless service.

1877 (6) A local entity that increases the levy it imposes under Subsection (3)(c) after the  
1878 2004 Annual General Session shall increase the levy to the maximum amount permitted by  
1879 Subsection (3)(c).

1880 Section 28. Section **69-2-5.5** is amended to read:

1881 **69-2-5.5. Emergency services telecommunications charge to fund the Poison**  
1882 **Control Center -- Administrative charge.**

1883 (1) Subject to Subsection (7), there is imposed an emergency services  
1884 telecommunications charge of 7 cents per month on each local exchange service switched  
1885 access line and each revenue producing radio communications access line that is subject to an  
1886 emergency services telecommunications charge levied by a county, city, or town under Section  
1887 69-2-5.

1888 (2) ~~(a) [The]~~ Subject to Subsection (7), an emergency services telecommunications  
1889 charge imposed under this section shall be~~[-(a) subject to Subsection (7);]~~ billed and collected  
1890 by the person that provides:

1891 (i) local exchange service switched access line services; or

1892 (ii) radio communications access line services[;].

1893 (b) A person that pays an emergency services telecommunications charge under this  
1894 section shall pay the emergency services telecommunications charge to the commission:

1895 (i) monthly on or before the last day of the month immediately following the last day of  
1896 the previous month if:

1897 (A) the person is required to file a sales and use tax return with the commission  
1898 monthly under Section 59-12-108; or

1899 (B) the person is not required to file a sales and use tax return under Title 59, Chapter  
1900 12, Sales and Use Tax Act; or

1901 (ii) quarterly on or before the last day of the month immediately following the last day  
1902 of the previous quarter if the person is required to file a sales and use tax return with the  
1903 commission quarterly under Section 59-12-108.

1904 ~~[(b) remitted to the State Tax Commission at the same time as the person remits to the~~  
1905 ~~State Tax Commission money collected by the person under Title 59, Chapter 12, Sales and~~  
1906 ~~Use Tax Act; and]~~

1907 (c) An emergency services telecommunications charge imposed under this section shall  
1908 be deposited into the General Fund as dedicated credits to pay for:

1909 (i) costs of establishing, installing, maintaining, and operating the University of Utah  
1910 Poison Control Center; and

1911 (ii) expenses of the State Tax Commission to administer and enforce the collection of  
1912 the emergency services telecommunications charges.

1913 (3) Funds for the University of Utah Poison Control Center program are nonlapsing.

1914 (4) Emergency services telecommunications charges remitted to the State Tax  
1915 Commission pursuant to Subsection (2) shall be accompanied by the form prescribed by the  
1916 State Tax Commission.

1917 (5) (a) The State Tax Commission shall administer, collect, and enforce the charge  
1918 imposed under Subsection (1) according to the same procedures used in the administration,

1919 collection, and enforcement of the state sales and use tax under:

1920 (i) Title 59, Chapter 1, General Taxation Policies; and

1921 (ii) Title 59, Chapter 12, Part 1, Tax Collection, except for:

1922 (A) Section 59-12-104;

1923 (B) Section 59-12-104.1;

1924 (C) Section 59-12-104.2; and

1925 (D) Section 59-12-107.1.

1926 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1927 State Tax Commission may make rules to administer, collect, and enforce the emergency  
1928 services telecommunications charges imposed under this section.

1929 (c) The State Tax Commission shall retain and deposit an administrative charge in  
1930 accordance with Section 59-1-306 from the revenues the State Tax Commission collects from  
1931 an emergency services telecommunications charge under this section.

1932 (6) A provider of local exchange service switched access line services or radio  
1933 communications access line services who fails to comply with this section is subject to  
1934 penalties and interest as provided in Sections 59-1-401 and 59-1-402.

1935 (7) An emergency services telecommunications charge under this section on a mobile  
1936 telecommunications service may be imposed, billed, and collected only to the extent permitted  
1937 by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

1938 Section 29. Section **69-2-5.6** is amended to read:

1939 **69-2-5.6. Emergency services telecommunications charge to fund statewide**  
1940 **unified E-911 emergency service -- Administrative charge.**

1941 (1) Subject to Subsection 69-2-5(3)(g), there is imposed a statewide unified E-911  
1942 emergency service charge on each local exchange service switched access line and each  
1943 revenue producing radio communications access line that is subject to an emergency services  
1944 telecommunications charge levied by a county, city, or town under Section 69-2-5 or 69-2-5.5  
1945 at:

1946 (a) 13 cents per month until June 30, 2007; and

1947 (b) 8 cents per month on and after July 1, 2007.

1948 (2) (a) [~~The~~] An emergency services telecommunications charge imposed under this  
1949 section shall be:

1950           ~~[(a)]~~ (i) subject to Subsection 69-2-5(3)(g); and

1951           ~~[(b)]~~ (ii) billed and collected by the person that provides:

1952           ~~[(i)]~~ (A) local exchange service switched access line services;

1953           ~~[(ii)]~~ (B) radio communications access line services; or

1954           ~~[(iii)]~~ (C) service described in Subsection 69-2-5(3)(a)(iii).

1955           ~~[(c)]~~ ~~except for costs retained under Subsection (3), remitted to the State Tax~~

1956 ~~Commission at the same time as the person remits to the State Tax Commission money~~

1957 ~~collected by the person under Title 59, Chapter 12, Sales and Use Tax Act; and]~~

1958           (b) A person that pays a charge under this section shall pay the charge to the

1959 commission:

1960           (i) monthly on or before the last day of the month immediately following the last day of

1961 the previous month if:

1962           (A) the person is required to file a sales and use tax return with the commission

1963 monthly under Section 59-12-108; or

1964           (B) the person is not required to file a sales and use tax return under Title 59, Chapter

1965 12, Sales and Use Tax Act; or

1966           (ii) quarterly on or before the last day of the month immediately following the last day

1967 of the previous quarter if the person is required to file a sales and use tax return with the

1968 commission quarterly under Section 59-12-108.

1969           ~~[(d)]~~ (c) A charge imposed under this section shall be deposited into the Statewide

1970 Unified E-911 Emergency Service [Fund restricted account in the General Fund] Account

1971 created by Section 53-10-603.

1972           (3) The person that bills and collects the charges levied by this section pursuant to

1973 Subsections (2)(b) and (c) may:

1974           (a) bill the charge imposed by this section in combination with the charge levied under

1975 Section 69-2-5 as one line item charge; and

1976           (b) retain an amount not to exceed 1.5% of the charges collected under this section as

1977 reimbursement for the cost of billing, collecting, and remitting the levy.

1978           (4) The State Tax Commission shall collect, enforce, and administer the charges

1979 imposed under Subsection (1) using the same procedures used in the administration, collection,

1980 and enforcement of the emergency services telecommunications charge to fund the Poison



1981 Control Center under Section 69-2-5.5.

1982 (5) Notwithstanding Section 53-10-603, the State Tax Commission shall retain and  
1983 deposit an administrative charge in accordance with Section 59-1-306 from the revenues the  
1984 State Tax Commission collects from a charge under this section.

1985 [~~5~~] (6) This section sunsets in accordance with Section 63I-1-269.

1986 Section 30. **Effective date.**

1987 This bill takes effect on July 1, 2011.

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**Legislative Review Note**  
**as of 11-17-10 1:52 PM**

**Office of Legislative Research and General Counsel**