

**CITY OR TOWN OPTION SALES AND USE TAX
AMENDMENTS**

2012 GENERAL SESSION
STATE OF UTAH

Chief Sponsor: Brad L. Dee

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the City or Town Option Sales and Use Tax Act to ~~H→~~ **address the imposition or ←H** repeal ~~H→~~ **[an expiration date for] of ←H** the tax.

Highlighted Provisions:

This bill:

▶ amends the City or Town Option Sales and Use Tax Act to ~~H→~~ **address the imposition or ←H** repeal ~~H→~~ **[the June 30, 2016, expiration date for] of ←H** the tax ~~H→~~ **beginning on July 1, 2016 ←H** ; and

▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-12-2103, as last amended by Laws of Utah 2011, Chapters 198 and 309

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

Section 1. Section **59-12-2103** is amended to read:

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

H.B. 81



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

30 (1) (a) Subject to the other provisions of this section and except as provided in
 31 Subsection (2) ~~Ĥ~~ **or (3) ~~Ĥ~~** , ~~Ĥ~~ **[f] beginning on January 1, 2009 and ending on June 30,**
 31a **2016, [f] ~~Ĥ~~** if a city or town

32 receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the city or
 33 town would have received a tax revenue distribution of less than .75% of the taxable sales
 34 within the boundaries of the city or town but for Subsection 59-12-205(4)(a), the city or town
 35 legislative body may impose a sales and use tax of up to .20% on the transactions:

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

37 (ii) within the city or town.

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

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

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

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

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

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

52 (3) ~~Ĥ~~ **(a) [Fø] Beginning on January 1, 2009 and ending on**
 52a **June 30, 2016, to ~~Ĥ~~** impose a tax under this part, a city or town legislative body shall obtain
 53 approval from a majority of the members of the city or town legislative body.

53a ~~Ĥ~~ **(b) If, on June 30, 2016, a city or town is not imposing a tax under this part, the city**
 53b **or town legislative body may not impose a tax under this part beginning on or after July 1,**
 53c **2016.**

53d **(c) If, on June 30, 2016, a city or town imposes a tax under this part, the city or town**
 53e **shall repeal the tax on July 1, 2016, unless, on or after April 1, [2016] 2012 but on or before**
 53f **June 30, 2016, the city or town legislative body obtains approval from a majority vote of**

53g **the members of the city or town legislative body to continue to impose the tax.** ←~~H~~

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

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

57 (b) monthly; and

58 (c) by electronic funds transfer.