

# HB0452S01 compared with HB0452

~~{deleted text}~~ shows text that was in HB0452 but was deleted in HB0452S01.

Inserted text shows text that was not in HB0452 but was inserted into HB0452S01.

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Representative Steve Eliason proposes the following substitute bill:

## HOMELESS SERVICES AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Steve Eliason**

Senate Sponsor: ~~{~~ Todd Weiler

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### LONG TITLE

#### General Description:

This bill modifies provisions related to ~~{sales and use}~~ county property taxes and the provision of services to the homeless.

#### Highlighted Provisions:

This bill:

- ▶ provides that certain ~~{sales and use tax revenue collected by municipalities, counties, and the state is}~~ county revenue that may be collected through property taxes is annually deposited into the Homeless to Housing Reform Restricted Account;
- ▶ modifies the responsibilities of the Housing and Community Development Division and the Homeless Coordinating Committee in awarding grants or contracts using money from the Homeless to Housing Reform Restricted Account;

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- ▶ provides that municipalities with certain qualifying homeless shelters may receive an annual payment; and
- ▶ makes technical changes.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

~~{ None }~~ This bill provides retrospective operation.

### Utah Code Sections Affected:

AMENDS:

**35A-8-604**, as enacted by Laws of Utah 2016, Chapter 278

**35A-8-605**, as enacted by Laws of Utah 2016, Chapter 278

~~{ **59-12-103**, as last amended by Laws of Utah 2016, Chapters 184, 291, 348 and last amended by Coordination Clause, Laws of Utah 2016, Chapter 291~~

~~**59-12-204**, as last amended by Laws of Utah 2014, Chapter 258~~

~~**59-12-1102**, as last amended by Laws of Utah 2016, Chapter 364~~ **ENACTS:**

**59-2-1801**, Utah Code Annotated 1953

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

Section 1. Section **35A-8-604** is amended to read:

**35A-8-604. Uses of Homeless to Housing Reform Restricted Account.**

(1) (a) For purposes of this Subsection (1), a "qualifying shelter" means a shelter that:

(i) is located within a municipality;

(ii) provides temporary shelter to homeless individuals;

(iii) has the capacity to provide temporary shelter to at least ~~150~~200 individuals per night;

(iv) currently operates year-round and is not subject to zoning restrictions that limit the hours, days, weeks, or months of operation; and

(v) was available to provide temporary shelter each night during the previous calendar year.

(b) Beginning in 2018, a municipality may annually provide to the division a report on or before March 1 in a form prescribed by the division describing:

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(i) the number of beds that were available each night in a qualifying shelter in the municipality during the previous calendar year; and

(ii) an emergency shelter plan that describes how the municipality will address emergency sheltering needs of homeless individuals beyond the capacity of the qualifying shelter.

(c) After verifying ~~whether~~ that the information provided by a municipality in Subsection (1)(b) is accurate, the division shall award a payment of \$900 per bed to the municipality on or before April 1 from the Housing Reform Restricted Account created in Section 35A-8-605.

~~(1)~~ (2) With the concurrence of the division and in accordance with this section, the Homeless Coordinating Committee members designated in Subsection 35A-8-601(2) may award ongoing or one-time grants or contracts funded from the Homeless to Housing Reform Restricted Account ~~[created in Section 35A-8-605]~~.

~~(2)~~ (3) Before final approval of a grant or contract awarded under this section, the Homeless Coordinating Committee and the division shall provide information regarding the grant or contract to, and shall consider the recommendations of, the Legislative Management Committee and the Executive Appropriations Committee.

~~(3)~~ (4) As a condition of receiving money, including any ongoing money, from the Homeless to Housing Reform Restricted Account, an entity awarded a grant or contract under this section shall provide detailed and accurate reporting on at least an annual basis to the division and the Homeless Coordinating Committee that describes:

(a) how money provided from the Homeless to Housing Reform Restricted Account has been spent by the entity; and

(b) the progress towards measurable outcome-based benchmarks agreed to between the entity and the Homeless Coordinating Committee before the awarding of the grant or contract.

~~(4)~~ (5) In determining the awarding of a grant or contract under this section, the Homeless Coordinating Committee, with the concurrence of the division, shall:

(a) ensure that the services to be provided through the grant or contract will be provided in a cost-effective manner;

(b) consider the advice of committee members designated in Subsection 35A-8-601(3);

(c) give priority to a project or contract that will include significant additional or

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matching funds from a private organization or local government entity;

(d) ensure that the project or contract will target the distinct housing needs of one or more at-risk or homeless subpopulations, which may include:

- (i) families with children;
- (ii) transitional-aged youth;
- (iii) single men or single women;
- (iv) veterans;
- (v) victims of domestic violence;
- (vi) individuals with behavioral health disorders, including mental health or substance

use disorders;

- (vii) individuals who are medically frail or terminally ill;
- (viii) individuals exiting prison or jail; or
- (ix) individuals who are homeless without shelter; and

(e) consider whether the project will address one or more of the following goals:

- (i) diverting homeless or imminently homeless individuals and families from emergency shelters by providing better housing-based solutions;
- (ii) meeting the basic needs of homeless individuals and families in crisis;
- (iii) providing homeless individuals and families with needed stabilization services;
- (iv) decreasing the state's homeless rate;

(v) implementing a coordinated entry system with consistent assessment tools to provide appropriate and timely access to services for homeless individuals and families;

(vi) providing access to caseworkers or other individualized support for homeless individuals and families;

(vii) encouraging employment and increased financial stability for individuals and families being diverted from or exiting homelessness;

(viii) creating additional affordable housing for state residents;

(ix) providing services and support to prevent homelessness among at-risk individuals and adults;

(x) providing services and support to prevent homelessness among at-risk children, adolescents, and young adults; and

(xi) preventing the reoccurrence of homelessness among individuals and families

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exiting homelessness.

~~[(5)]~~ (6) In addition to the other provisions of this section, in determining the awarding of a grant or contract under this section to design, build, create, or renovate a facility that will provide shelter or other resources for the homeless, the Homeless Coordinating Committee, with the concurrence of the division:

(a) may consider whether the facility will be:

(i) located near mass transit services;

(ii) located in an area that meets or will meet all zoning regulations before a final dispersal of funds;

(iii) safe and welcoming both for individuals using the facility and for members of the surrounding community; and

(iv) located in an area with access to employment, job training, and positive activities;

and

(b) may not award a grant or contract under this Subsection ~~[(5)]~~ (6), unless the grant or contract is endorsed by the county and, if applicable, the municipality where the facility will be located.

~~[(6)]~~ (7) (a) As used in this Subsection ~~[(6)]~~ (7), "homeless shelter" means a facility that:

(i) is located within a municipality;

(ii) provides temporary shelter to homeless individuals;

(iii) has capacity to provide temporary shelter to at least 200 individuals per night;~~†~~

and~~†~~

~~††~~(iv) began operation on or before January 1, 2016;~~††~~

~~††~~(v) did not operate more than nine-months per year before January 1, 2016; and~~††~~

~~††~~(vi)~~††~~ (iv) currently operates year-round.

(b) In addition to the other provisions of this section, the Homeless Coordinating Committee, with the concurrence of the division, may award a grant or contract:

(i) to a municipality to improve sidewalks, pathways, or roadways near a homeless shelter to provide greater safety to homeless individuals; and

(ii) to a municipality to hire a peace officer to provide greater safety to homeless individuals.

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~~[(7)]~~ (8) The division may expend money from the Homeless to Housing Reform Restricted Account to offset actual division and Homeless Coordinating Committee expenses related to administering this section.

Section 2. Section **35A-8-605** is amended to read:

### **35A-8-605. Homeless to Housing Reform Restricted Account.**

(1) There is created a restricted account within the General Fund known as the Homeless to Housing Reform Restricted Account.

(2) The restricted account shall be administered by the division for the purposes described in Section 35A-8-604.

(3) The state treasurer shall invest the money in the restricted account according to the procedures and requirements of Title 51, Chapter 7, State Money Management Act, except that interest and other earnings derived from the restricted account shall be deposited in the restricted account.

(4) The restricted account shall be funded by:

(a) ~~sales and use tax revenue described in Subsections 59-12-103(13), 59-12-204(8), and 59-12-1102(6);~~ the homeless to housing services payment described in Section 59-2-1801;

~~[(a)]~~ (b) appropriations made to the account by the Legislature; and

~~[(b)]~~ (c) private donations, grants, gifts, bequests, or money made available from any other source to implement this section and Section 35A-8-604.

(5) ~~{} Subject to appropriation, the {} The~~ director shall use account money as described in Section 35A-8-604.

(6) The Homeless Coordinating Committee, in cooperation with the division, shall submit an annual written report to the department that gives a complete accounting of the use of money from the account for inclusion in the annual report described in Section 35A-1-109.

Section 3. Section ~~{59-12-103}~~ 59-2-1801 is ~~{amended}~~ enacted to read:

~~{59-12-103}~~ 59-2-1801. ~~— Sales and use tax base — Rates — Effective dates — Use of sales and use tax revenues.~~

~~— (1) A tax is imposed on the purchaser as provided in this part for amounts paid or charged for the following transactions:~~

~~— (a) retail sales of tangible personal property made within the state;~~

~~— (b) amounts paid for:~~

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- ~~—— (i) telecommunications service, other than mobile telecommunications service, that originates and terminates within the boundaries of this state;~~
- ~~—— (ii) mobile telecommunications service that originates and terminates within the boundaries of one state only to the extent permitted by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or~~
- ~~—— (iii) an ancillary service associated with a:~~
  - ~~—— (A) telecommunications service described in Subsection (1)(b)(i); or~~
  - ~~—— (B) mobile telecommunications service described in Subsection (1)(b)(ii);~~
- ~~—— (c) sales of the following for commercial use:~~
  - ~~—— (i) gas;~~
  - ~~—— (ii) electricity;~~
  - ~~—— (iii) heat;~~
  - ~~—— (iv) coal;~~
  - ~~—— (v) fuel oil; or~~
  - ~~—— (vi) other fuels;~~
- ~~—— (d) sales of the following for residential use:~~
  - ~~—— (i) gas;~~
  - ~~—— (ii) electricity;~~
  - ~~—— (iii) heat;~~
  - ~~—— (iv) coal;~~
  - ~~—— (v) fuel oil; or~~
  - ~~—— (vi) other fuels;~~
- ~~—— (e) sales of prepared food;~~
- ~~—— (f) except as provided in Section 59-12-104, amounts paid or charged as admission or user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or any other~~

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~~amusement, entertainment, recreation, exhibition, cultural, or athletic activity;~~

~~(g) amounts paid or charged for services for repairs or renovations of tangible personal property, unless Section 59-12-104 provides for an exemption from sales and use tax for:~~

~~(i) the tangible personal property; and~~

~~(ii) parts used in the repairs or renovations of the tangible personal property}~~ **Homeless to housing services payment.**

**(1) Beginning on or before January 30, 2018, each county treasurer on behalf of each county shall annually transfer on or before January 30 a homeless to housing services payment to the state treasurer as follows:**

**(a) for a county of the first class, an amount equal to the product of \$1.70 and the population of the county;**

**(b) for a county of the second class, an amount equal to the product of 75 cents and the population of the county;**

**(c) for a county of the third class, an amount equal to the product of 65 cents and the population of the county;**

**(d) for a county of the fourth class, an amount equal to the product of 55 cents and the population of the county;**

**(e) for a county of the fifth class, an amount equal to the product of 50 cents and the population of the county; and**

**(f) for a county of the sixth class, an amount equal to the product of 40 cents and the population of the county.**

**(2) The state treasurer shall deposit the homeless to housing services payment received from each county described in Subsection (1) ~~(g)(i), regardless of whether:~~**

~~(A) any parts are actually used in the repairs or renovations of that tangible personal property; or~~

~~(B) the particular parts used in the repairs or renovations of that tangible personal property are exempt from a tax under this chapter;~~

~~(h) except}~~ **into the Homeless to Housing Reform Restricted Account created in Section 35A-8-605.**

**(3) (a) Population figures for purposes of this section shall be based on the most recent**



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official census or census estimate of the United States Census Bureau.

(b) If a needed population estimate is not available from the United States Census Bureau, population figures shall be derived from the Utah Population Estimates Committee created by executive order of the governor.

(4) (a) For a calendar year beginning on January 1, 2017, at the request of a legislative body of a county, the commission shall adjust the county's certified tax rate as provided in Subsection ~~{59-12-104(7), amounts paid or charged for assisted cleaning or washing of tangible personal property:~~

~~—— (i) amounts paid or charged for tourist home, hotel, motel, or trailer court accommodations and services that are regularly rented for less than 30 consecutive days:~~

~~—— (j) amounts paid or charged for laundry or dry cleaning services:~~

~~—— (k) amounts paid or charged for leases or rentals of tangible personal property if within this state the tangible personal property is:~~

~~—— (i) stored;~~

~~—— (ii) used; or~~

~~—— (iii) otherwise consumed;~~

~~—— (l) amounts paid or charged for tangible personal property if within this state the tangible personal property is:~~

~~—— (i) stored;~~

~~—— (ii) used; or~~

~~—— (iii) consumed; and~~

~~—— (m) amounts paid or charged for a sale:~~

~~—— (i) (A) of a product transferred electronically; or~~

~~—— (B) of a repair or renovation of a product transferred electronically; and~~

~~—— (ii) regardless of whether the sale provides:~~

~~—— (A) a right of permanent use of the product; or~~

~~—— (B) a right to use the product that is less than a permanent use, including a right:~~

~~—— (I) for a definite or specified length of time; and~~

~~—— (II) that terminates upon the occurrence of a condition.~~

~~—— (2) (a) Except as provided in Subsections (2)(b) through (c), a state tax and a local tax is imposed on a transaction;~~(4)(b).

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(b) For purposes of Subsection (4)(a), the adjustment to a county's certified tax rate is equal to the amount of the homeless to housing services payment described in Subsection (1) equal to the sum of:

~~—— (i) a state tax imposed on the transaction at a tax rate equal to the sum of:~~

~~—— (A) 4.70%; and~~

~~—— (B) (i) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and~~

~~—— (ii) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and~~

~~—— (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.~~

~~—— (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed on a transaction described in Subsection (1)(d) equal to the sum of:~~

~~—— (i) a state tax imposed on the transaction at a tax rate of 2%; and~~

~~—— (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.~~

~~—— (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed on amounts paid or charged for food and food ingredients equal to the sum of:~~

~~—— (i) a state tax imposed on the amounts paid or charged for food and food ingredients at a tax rate of 1.75%; and~~

~~—— (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the amounts paid or charged for food and food ingredients under this chapter other than this part.~~

~~—— (d) (i) For a bundled transaction that is attributable to food and food ingredients and tangible personal property other than food and food ingredients, a state tax and a local tax is imposed on the entire bundled transaction equal to the sum of:~~

~~—— (A) a state tax imposed on the entire bundled transaction equal to the sum of:~~

~~—— (i) the tax rate described in Subsection (2)(a)(i)(A); and~~

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~~—— (H) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and~~

~~—— (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and~~

~~—— (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates described in Subsection (2)(a)(ii):~~

~~—— (ii) If an optional computer software maintenance contract is a bundled transaction that consists of taxable and nontaxable products that are not separately itemized on an invoice or similar billing document, the purchase of the optional computer software maintenance contract is 40% taxable under this chapter and 60% nontaxable under this chapter:~~

~~—— (iii) Subject to Subsection (2)(d)(iv), for a bundled transaction other than a bundled transaction described in Subsection (2)(d)(i) or (ii):~~

~~—— (A) if the sales price of the bundled transaction is attributable to tangible personal property, a product, or a service that is subject to taxation under this chapter and tangible personal property, a product, or service that is not subject to taxation under this chapter, the entire bundled transaction is subject to taxation under this chapter unless:~~

~~—— (I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is not subject to taxation under this chapter from the books and records the seller keeps in the seller's regular course of business; or~~

~~—— (II) state or federal law provides otherwise; or~~

~~—— (B) if the sales price of a bundled transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire bundled transaction is subject to taxation under this chapter at the higher tax rate unless:~~

~~—— (I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business; or~~

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~~—— (H) state or federal law provides otherwise:~~

~~—— (iv) For purposes of Subsection (2)(d)(iii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes:~~

~~—— (e) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(e)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental of tangible personal property, other property, a product, or a service that is not subject to taxation under this chapter, the entire transaction is subject to taxation under this chapter unless the seller, at the time of the transaction:~~

~~—— (A) separately states the portion of the transaction that is not subject to taxation under this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or~~

~~—— (B) is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter:~~

~~—— (ii) A purchaser and a seller may correct the taxability of a transaction if:~~

~~—— (A) after the transaction occurs, the purchaser and the seller discover that the portion of the transaction that is not subject to taxation under this chapter was not separately stated on an invoice, bill of sale, or similar document provided to the purchaser because of an error or ignorance of the law; and~~

~~—— (B) the seller is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter:~~

~~—— (iii) For purposes of Subsections (2)(e)(i) and (ii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes:~~

~~—— (f) (i) If the sales price of a transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate unless the seller, at the time of the transaction:~~

~~—— (A) separately states the items subject to taxation under this chapter at each of the~~

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~~different rates on an invoice, bill of sale, or similar document provided to the purchaser; or~~

~~—— (B) is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business;~~

~~—— (ii) For purposes of Subsection (2)(f)(i), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes;~~

~~—— (g) Subject to Subsections (2)(h) and (i), a tax rate repeal or tax rate change for a tax rate imposed under the following shall take effect on the first day of a calendar quarter:~~

~~—— (i) Subsection (2)(a)(i)(A);~~

~~—— (ii) Subsection (2)(b)(i);~~

~~—— (iii) Subsection (2)(c)(i); or~~

~~—— (iv) Subsection (2)(d)(i)(A)(f);~~

~~—— (h) (i) A tax rate increase takes effect on the first day of the first billing period that begins on or after the effective date of the tax rate increase if the billing period for the transaction begins before the effective date of a tax rate increase imposed under:~~

~~—— (A) Subsection (2)(a)(i)(A);~~

~~—— (B) Subsection (2)(b)(i);~~

~~—— (C) Subsection (2)(c)(i); or~~

~~—— (D) Subsection (2)(d)(i)(A)(f);~~

~~—— (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the tax or the tax rate decrease imposed under:~~

~~—— (A) Subsection (2)(a)(i)(A);~~

~~—— (B) Subsection (2)(b)(i);~~

~~—— (C) Subsection (2)(c)(i); or~~

~~—— (D) Subsection (2)(d)(i)(A)(f);~~

~~—— (i) (i) For a tax rate described in Subsection (2)(i)(ii), if a tax due on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal or change in a tax rate takes effect:~~

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

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- ~~\_\_\_\_\_ (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.~~
- ~~\_\_\_\_\_ (ii) Subsection (2)(i)(i) applies to the tax rates described in the following:~~
- ~~\_\_\_\_\_ (A) Subsection (2)(a)(i)(A);~~
- ~~\_\_\_\_\_ (B) Subsection (2)(b)(i);~~
- ~~\_\_\_\_\_ (C) Subsection (2)(c)(i); or~~
- ~~\_\_\_\_\_ (D) Subsection (2)(d)(i)(A)(f);~~
- ~~\_\_\_\_\_ (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."~~
- ~~\_\_\_\_\_ (3) (a) The following state taxes shall be deposited into the General Fund:~~
- ~~\_\_\_\_\_ (i) the tax imposed by Subsection (2)(a)(i)(A);~~
- ~~\_\_\_\_\_ (ii) the tax imposed by Subsection (2)(b)(i);~~
- ~~\_\_\_\_\_ (iii) the tax imposed by Subsection (2)(c)(i); or~~
- ~~\_\_\_\_\_ (iv) the tax imposed by Subsection (2)(d)(i)(A)(f).~~
- ~~\_\_\_\_\_ (b) The following local taxes shall be distributed to a county, city, or town as provided in this chapter:~~
- ~~\_\_\_\_\_ (i) the tax imposed by Subsection (2)(a)(ii);~~
- ~~\_\_\_\_\_ (ii) the tax imposed by Subsection (2)(b)(ii);~~
- ~~\_\_\_\_\_ (iii) the tax imposed by Subsection (2)(c)(ii); and~~
- ~~\_\_\_\_\_ (iv) the tax imposed by Subsection (2)(d)(i)(B).~~
- ~~\_\_\_\_\_ (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b) through (g):~~
- ~~\_\_\_\_\_ (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:~~
- ~~\_\_\_\_\_ (A) by a 1/16% tax rate on the transactions described in Subsection (1); and~~
- ~~\_\_\_\_\_ (B) for the fiscal year; or~~
- ~~\_\_\_\_\_ (ii) \$17,500,000.~~
- ~~\_\_\_\_\_ (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount described in Subsection (4)(a) shall be transferred each year as dedicated credits to the Department of Natural Resources to:~~
- ~~\_\_\_\_\_ (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to protect sensitive plant and animal species; or~~

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~~—— (B) award grants, up to the amount authorized by the Legislature in an appropriations act, to political subdivisions of the state to implement the measures described in Subsections 79-2-303(3)(a) through (d) to protect sensitive plant and animal species:~~

~~—— (ii) Money transferred to the Department of Natural Resources under Subsection (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other person to list or attempt to have listed a species as threatened or endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.~~

~~—— (iii) At the end of each fiscal year:~~

~~—— (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24;~~

~~—— (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and~~

~~—— (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan Program Subaccount created in Section 73-10c-5.~~

~~—— (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund created in Section 4-18-106.~~

~~—— (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of water rights:~~

~~—— (ii) At the end of each fiscal year:~~

~~—— (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24;~~

~~—— (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and~~

~~—— (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan Program Subaccount created in Section 73-10c-5.~~

~~—— (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described in Subsection (4)(a) shall be deposited into the Water Resources Conservation and Development Fund created in Section 73-10-24 for use by the Division of Water Resources:~~

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~~—— (ii) In addition to the uses allowed of the Water Resources Conservation and Development Fund under Section 73-10-24, the Water Resources Conservation and Development Fund may also be used to:~~

~~—— (A) conduct hydrologic and geotechnical investigations by the Division of Water Resources in a cooperative effort with other state, federal, or local entities, for the purpose of quantifying surface and ground water resources and describing the hydrologic systems of an area in sufficient detail so as to enable local and state resource managers to plan for and accommodate growth in water use without jeopardizing the resource;~~

~~—— (B) fund state required dam safety improvements; and~~

~~—— (C) protect the state's interest in interstate water compact allocations, including the hiring of technical and legal staff;~~

~~—— (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects;~~

~~—— (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:~~

~~—— (i) provide for the installation and repair of collection, treatment, storage, and distribution facilities for any public water system, as defined in Section 19-4-102;~~

~~—— (ii) develop underground sources of water, including springs and wells; and~~

~~—— (iii) develop surface water sources;~~

~~—— (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2006, the difference between the following amounts shall be expended as provided in this Subsection (5), if that difference is greater than \$1:~~

~~—— (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and~~

~~—— (ii) \$17,500,000;~~

~~—— (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:~~

~~—— (A) transferred each fiscal year to the Department of Natural Resources as dedicated credits; and~~

~~—— (B) expended by the Department of Natural Resources for watershed rehabilitation or~~



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### restoration:

~~—— (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24.~~

~~—— (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the remaining difference described in Subsection (5)(a) shall be:~~

~~—— (A) transferred each fiscal year to the Division of Water Resources as dedicated credits; and~~

~~—— (B) expended by the Division of Water Resources for cloud-seeding projects authorized by Title 73, Chapter 15, Modification of Weather.~~

~~—— (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24.~~

~~—— (d) After making the transfers required by Subsections (5)(b) and (c), 94% of the remaining difference described in Subsection (5)(a) shall be deposited into the Water Resources Conservation and Development Fund created in Section 73-10-24 for use by the Division of Water Resources for:~~

~~—— (i) preconstruction costs:~~

~~—— (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter 26, Bear River Development Act; and~~

~~—— (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;~~

~~—— (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73, Chapter 26, Bear River Development Act;~~

~~—— (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and~~

~~—— (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and Subsection (4)(c)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).~~

~~—— (e) After making the transfers required by Subsections (5)(b) and (c) and subject to Subsection (5)(f), 6% of the remaining difference described in Subsection (5)(a) shall be transferred each year as dedicated credits to the Division of Water Rights to cover the costs~~

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~~incurred for employing additional technical staff for the administration of water rights:~~

~~—— (f) At the end of each fiscal year, any unexpended dedicated credits described in Subsection (5)(e) over \$150,000 lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24;~~

~~—— (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), the amount of revenue generated by a 1/16% tax rate on the transactions described in Subsection (1) for the fiscal year shall be deposited as follows:~~

~~—— (a) for fiscal year 2016-17 only, 100% of the revenue described in this Subsection (6) shall be deposited into the Transportation Investment Fund of 2005 created by Section 72-2-124;~~

~~—— (b) for fiscal year 2017-18 only:~~

~~—— (i) 80% of the revenue described in this Subsection (6) shall be deposited into the Transportation Investment Fund of 2005 created by Section 72-2-124; and~~

~~—— (ii) 20% of the revenue described in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account created by Section 73-10g-103;~~

~~—— (c) for fiscal year 2018-19 only:~~

~~—— (i) 60% of the revenue described in this Subsection (6) shall be deposited into the Transportation Investment Fund of 2005 created by Section 72-2-124; and~~

~~—— (ii) 40% of the revenue described in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account created by Section 73-10g-103;~~

~~—— (d) for fiscal year 2019-20 only:~~

~~—— (i) 40% of the revenue described in this Subsection (6) shall be deposited into the Transportation Investment Fund of 2005 created by Section 72-2-124; and~~

~~—— (ii) 60% of the revenue described in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account created by Section 73-10g-103;~~

~~—— (e) for fiscal year 2020-21 only:~~

~~—— (i) 20% of the revenue described in this Subsection (6) shall be deposited into the Transportation Investment Fund of 2005 created by Section 72-2-124; and~~

~~—— (ii) 80% of the revenue described in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account created by Section 73-10g-103; and~~

~~—— (f) for a fiscal year beginning on or after July 1, 2021, 100% of the revenue described~~

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~~in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account created by Section 73-10g-103:~~

~~—— (7) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1, 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124:~~

~~—— (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of the revenues collected from the following taxes, which represents a portion of the approximately 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and vehicle-related products:~~

~~—— (A) the tax imposed by Subsection (2)(a)(i)(A);~~

~~—— (B) the tax imposed by Subsection (2)(b)(i);~~

~~—— (C) the tax imposed by Subsection (2)(c)(i); and~~

~~—— (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus~~

~~—— (ii) an amount equal to 30% of the growth in the amount of revenues collected in the current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) that exceeds the amount collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.~~

~~—— (b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of the sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total lower percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) generated in the current fiscal year than the total percentage of sales and use taxes deposited in the previous fiscal year, the Division of Finance shall deposit an amount under Subsection (7)(a) equal to the product of:~~

~~—— (A) the total percentage of sales and use taxes deposited under Subsection (7)(a) in the previous fiscal year; and~~

~~—— (B) the total sales and use tax revenue generated by the taxes described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year.~~

~~—— (ii) In any fiscal year in which the portion of the sales and use taxes deposited under Subsection (7)(a) would exceed 17% of the revenues collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year, the Division of~~

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~~Finance shall deposit 17% of the revenues collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) for the current fiscal year under Subsection (7)(a).~~

~~—— (iii) In all subsequent fiscal years after a year in which 17% of the revenues collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of Finance shall annually deposit 17% of the revenues collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection (7)(a):~~

~~—— (8) (a) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited under Subsections (6) and (7), for the 2016-17 fiscal year only, the Division of Finance shall deposit \$64,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the Transportation Investment Fund of 2005 created by Section 72-2-124:~~

~~—— (b) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited under Subsections (6) and (7), for the 2017-18 fiscal year only, the Division of Finance shall deposit \$63,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the Transportation Investment Fund of 2005 created by Section 72-2-124:~~

~~—— (c) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited under Subsections (6) and (7), for a fiscal year beginning on or after July 1, 2018, the Division of Finance shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:~~

~~—— (i) the tax imposed by Subsection (2)(a)(i)(A);~~

~~—— (ii) the tax imposed by Subsection (2)(b)(i);~~

~~—— (iii) the tax imposed by Subsection (2)(c)(i); and~~

~~—— (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).~~

~~—— (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009:~~

~~—— (10) (a) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(c), in addition to any amounts deposited under Subsections (6), (7), and (8), and for the 2016-17 fiscal year only, the Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the amount of tax revenue generated by a .05% tax rate on~~

## HB0452S01 compared with HB0452

~~the transactions described in Subsection (1):~~

~~—— (b) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(c), and in addition to any amounts deposited under Subsections (6), (7), and (8), the Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the amount of revenue described as follows:~~

~~—— (i) for fiscal year 2017-18 only, 83.33% of the amount of revenue generated by a .05% tax rate on the transactions described in Subsection (1);~~

~~—— (ii) for fiscal year 2018-19 only, 66.67% of the amount of revenue generated by a .05% tax rate on the transactions described in Subsection (1);~~

~~—— (iii) for fiscal year 2019-20 only, 50% of the amount of revenue generated by a .05% tax rate on the transactions described in Subsection (1);~~

~~—— (iv) for fiscal year 2020-21 only, 33.33% of the amount of revenue generated by a .05% tax rate on the transactions described in Subsection (1); and~~

~~—— (v) for fiscal year 2021-22 only, 16.67% of the amount of revenue generated by a .05% tax rate on the transactions described in Subsection (1);~~

~~—— (c) For purposes of Subsections (10)(a) and (b), the Division of Finance may not deposit into the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or charged for food and food ingredients, except for tax revenue generated by a bundled transaction attributable to food and food ingredients and tangible personal property other than food and food ingredients described in Subsection (2)(d):~~

~~—— (11) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal year during which the Division of Finance receives notice under Section 63N-2-510 that construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the Division of Finance shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in Section 63N-2-512.~~

~~—— (12) (a) Notwithstanding Subsection (3)(a), for the 2016-17 fiscal year only, the Division of Finance shall deposit \$26,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the Throughput Infrastructure Fund created by Section 35A-8-308.~~

~~—— (b) Notwithstanding Subsection (3)(a), for the 2017-18 fiscal year only, the Division of Finance shall deposit \$27,000,000 of the revenues generated by the taxes listed under~~

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~~Subsection (3)(a) into the Throughput Infrastructure Fund created by Section 35A-8-308.~~

~~———— (13) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2017, the Division of Finance shall annually deposit into the Homeless to Housing Reform Restricted Account created in Section 35A-8-605 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 0.3% of the revenues collected from the following taxes:~~

~~———— (a) the tax imposed by Subsection (2)(a)(i)(A);~~

~~———— (b) the tax imposed by Subsection (2)(b)(i);~~

~~———— (c) the tax imposed by Subsection (2)(c)(i); and~~

~~———— (d) the tax imposed by Subsection (2)(d)(i)(A)(I);~~

~~———— [(13)] (14) Notwithstanding Subsections (4) through [(12)] (13), an amount required to be expended or deposited in accordance with Subsections (4) through [(12)] (13) may not include an amount the Division of Finance deposits in accordance with Section 59-12-103.2.~~

~~———— Section 4. Section 59-12-204 is amended to read:~~

~~———— **59-12-204. Sales and use tax ordinance provisions -- Tax rate -- Distribution of tax revenues -- Commission requirement to retain an amount to be deposited into the Qualified Emergency Food Agencies Fund and the Homeless to Housing Reform Restricted Account.**~~

~~———— (1) The tax ordinance adopted pursuant to this part shall impose a tax upon those transactions listed in Subsection 59-12-103(1):~~

~~———— (2) (a) The tax ordinance under Subsection (1) shall include a provision imposing a tax upon every transaction listed in Subsection 59-12-103(1) made within a county, including areas contained within the cities and towns located in the county:~~

~~———— (i) at the rate of 1% of the purchase price paid or charged; and~~

~~———— (ii) if the location of the transaction is within the county as determined under Sections 59-12-211 through 59-12-215.~~

~~———— (b) Notwithstanding Subsection (2)(a), a tax ordinance under this Subsection (2) shall include a provision prohibiting a county, city, or town from imposing a tax under this section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104.~~

~~———— (3) Such tax ordinance shall include provisions substantially the same as those contained in Part 1, Tax Collection, insofar as they relate to sales or use tax, except that the~~

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~~name of the county as the taxing agency shall be substituted for that of the state where necessary for the purpose of this part and that an additional license is not required if one has been or is issued under Section 59-12-106.~~

~~—— (4) Such tax ordinance shall include a provision that the county shall contract, prior to the effective date of the ordinance, with the commission to perform all functions incident to the administration or operation of the ordinance.~~

~~—— (5) Such tax ordinance shall include a provision that the sale, storage, use, or other consumption of tangible personal property, the purchase price or the cost of which has been subject to sales or use tax under a sales and use tax ordinance enacted in accordance with this part by any county, city, or town in any other county in this state, shall be exempt from the tax due under this ordinance.~~

~~—— (6) Such tax ordinance shall include a provision that any person subject to the provisions of a city or town sales and use tax shall be exempt from the county sales and use tax if the city or town sales and use tax is levied under an ordinance including provisions in substance as follows:~~

~~—— (a) a provision imposing a tax upon every transaction listed in Subsection 59-12-103(1) made within the city or town at the rate imposed by the county in which it is situated pursuant to Subsection (2);~~

~~—— (b) notwithstanding Subsection (2)(a), a provision prohibiting the city or town from imposing a tax under this section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104;~~

~~—— (c) provisions substantially the same as those contained in Part 1, Tax Collection, insofar as they relate to sales and use taxes, except that the name of the city or town as the taxing agency shall be substituted for that of the state where necessary for the purposes of this part;~~

~~—— (d) a provision that the city or town shall contract prior to the effective date of the city or town sales and use tax ordinance with the commission to perform all functions incident to the administration or operation of the sales and use tax ordinance of the city or town;~~

~~—— (e) a provision that the sale, storage, use, or other consumption of tangible personal property, the gross receipts from the sale of or the cost of which has been subject to sales or use tax under a sales and use tax ordinance enacted in accordance with this part by any county~~

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~~other than the county in which the city or town is located, or city or town in this state, shall be exempt from the tax; and~~

~~—— (f) a provision that the amount of any tax paid under Part 1, Tax Collection, shall not be included as a part of the purchase price paid or charged for a taxable item.~~

~~—— (7) (a) Notwithstanding any other provision of this section but subject to Subsection (8), beginning on July 1, 2009, the commission shall calculate and retain a portion of the sales and use tax collected under this part as provided in this Subsection (7):~~

~~—— (b) For a city, town, or unincorporated area of a county that imposes a tax under this part, the commission shall calculate a percentage each month by dividing the sales and use tax collected under this part for that month within the boundaries of that city, town, or unincorporated area of a county by the total sales and use tax collected under this part for that month within the boundaries of all of the cities, towns, and unincorporated areas of the counties that impose a tax under this part.~~

~~—— (c) For a city, town, or unincorporated area of a county that imposes a tax under this part, the commission shall retain each month an amount equal to the product of:~~

~~—— (i) the percentage the commission determines for the month under Subsection (7)(b) for the city, town, or unincorporated area of a county; and~~

~~—— (ii) \$25,417.~~

~~—— (d) The commission shall deposit an amount the commission retains in accordance with this Subsection (7) into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009:~~

~~—— (e) An amount the commission deposits into the Qualified Emergency Food Agencies Fund shall be expended as provided in Section 35A-8-1009:~~

~~—— (8) (a) Notwithstanding any other provision of this section, beginning on July 1, 2017, the commission shall calculate and retain a portion of the sales and use tax collected under this part as provided in this Subsection (8):~~

~~—— (b) For a city, town, or unincorporated area of a county that imposes a tax under this part, the commission shall retain each month an amount equal to 0.55% of the revenue collected under this part.~~

~~—— (c) The commission shall deposit an amount the commission retains in accordance with this Subsection (8) into the Homeless to Housing Reform Restricted Account created in~~



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### Section 35A-8-605:

~~— (d) The commission shall calculate and retain the amount described under this Subsection (8) before calculating and retaining the amount described under Subsection (7):~~

~~— Section 5. Section 59-12-1102 is amended to read:~~

~~— 59-12-1102. **Base -- Rate -- Imposition of tax -- Distribution of revenue -- Administration -- Administrative charge -- Commission requirement to retain an amount to be deposited into the Qualified Emergency Food Agencies Fund and the Homeless to Housing Reform Restricted Account -- Enactment or repeal of tax -- Effective date --**~~

### Notice requirements:

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

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

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

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

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

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

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

~~— (B) of the second calendar year after adoption of the ordinance imposing the tax if the ordinance is adopted after May 25:~~

~~— (d) The county option sales and use tax under this section shall be imposed:~~

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

~~— (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997 but after September 4, 1997:~~

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

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

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

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

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

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

~~—— (C) a statement that the purpose of each public hearing is to obtain public comments regarding the proposed tax:~~

~~—— (ii) The advertisement shall be published:~~

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

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

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

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

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

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

~~—— (B) the newspaper selected shall be one of general interest and readership in the community, and not one of limited subject matter:~~

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

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

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

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

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

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

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

~~—— (ii) the amount to be distributed annually to all other counties under Subsection (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under Subsection (3)(c)(i):~~

~~—— (d) The commission shall establish rules to implement the distribution of the tax under Subsections (3)(a), (b), and (c):~~

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

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

~~—— (A) Part 1, Tax Collection; or~~

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

~~—— (ii) Chapter 1, General Taxation Policies:~~

~~—— (b) A tax under this part is not subject to Subsections 59-12-205(2) through (7):~~

~~—— (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an~~

## HB0452S01 compared with HB0452

~~administrative charge in accordance with Section 59-1-306 from the revenue the commission collects from a tax under this part.~~

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

~~—— (A) the applicable distribution calculations under Subsection (3) have been made; and~~

~~—— (B) the commission retains the amount required by Subsection (5);~~

~~—— (5) (a) [Beginning] Subject to the provisions of Subsection (6), beginning on July 1, 2009, the commission shall calculate and retain a portion of the sales and use tax collected under this part as provided in this Subsection (5):~~

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

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

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

~~—— (ii) \$6,354.~~

~~—— (d) The commission shall deposit an amount the commission retains in accordance with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009.~~

~~—— (e) An amount the commission deposits into the Qualified Emergency Food Agencies Fund shall be expended as provided in Section 35A-8-1009.~~

~~—— (6) (a) Beginning on July 1, 2017, the commission shall calculate and retain a portion of the sales and use tax collected under this part as provided in this Subsection (6):~~

~~—— (b) For a county that imposes a tax under this part, the commission shall retain each month an amount equal to 0.55% of the revenue collected under this part.~~

~~—— (c) The commission shall deposit an amount the commission retains in accordance with this Subsection (6) into the Homeless to Housing Reform Restricted Account created in Section 35A-8-605.~~

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- ~~—— (d) The commission shall calculate and retain the amount described under this Subsection (6) before calculating and retaining the amount described under Subsection (5).~~
- ~~—— [(6)] (7) (a) For purposes of this Subsection [(6)] (7):~~
- ~~—— (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County Consolidations and Annexations.~~
- ~~—— (ii) "Annexing area" means an area that is annexed into a county.~~
- ~~—— (b) (i) Except as provided in Subsection [(6)] (7)(c) or (d), if, on or after July 1, 2004, a county enacts or repeals a tax under this part:~~
- ~~—— (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or~~
- ~~—— (H) the repeal shall take effect on the first day of a calendar quarter; and~~
- ~~—— (B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection [(6)] (7)(b)(ii) from the county.~~
- ~~—— (ii) The notice described in Subsection [(6)] (7)(b)(i)(B) shall state:~~
- ~~—— (A) that the county will enact or repeal a tax under this part;~~
- ~~—— (B) the statutory authority for the tax described in Subsection [(6)] (7)(b)(ii)(A);~~
- ~~—— (C) the effective date of the tax described in Subsection [(6)] (7)(b)(ii)(A); and~~
- ~~—— (D) if the county enacts the tax described in Subsection [(6)] (7)(b)(ii)(A), the rate of the tax.~~
- ~~—— (c) (i) If the billing period for a transaction begins before the effective date of the enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day of the first billing period that begins on or after the effective date of the enactment of the tax.~~
- ~~—— (ii) The repeal of a tax applies to a billing period if the billing statement for the billing period is produced on or after the effective date of the repeal of the tax imposed under Subsection (1).~~
- ~~—— (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection [(6)] (7)(b)(i) takes effect:~~
- ~~—— (A) on the first day of a calendar quarter; and~~
- ~~—— (B) beginning 60 days after the effective date of the enactment or repeal under Subsection [(6)] (7)(b)(i).~~
- ~~—— (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the~~

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

~~— (e) (i) Except as provided in Subsection [(6)] (7)(f) or (g), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this part for an annexing area, the enactment or repeal shall take effect:~~

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

~~— (B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection [(6)] (7)(e)(ii) from the county that annexes the annexing area:~~

~~— (ii) The notice described in Subsection [(6)] (7)(e)(i)(B) shall state:~~

~~— (A) that the annexation described in Subsection [(6)] (7)(e)(i) will result in an enactment or repeal of a tax under this part for the annexing area;~~

~~— (B) the statutory authority for the tax described in Subsection [(6)] (7)(e)(ii)(A);~~

~~— (C) the effective date of the tax described in Subsection [(6)] (7)(e)(ii)(A); and~~

~~— (D) the rate of the tax described in Subsection [(6)] (7)(e)(ii)(A);~~

~~— (f) (i) If the billing period for a transaction begins before the effective date of the enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day of the first billing period that begins on or after the effective date of the enactment of the tax:~~

~~— (ii) The repeal of a tax applies to a billing period if the billing statement for the billing period is produced on or after the effective date of the repeal of the tax imposed under Subsection (1):~~

~~— (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection [(6)] (7)(e)(i) takes effect:~~

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

~~— (B) beginning 60 days after the effective date of the enactment or repeal under Subsection [(6)] (7)(e)(i):~~

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

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### Legislative Review Note

Office of Legislative Research and General Counsel; that will be transferred to the state treasurer on or before January 30, 2018.

(c) A county is not required to comply with the notice and public hearing requirements of Section 59-2-919 for an adjustment to the certified tax rate described in this Subsection (4).

#### Section 4. Retrospective operation.

This bill has retrospective operation for a taxable year beginning on or after January 1, 2017.