

28           **10-1-203. License fees and taxes -- Application information to be transmitted to**  
 29 **the county assessor.**

30           (1) As used in this section:

31           (a) ~~§→~~ ~~(f)~~ ~~←§~~ "Business" means any enterprise carried on for the purpose of gain or  
 31a economic  
 32 profit, except that the acts of employees rendering services to employers are not included in  
 33 this definition.

34 ~~§→~~ ~~[~~ ~~(ii)~~ ~~"Business" does not include a nonprofit corporation as defined in Section~~

35 ~~16-6a-102.]~~ ~~←§~~

36           (b) "Telecommunications provider" means the same as that term is defined in Section  
 37 ~~10-1-402.~~

38           (c) "Telecommunications tax or fee" means the same as that term is defined in Section  
 39 ~~10-1-402.~~

40           (2) Except as provided in Subsections (3) through (5) and (7)(a), and subject to  
 41 Subsection (7)(b), the legislative body of a municipality may license for the purpose of  
 42 regulation ~~[and revenue]~~ any business within the limits of the municipality ~~§→~~ , ~~[and]~~ ~~←§~~ may  
 42a regulate  
 43 that business by ordinance ~~§→~~ , **and may impose fees on businesses to recover the municipality's**  
 43a **costs of regulation** ~~←§~~ .

44           (3) (a) The legislative body of a municipality may raise revenue by levying and  
 45 collecting a municipal energy sales or use tax as provided in Part 3, Municipal Energy Sales  
 46 and Use Tax Act, except a municipality may not levy or collect a franchise tax or fee on an  
 47 energy supplier other than the municipal energy sales and use tax provided in Part 3, Municipal  
 48 Energy Sales and Use Tax Act.

49           (b) (i) Subsection (3)(a) does not affect the validity of a franchise agreement as defined  
 50 in Subsection ~~10-1-303~~(6), that is in effect on July 1, 1997, or a future franchise.

51           (ii) A franchise agreement as defined in Subsection ~~10-1-303~~(6) in effect on January 1,  
 52 1997, or a future franchise shall remain in full force and effect.

53           (c) A municipality that collects a contractual franchise fee pursuant to a franchise  
 54 agreement as defined in Subsection ~~10-1-303~~(6) with an energy supplier that is in effect on July  
 55 1, 1997, may continue to collect that fee as provided in Subsection ~~10-1-310~~(2).

56           (d) (i) Subject to the requirements of Subsection (3)(d)(ii), a franchise agreement as  
 57 defined in Subsection ~~10-1-303~~(6) between a municipality and an energy supplier may contain  
 58 a provision that:

121 (d) (i) Before the legislative body of a municipality imposes a license fee on a  
 122 purchaser from a business for which it provides an enhanced level of municipal services under  
 123 Subsection (5)(a)(i)(C)(II), the legislative body of the municipality shall adopt an ordinance  
 124 defining for purposes of the fee under Subsection (5)(a)(i)(C)(II):

125 (A) the level of municipal services that constitutes the basic level of municipal services  
 126 in the municipality; and

127 (B) the amounts that are reasonably related to the costs of providing an enhanced level  
 128 of municipal services in the municipality.

129 (ii) The amount of a fee under Subsection (5)(a)(i)(C)(II) shall be reasonably related to  
 130 the costs of providing an enhanced level of the municipal services.

131 (6) All license fees and taxes shall be uniform in respect to the class upon which they  
 132 are imposed.

133 (7) A municipality may not:

134 (a) require a license or permit for a business that is operated:

135 (i) only occasionally; and

136 (ii) by an individual who is under 18 years of age; or

137 (b) charge a license fee for a home based business, unless the combined offsite impact  
 138 of the home based business and the primary residential use materially exceeds the offsite  
 139 impact of the primary residential use alone.

140 ~~[(7)]~~ (8) The municipality shall transmit the information from each approved business  
 141 license application to the county assessor within 60 days following the approval of the  
 142 application.

143 ~~[(8)]~~ (9) If challenged in court, an ordinance enacted by a municipality before January  
 144 1, 1994, imposing a business license fee on rental dwellings under this section shall be upheld  
 145 unless the business license fee is found to impose an unreasonable burden on the fee payer.

146 Section 2. Section **17-53-216** is amended to read:

147 **17-53-216. Business license fees and taxes -- Application information to be**  
 148 **transmitted to the county assessor.**

149 (1) ~~[For the purpose of this section, "business"]~~ As used in this section:

150 ~~§~~ → ~~[(a)]~~ ← ~~§~~ "Business" means any enterprise carried on for the purpose of gain or economic  
 151 profit, except that the acts of employees rendering services to employers are not included in

152 this definition.

153 ~~§~~ → [ ~~(b) "Business" does not include a nonprofit corporation as defined in Section~~

154 ~~16-6a-102.~~ ] ← ~~§~~

155 (2) [The] Except as provided in Section (4)(a), and subject to Subsection (4)(b), the  
 156 legislative body of a county may by ordinance provide for the licensing of businesses within  
 157 the unincorporated areas of the county for the purpose of regulation [and revenue] ~~§~~ → , and may  
 157a impose fees on businesses to recover the county's costs of regulation ← ~~§~~ .

158 (3) All license fees and taxes shall be uniform in respect to the class upon which they  
 159 are imposed.

160 (4) A county may not:

161 (a) require a license or permit for a business that is operated:

162 (i) only occasionally; and

163 (ii) by an individual who is under 18 years of age; or

164 (b) charge a license fee for a home based business unless the combined offsite impact  
 165 of the home based business and the primary residential use materially exceeds the offsite  
 166 impact of the primary residential use alone.

167 [(4)] (5) The county business licensing agency shall transmit the information from each  
 168 approved business license application to the county assessor within 60 days following the  
 169 approval of the application.

170 [(5)] (6) This section may not be construed to enhance, diminish, or otherwise alter the  
 171 taxing power of counties existing prior to the effective date of Laws of Utah 1988, Chapter  
 172 144.

**Legislative Review Note**  
**Office of Legislative Research and General Counsel**