

Representative Steve Eliason proposes the following substitute bill:

HOMELESS SERVICES AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Eliason

Senate Sponsor: Todd Weiler

LONG TITLE

General Description:

This bill amends sales and use tax provisions and provisions related to the Housing and Community Development Division.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ allows redevelopment agencies to transfer funds to counties and cities under certain circumstances;
- ▶ requires the Housing and Community Development Division to calculate an annual local contribution amount from municipalities in the state and provide the information to the State Tax Commission;
- ▶ requires the State Tax Commission to retain certain local option sales taxes and deposit them into the Homeless to Housing Reform Restricted Account;
- ▶ amends provisions related to how money in the Homeless to Housing Reform Restricted Account may be spent by the Housing and Community Development Division; and
- ▶ makes technical changes.

Money Appropriated in this Bill:



26 This bill appropriates:

27 ▶ to the General Fund Restricted -- Homeless to Housing Reform Restricted Account,
28 as an ongoing appropriation:

29 • from the General Fund, \$3,300,000;

30 ▶ to the Department of Workforce Services -- Housing and Community Development,
31 as an ongoing appropriation:

32 • from the General Fund Restricted -- Homeless to Housing Reform Restricted
33 Account, \$6,600,000; and

34 ▶ to the Department of Workforce Services -- Housing and Community Development,
35 as a one-time appropriation:

36 • from the General Fund Restricted -- Homeless to Housing Reform Restricted
37 Account, (\$1,650,000).

38 **Other Special Clauses:**

39 None

40 **Utah Code Sections Affected:**

41 AMENDS:

42 **17C-1-409**, as last amended by Laws of Utah 2016, Chapter 350

43 **17C-1-411**, as last amended by Laws of Utah 2016, Chapter 350

44 **17C-1-412**, as last amended by Laws of Utah 2016, Chapter 350

45 **35A-8-505**, as last amended by Laws of Utah 2016, Chapter 131

46 **35A-8-601**, as last amended by Laws of Utah 2016, Chapter 278

47 **35A-8-604**, as last amended by Laws of Utah 2017, Chapter 21

48 **35A-8-605**, as enacted by Laws of Utah 2016, Chapter 278

49 **59-12-205**, as last amended by Laws of Utah 2017, Chapters 230 and 385

50 **59-12-302**, as last amended by Laws of Utah 2016, Chapter 364

51 **59-12-354**, as last amended by Laws of Utah 2016, Chapter 364

52 **59-12-403**, as last amended by Laws of Utah 2016, Chapter 364

53 **59-12-603**, as last amended by Laws of Utah 2017, Chapter 178

54 **59-12-703**, as last amended by Laws of Utah 2017, Chapters 181 and 422

55 **59-12-802**, as last amended by Laws of Utah 2017, Chapter 422

56 **59-12-804**, as last amended by Laws of Utah 2017, Chapter 422

- 57 [59-12-1102](#), as last amended by Laws of Utah 2016, Chapter 364
- 58 [59-12-1302](#), as last amended by Laws of Utah 2017, Chapter 422
- 59 [59-12-1402](#), as last amended by Laws of Utah 2017, Chapter 422
- 60 [59-12-2103](#), as last amended by Laws of Utah 2017, Chapter 422
- 61 [59-12-2206](#), as last amended by Laws of Utah 2017, Chapter 160

62 ENACTS:

- 63 [35A-8-606](#), Utah Code Annotated 1953

64

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

66 Section 1. Section [17C-1-409](#) is amended to read:

67 **[17C-1-409](#). Allowable uses of agency funds.**

68 (1) (a) An agency may use agency funds:

69 (i) for any purpose authorized under this title;

70 (ii) for administrative, overhead, legal, or other operating expenses of the agency,

71 including consultant fees and expenses under Subsection [17C-2-102](#)(1)(b)(ii)(B) or funding for
72 a business resource center;

73 (iii) to pay for, including financing or refinancing, all or part of:

74 (A) project area development in a project area, including environmental remediation
75 activities occurring before or after adoption of the project area plan;

76 (B) housing-related expenditures, projects, or programs as described in Section
77 [17C-1-411](#) or [17C-1-412](#);

78 (C) an incentive or other consideration paid to a participant under a participation
79 agreement;

80 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of the
81 installation and construction of any publicly owned building, facility, structure, landscaping, or
82 other improvement within the project area from which the project area funds are collected; or

83 (E) the cost of the installation of publicly owned infrastructure and improvements
84 outside the project area from which the project area funds are collected if the board and the
85 community legislative body determine by resolution that the publicly owned infrastructure and
86 improvements benefit the project area; [~~or~~]

87 (iv) in an urban renewal project area that includes some or all of an inactive industrial

88 site and subject to Subsection (1)(e), to reimburse the Department of Transportation created
89 under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8,
90 Public Transit District Act, for the cost of:

- 91 (A) construction of a public road, bridge, or overpass;
- 92 (B) relocation of a railroad track within the urban renewal project area; or
- 93 (C) relocation of a railroad facility within the urban renewal project area[;]; or
- 94 (v) subject to Subsection (5), to transfer funds to a community that created the agency.

95 (b) The determination of the board and the community legislative body under
96 Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.

97 (c) An agency may not use project area funds received from a taxing entity for the
98 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan, an
99 economic development project area plan, or a community reinvestment project area plan
100 without the community legislative body's consent.

101 (d) (i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a
102 project area fund to another project area fund if:

- 103 (A) the board approves; and
- 104 (B) the community legislative body approves.

105 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the
106 projections for agency funds are sufficient to repay the loan amount.

107 (iii) A loan described in Subsection (1)(d) is not subject to Title 10, Chapter 5,
108 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal
109 Procedures Act for Utah Cities, Title 17, Chapter 36, Uniform Fiscal Procedures Act for
110 Counties, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts.

111 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection
112 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the
113 reimbursement with:

- 114 (i) the Department of Transportation; or
- 115 (ii) a public transit district.

116 (2) (a) Sales and use tax revenue that an agency receives from a taxing entity is not
117 subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Sales and Use
118 Tax Incentive Payments Act.

119 (b) An agency may use sales and use tax revenue that the agency receives under an
120 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized in the
121 interlocal agreement.

122 (3) (a) An agency may contract with the community that created the agency or another
123 public entity to use agency funds to reimburse the cost of items authorized by this title to be
124 paid by the agency that are paid by the community or other public entity.

125 (b) If land is acquired or the cost of an improvement is paid by another public entity
126 and the land or improvement is leased to the community, an agency may contract with and
127 make reimbursement from agency funds to the community.

128 (4) Notwithstanding any other provision of this title, an agency may not use project
129 area funds to construct a local government building unless the taxing entity committee or each
130 taxing entity party to an interlocal agreement with the agency consents.

131 (5) The total amount an agency transfers in a calendar year to a community under
132 Subsections (1)(a)(v), 17C-1-411(1)(d), and 17C-1-412(1)(a)(x) may not exceed the
133 community's annual local contribution calculated by the Department of Workforce Services in
134 accordance with Section 35A-8-606.

135 Section 2. Section 17C-1-411 is amended to read:

136 **17C-1-411. Use of project area funds for housing-related improvements and for**
137 **relocating mobile home park residents -- Funds to be held in separate accounts.**

138 (1) An agency may use project area funds:

139 (a) to pay all or part of the value of the land for and the cost of installation,
140 construction, or rehabilitation of any housing-related building, facility, structure, or other
141 housing improvement, including infrastructure improvements related to housing, located in any
142 project area within the agency's boundaries;

143 (b) outside of a project area for the purpose of:

144 (i) replacing housing units lost by project area development; or

145 (ii) increasing, improving, or preserving the affordable housing supply within the
146 boundary of the agency; [~~or~~]

147 (c) for relocating mobile home park residents displaced by project area development,
148 whether inside or outside a project area[~~;~~]; or

149 (d) subject to Subsection (4), to transfer funds to a community that created the agency.

150 (2) (a) Each agency shall create a housing fund and separately account for project area
151 funds allocated under this section.

152 (b) Interest earned by the housing fund described in Subsection (2)(a), and any
153 payments or repayments made to the agency for loans, advances, or grants of any kind from the
154 housing fund, shall accrue to the housing fund.

155 (c) An agency that designates a housing fund under this section shall use the housing
156 fund for the purposes set forth in this section or Section [17C-1-412](#).

157 (3) An agency may lend, grant, or contribute funds from the housing fund to a person,
158 public entity, housing authority, private entity or business, or nonprofit corporation for
159 affordable housing or homeless assistance.

160 (4) The total amount an agency transfers in a calendar year to a community under
161 Subsections (1)(d), [17C-1-409\(1\)\(a\)\(v\)](#), and [17C-1-412\(1\)\(a\)\(x\)](#) may not exceed the
162 community's annual local contribution calculated by the Department of Workforce Services in
163 accordance with Section [35A-8-606](#).

164 Section 3. Section **17C-1-412** is amended to read:

165 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**
166 **of bonds for housing -- Action to compel agency to provide housing allocation.**

167 (1) (a) An agency shall use the agency's housing allocation, if applicable, to:

168 (i) pay part or all of the cost of land or construction of income targeted housing within
169 the boundary of the agency, if practicable in a mixed income development or area;

170 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
171 boundary of the agency;

172 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
173 private entity or business, or nonprofit corporation for income targeted housing within the
174 boundary of the agency;

175 (iv) plan or otherwise promote income targeted housing within the boundary of the
176 agency;

177 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
178 any building, facility, structure, or other housing improvement, including infrastructure
179 improvements, related to housing located in a project area where blight has been found to exist;

180 (vi) replace housing units lost as a result of the project area development;

- 181 (vii) make payments on or establish a reserve fund for bonds:
- 182 (A) issued by the agency, the community, or the housing authority that provides
- 183 income targeted housing within the community; and
- 184 (B) all or part of the proceeds of which are used within the community for the purposes
- 185 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
- 186 (viii) if the community's fair share ratio at the time of the first adoption of the project
- 187 area budget is at least 1.1 to 1.0, make payments on bonds:
- 188 (A) that were previously issued by the agency, the community, or the housing authority
- 189 that provides income targeted housing within the community; and
- 190 (B) all or part of the proceeds of which were used within the community for the
- 191 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); ~~[or]~~
- 192 (ix) relocate mobile home park residents displaced by project area development[-]; or
- 193 (x) subject to Subsection (6), transfer funds to a community that created the agency.
- 194 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
- 195 any portion of the agency's housing allocation to:
- 196 (i) the community for use as described in Subsection (1)(a);
- 197 (ii) a housing authority that provides income targeted housing within the community
- 198 for use in providing income targeted housing within the community;
- 199 (iii) a housing authority established by the county in which the agency is located for
- 200 providing:
- 201 (A) income targeted housing within the county;
- 202 (B) permanent housing, permanent supportive housing, or a transitional facility, as
- 203 defined in Section [35A-5-302](#), within the county; or
- 204 (C) homeless assistance within the county; or
- 205 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,
- 206 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within
- 207 the community.
- 208 (2) The agency shall create a housing fund and separately account for the agency's
- 209 housing allocation, together with all interest earned by the housing allocation and all payments
- 210 or repayments for loans, advances, or grants from the housing allocation.
- 211 (3) An agency may:

212 (a) issue bonds to finance a housing-related project under this section, including the
213 payment of principal and interest upon advances for surveys and plans or preliminary loans;
214 and

215 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
216 (3)(a) previously issued by the agency.

217 (4) (a) Except as provided in Subsection (4)(b), an agency shall allocate money to the
218 housing fund each year in which the agency receives sufficient tax increment to make a
219 housing allocation required by the project area budget.

220 (b) Subsection (4)(a) does not apply in a year in which tax increment is insufficient.

221 (5) (a) Except as provided in Subsection (4)(b), if an agency fails to provide a housing
222 allocation in accordance with the project area budget and, if applicable, the housing plan
223 adopted under Subsection [17C-2-204\(2\)](#), the loan fund board may bring legal action to compel
224 the agency to provide the housing allocation.

225 (b) In an action under Subsection (5)(a), the court:

226 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that
227 the action was frivolous; and

228 (ii) may not award the agency the agency's attorney fees, unless the court finds that the
229 action was frivolous.

230 (6) The total amount an agency transfers in a calendar year to a community under
231 Subsections (1)(a)(x), [17C-1-409\(1\)\(a\)\(v\)](#), and [17C-1-411\(1\)\(d\)](#) may not exceed the
232 community's annual local contribution calculated by the Department of Workforce Services in
233 accordance with Section [35A-8-606](#).

234 Section 4. Section **35A-8-505** is amended to read:

235 **35A-8-505. Activities authorized to receive fund money -- Powers of the executive**
236 **director.**

237 At the direction of the board, the executive director may:

238 (1) provide fund money to any of the following activities:

239 (a) the acquisition, rehabilitation, or new construction of low-income housing units;

240 (b) matching funds for social services projects directly related to providing housing for
241 special-need renters in assisted projects;

242 (c) the development and construction of accessible housing designed for low-income

243 persons;

244 (d) the construction or improvement of a shelter or transitional housing facility that
245 provides services intended to prevent or minimize homelessness among members of a specific
246 homeless subpopulation; [~~and~~]

247 (e) the purchase of an existing facility to provide temporary or transitional housing for
248 the homeless in an area that does not require rezoning before providing such temporary or
249 transitional housing; and

250 [~~(e)~~] (f) other activities that will assist in minimizing homelessness or improving the
251 availability or quality of housing in the state for low-income persons;

252 (2) do any act necessary or convenient to the exercise of the powers granted by this part
253 or reasonably implied from those granted powers, including:

254 (a) making or executing contracts and other instruments necessary or convenient for
255 the performance of the executive director and board's duties and the exercise of the executive
256 director and board's powers and functions under this part, including contracts or agreements for
257 the servicing and originating of mortgage loans;

258 (b) procuring insurance against a loss in connection with property or other assets held
259 by the fund, including mortgage loans, in amounts and from insurers it considers desirable;

260 (c) entering into agreements with a department, agency, or instrumentality of the
261 United States or this state and with mortgagors and mortgage lenders for the purpose of
262 planning and regulating and providing for the financing and refinancing, purchase,
263 construction, reconstruction, rehabilitation, leasing, management, maintenance, operation, sale,
264 or other disposition of residential housing undertaken with the assistance of the department
265 under this part;

266 (d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate,
267 repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of real or
268 personal property obtained by the fund due to the default on a mortgage loan held by the fund
269 in preparation for disposition of the property, taking assignments of leases and rentals,
270 proceeding with foreclosure actions, and taking other actions necessary or incidental to the
271 performance of its duties; and

272 (e) selling, at a public or private sale, with public bidding, a mortgage or other
273 obligation held by the fund.

274 Section 5. Section 35A-8-601 is amended to read:

275 **35A-8-601. Creation.**

276 (1) There is created within the division the Homeless Coordinating Committee.

277 (2) (a) The committee shall consist of the following members:

278 (i) the lieutenant governor or the lieutenant governor's designee;

279 (ii) the state planning coordinator or the coordinator's designee;

280 (iii) the state superintendent of public instruction or the superintendent's designee;

281 (iv) the chair of the board of trustees of the Utah Housing Corporation or the chair's

282 designee;

283 (v) the executive director of the Department of Workforce Services or the executive

284 director's designee;

285 (vi) the executive director of the Department of Corrections or the executive director's

286 designee;

287 (vii) the executive director of the Department of Health or the executive director's

288 designee;

289 (viii) the executive director of the Department of Human Services or the executive

290 director's designee;

291 (ix) the mayor of Salt Lake City[~~;~~and] or the mayor's designee;

292 (x) the mayor of Salt Lake County[:] or the mayor's designee;

293 (xi) the mayor of Ogden or the mayor's designee;

294 (xii) the mayor of Midvale or the mayor's designee; and

295 (xiii) the mayor of St. George or the mayor's designee.

296 (b) (i) The lieutenant governor shall serve as the chair of the committee.

297 (ii) The lieutenant governor may appoint a vice chair from among committee members,

298 who shall conduct committee meetings in the absence of the lieutenant governor.

299 (3) The governor may appoint as members of the committee:

300 (a) representatives of local governments, local housing authorities, local law

301 enforcement agencies;

302 (b) representatives of federal and private agencies and organizations concerned with

303 the homeless, persons with a mental illness, the elderly, single-parent families, persons with a

304 substance use disorder, and persons with a disability; and

305 (c) a resident of Salt Lake County.

306 (4) (a) Except as required by Subsection (4)(b), as terms of current committee members
307 appointed under Subsection (3) expire, the governor shall appoint each new member or
308 reappointed member to a four-year term.

309 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the
310 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
311 committee members are staggered so that approximately half of the committee is appointed
312 every two years.

313 (c) A member appointed under Subsection (3) may not be appointed to serve more than
314 three consecutive terms.

315 (5) When a vacancy occurs in the membership for any reason, the replacement is
316 appointed for the unexpired term.

317 (6) A member may not receive compensation or benefits for the member's service, but
318 may receive per diem and travel expenses in accordance with:

319 (a) Section [63A-3-106](#);

320 (b) Section [63A-3-107](#); and

321 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
322 [63A-3-107](#).

323 Section 6. Section [35A-8-604](#) is amended to read:

324 **[35A-8-604. Uses of Homeless to Housing Reform Restricted Account.](#)**

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

329 (2) Before final approval of a grant or contract awarded under this section, the
330 Homeless Coordinating Committee and the division shall provide written information
331 regarding the grant or contract to, and shall consider the recommendations of, the Executive
332 Appropriations Committee.

333 (3) As a condition of receiving money, including any ongoing money, from the
334 [~~Homeless to Housing Reform Restricted Account~~] restricted account, an entity awarded a
335 grant or contract under this section shall provide detailed and accurate reporting on at least an

336 annual basis to the division and the Homeless Coordinating Committee that describes:

337 (a) how money provided from the [~~Homeless to Housing Reform Restricted Account~~]
338 restricted account has been spent by the entity; and

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

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

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

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

346 (c) give priority to a project or contract that will include significant additional or
347 matching funds from a private organization, nonprofit organization, or local government entity;

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

350 (i) families with children;

351 (ii) transitional-aged youth;

352 (iii) single men or single women;

353 (iv) veterans;

354 (v) victims of domestic violence;

355 (vi) individuals with behavioral health disorders, including mental health or substance
356 use disorders;

357 (vii) individuals who are medically frail or terminally ill;

358 (viii) individuals exiting prison or jail; or

359 (ix) individuals who are homeless without shelter; and

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

361 (i) diverting homeless or imminently homeless individuals and families from
362 emergency shelters by providing better housing-based solutions;

363 (ii) meeting the basic needs of homeless individuals and families in crisis;

364 (iii) providing homeless individuals and families with needed stabilization services;

365 (iv) decreasing the state's homeless rate;

366 (v) implementing a coordinated entry system with consistent assessment tools to

367 provide appropriate and timely access to services for homeless individuals and families;
368 (vi) providing access to caseworkers or other individualized support for homeless
369 individuals and families;
370 (vii) encouraging employment and increased financial stability for individuals and
371 families being diverted from or exiting homelessness;
372 (viii) creating additional affordable housing for state residents;
373 (ix) providing services and support to prevent homelessness among at-risk individuals
374 and adults;
375 (x) providing services and support to prevent homelessness among at-risk children,
376 adolescents, and young adults; and
377 (xi) preventing the reoccurrence of homelessness among individuals and families
378 exiting homelessness.
379 (5) In addition to the other provisions of this section, in determining the awarding of a
380 grant or contract under this section to design, build, create, or renovate a facility that will
381 provide shelter or other resources for the homeless, the Homeless Coordinating Committee,
382 with the concurrence of the division, may consider whether the facility will be:
383 (a) located near mass transit services;
384 (b) located in an area that meets or will meet all zoning regulations before a final
385 dispersal of funds;
386 (c) safe and welcoming both for individuals using the facility and for members of the
387 surrounding community; and
388 (d) located in an area with access to employment, job training, and positive activities.
389 (6) In accordance with Subsection (5), and subject to the approval of the Homeless
390 Coordinating Committee with the concurrence of the division, the following may recommend a
391 site location, acquire a site location, and hold title to real property, buildings, fixtures, and
392 appurtenances of a facility that provides or will provide shelter or other resources for the
393 homeless:
394 (a) the county executive of a county of the first class on behalf of the county of the first
395 class, if the facility is or will be located in the county of the first class in a location other than
396 Salt Lake City;
397 (b) the state;

398 (c) a nonprofit entity approved by the Homeless Coordinating Committee with the
399 concurrence of the division; and

400 (d) a mayor of a municipality on behalf of the municipality where a facility is or will be
401 located.

402 (7) Subject to the requirements of Subsections (5) and (6), on or before March 30,
403 2017, the county executive of a county of the first class shall make a recommendation to the
404 Homeless Coordinating Committee identifying a site location for one facility within the county
405 of the first class that will provide shelter for the homeless in a location other than Salt Lake
406 City.

407 (8) (a) As used in this Subsection (8), "homeless shelter" means a facility that:

408 (i) is located within a municipality;

409 (ii) provides temporary shelter year-round to homeless individuals; and

410 (iii) has the capacity to provide temporary shelter to at least 50 individuals per night.

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

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

415 (ii) to a municipality to hire one or more peace officers to provide greater safety to
416 homeless individuals.

417 (9) (a) If a qualified homeless shelter as defined in Section 35A-8-606 commits to
418 provide matching funds equal to the total grant awarded under this Subsection (9), the
419 Homeless Coordinating Committee, with the concurrence of the division, may award money
420 for the ongoing operations of the qualified homeless shelter.

421 (b) In awarding a grant under this Subsection (9), the Homeless Coordinating
422 Committee, with the concurrence of the division, shall consider the number of beds available at
423 the qualified homeless shelter and the number and quality of the homeless services provided by
424 the qualified homeless shelter.

425 [~~9~~] (10) The division may expend money from the [~~Homeless to Housing Reform~~
426 ~~Restricted Account~~] restricted account to offset actual division and Homeless Coordinating
427 Committee expenses related to administering this section.

428 Section 7. Section 35A-8-605 is amended to read:

429 **35A-8-605. Homeless to Housing Reform Restricted Account.**

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

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

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

438 (4) The restricted account shall be funded by:

439 (a) appropriations made to the account by the Legislature; ~~and~~

440 (b) the annual local contribution deposited into the restricted account by the State Tax
441 Commission as described in Section [35A-8-606](#); and

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

444 (5) Subject to appropriation, the director shall use restricted account money;

445 (a) as described in Section [35A-8-604](#)[-]; and

446 (b) from the annual local contribution described in Section [35A-8-606](#), and an
447 additional amount equal to the annual local contribution, to fund the activities described in
448 Subsection [35A-8-604](#)(9).

449 (6) The Homeless Coordinating Committee, in cooperation with the division, shall
450 submit an annual written report to the department that gives a complete accounting of the use
451 of money from the restricted account for inclusion in the annual report described in Section
452 [35A-1-109](#).

453 Section 8. Section **35A-8-606** is enacted to read:

454 **35A-8-606. Annual local contribution to restricted account.**

455 (1) As used in this section:

456 (a) "Affordable housing" means, as determined by the department, the number of
457 housing units within a county or municipality where a household whose income is at or below
458 50% of area median income is able to live in a unit without spending more than 30% of their
459 income on housing costs.

460 (b) "Annual local contribution" means an annual amount calculated for each county
461 and municipality in the state by the department in accordance with this section that will be
462 withheld by the State Tax Commission from the local portion of a municipality or county's
463 local sales tax distribution under Section 59-12-205 and deposited in the restricted account for
464 the uses described in Subsection 35A-8-604(9).

465 (c) "Consumer Price Index" means the Consumer Price Index for All Urban Consumers
466 as published by the Bureau of Labor Statistics of the United States Department of Labor.

467 (d) "County" means the unincorporated area of a county.

468 (e) "Large county" means the unincorporated area of a county of the first, second, or
469 third class.

470 (f) "Large municipality" means a city or town located within:

471 (i) a county of the first class; or

472 (ii) a county of the second or third class and that has a population of 5,000 or more.

473 (g) "Low-income housing" means, as determined by the department, the number of
474 Section 42, Internal Revenue Code, housing units within a county or municipality.

475 (h) "Municipality" means a city or town.

476 (i) "Qualified homeless shelter" means a facility that:

477 (i) provides temporary shelter to homeless individuals;

478 (ii) operates year round; and

479 (iii) has the capacity to provide, and offers to provide, temporary shelter and beds for at

480 least:

481 (A) 200 individuals per night and is located in a county of the first class; or

482 (B) 50 individuals per night and is located in a county of the second, third, fourth, fifth,

483 or sixth class.

484 (j) "Rural county" means the unincorporated area of a county of the fourth, fifth, or
485 sixth class.

486 (k) "Rural municipality" means a city or town located within a county of the fourth,
487 fifth, or sixth class.

488 (l) "Small municipality" means a city or town located within a county of the second or
489 third class and that has a population of less than 5,000.

490 (2) The department shall calculate the initial annual contribution amount for each

491 municipality and county in the state as follows:

492 (a) for a rural county, the department shall calculate the rural county's annual local
493 contribution by multiplying:

494 (i) \$1; and

495 (ii) the population of the unincorporated area of the rural county;

496 (b) for a rural municipality, the department shall calculate the rural municipality's
497 annual local contribution by multiplying:

498 (i) \$1; and

499 (ii) the population of the rural municipality;

500 (c) for a small municipality, the department shall calculate the small municipality's
501 annual local contribution by multiplying:

502 (i) \$1; and

503 (ii) the population of the small municipality;

504 (d) for a large county that has both a higher percentage of affordable housing and a
505 higher percentage of low-income housing than the statewide average, the department shall
506 calculate the large county's annual local contribution by multiplying:

507 (i) \$0; and

508 (ii) the population of the unincorporated area of the large county;

509 (e) for a large county that has a higher percentage of affordable housing or a higher
510 percentage of low-income housing than the statewide average, but not both, the department
511 shall calculate the large county's annual local contribution by multiplying:

512 (i) 50 cents; and

513 (ii) the population of the unincorporated area of the large county;

514 (f) for a large county that has both a lower percentage of affordable housing and a
515 lower percentage of low-income housing than the statewide average, the department shall
516 calculate the large county's annual local contribution by multiplying:

517 (i) \$2; and

518 (ii) the population of the unincorporated area of the large county;

519 (g) for a large municipality that has both a higher percentage of affordable housing and
520 a higher percentage of low-income housing than the statewide average, the department shall
521 calculate the large municipality's annual local contribution by multiplying:

522 (i) \$0; and
523 (ii) the population of the large municipality;
524 (h) for a large municipality that has a higher percentage of affordable housing or a
525 higher percentage of low-income housing than the statewide average, but not both, the
526 department shall calculate the large municipality's annual local contribution by multiplying:
527 (i) 50 cents; and
528 (ii) the population of the large municipality; and
529 (i) for a large municipality that has both a lower percentage of affordable housing and a
530 lower percentage of low-income housing than the statewide average, the department shall
531 calculate the large municipality's annual local contribution by multiplying:
532 (i) \$2; and
533 (ii) the population of the large municipality.
534 (3) The department shall make the following adjustments to the initial annual local
535 contribution amount described in Subsection (2):
536 (a) if a municipality has a qualified homeless shelter within its boundaries, the division
537 shall replace the municipality's initial annual local contribution calculation and calculate the
538 municipality's annual local contribution by multiplying:
539 (i) \$0; and
540 (ii) the population of the municipality;
541 (b) if a municipality provides evidence before September 1 to the department that the
542 municipality has given Community Development Block Grant Money awarded to the
543 municipality by the United States Department of Housing and Urban Development to a
544 qualified homeless shelter during the calendar year, the division shall calculate the
545 municipality's annual local contribution by subtracting the amount of that spending from the
546 initial annual local contribution calculation; and
547 (c) if a municipality or a county has an initial annual local contribution calculation that
548 is more than \$200,000, the annual local contribution shall be reduced to \$200,000.
549 (4) The total local contribution amount from all counties and municipalities shall equal
550 at least \$3,300,000.
551 (5) If, after the calculation described in Subsections (2) and (3), the initial total local
552 contribution amount equals less than \$3,300,000, the department shall proportionally adjust the

553 local contribution amount of municipalities and counties that have an initial annual local
554 contribution calculation amount greater than \$0 so that the final total local contribution amount
555 equals \$3,300,000.

556 (6) On or before October 1 of each year, the department shall:

557 (a) calculate the final annual contribution amount for each county and municipality;

558 (b) send the final annual contribution amount for each county and municipality to the
559 State Tax Commission; and

560 (c) publish the final annual contribution amount for each county and municipality on
561 the department's website.

562 (7) For calculations made in 2019 and every year thereafter, the department shall adjust
563 the monetary amounts under Subsections (2), (3)(a), (3)(c), (4), and (5) for inflation using the
564 Consumer Price Index.

565 (8) (a) Population figures for purposes of this section shall be based on the most recent
566 official census or census estimate of the United States Census Bureau.

567 (b) If a needed population estimate is not available from the United States Census
568 Bureau, population figures shall be derived from the estimate from the Utah Population
569 Estimates Committee.

570 (c) The population of a county for purposes of this section shall be determined only
571 from the unincorporated area of the county.

572 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
573 department may make rules in accordance with this section to calculate and administer the
574 annual local contribution described in this section.

575 Section 9. Section **59-12-205** is amended to read:

576 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
577 **tax revenue -- Determination of population.**

578 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
579 **59-12-204**, a county, city, or town shall adopt amendments to the county's, city's, or town's
580 sales and use tax ordinances:

581 (a) within 30 days of the day on which the state makes an amendment to an applicable
582 provision of Part 1, Tax Collection; and

583 (b) as required to conform to the amendments to Part 1, Tax Collection.

584 (2) Except as provided in Subsections (3) through [~~(6)~~] (7) and subject to Subsection
585 [~~(7)~~] (8):

586 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall
587 be distributed to each county, city, and town on the basis of the percentage that the population
588 of the county, city, or town bears to the total population of all counties, cities, and towns in the
589 state; and

590 (b) (i) except as provided in Subsection (2)(b)(ii), 50% of each dollar collected from
591 the sales and use tax authorized by this part shall be distributed to each county, city, and town
592 on the basis of the location of the transaction as determined under Sections 59-12-211 through
593 59-12-215; and

594 (ii) 50% of each dollar collected from the sales and use tax authorized by this part
595 within a project area described in a project area plan adopted by the military installation
596 development authority under Title 63H, Chapter 1, Military Installation Development
597 Authority Act, shall be distributed to the military installation development authority created in
598 Section 63H-1-201.

599 (3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall
600 distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

601 (i) the county, city, or town is a:

602 (A) county of the third, fourth, fifth, or sixth class;

603 (B) city of the fifth class; or

604 (C) town;

605 (ii) the county, city, or town received a distribution under this section for the calendar
606 year beginning on January 1, 2008, that was less than the distribution under this section that the
607 county, city, or town received for the calendar year beginning on January 1, 2007;

608 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located
609 within the unincorporated area of the county for one or more days during the calendar year
610 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,
611 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North
612 American Industry Classification System of the federal Executive Office of the President,
613 Office of Management and Budget; or

614 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection

615 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
616 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
617 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
618 2002 North American Industry Classification System of the federal Executive Office of the
619 President, Office of Management and Budget; and

620 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
621 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for
622 one or more days during the calendar year beginning on January 1, 2008, was not the holder of
623 a direct payment permit under Section 59-12-107.1; or

624 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
625 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a
626 city or town for one or more days during the calendar year beginning on January 1, 2008, was
627 not the holder of a direct payment permit under Section 59-12-107.1.

628 (b) The commission shall make the distribution required by this Subsection (3) to a
629 county, city, or town described in Subsection (3)(a):

630 (i) from the distribution required by Subsection (2)(a); and

631 (ii) before making any other distribution required by this section.

632 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by
633 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

634 (ii) For purposes of Subsection (3)(c)(i):

635 (A) the numerator of the fraction is the difference calculated by subtracting the
636 distribution a county, city, or town described in Subsection (3)(a) received under this section
637 for the calendar year beginning on January 1, 2008, from the distribution under this section that
638 the county, city, or town received for the calendar year beginning on January 1, 2007; and

639 (B) the denominator of the fraction is \$333,583.

640 (d) A distribution required by this Subsection (3) is in addition to any other distribution
641 required by this section.

642 (4) (a) For fiscal years beginning with fiscal year 1983-84 and ending with fiscal year
643 2005-06, a county, city, or town may not receive a tax revenue distribution less than .75% of
644 the taxable sales within the boundaries of the county, city, or town.

645 (b) The commission shall proportionally reduce monthly distributions to any county,

646 city, or town that, but for the reduction, would receive a distribution in excess of 1% of the
647 sales and use tax revenue collected within the boundaries of the county, city, or town.

648 (5) (a) As used in this Subsection (5):

649 (i) "Eligible county, city, or town" means a county, city, or town that receives \$2,000 or
650 more in tax revenue distributions in accordance with Subsection (4) for each of the following
651 fiscal years:

652 (A) fiscal year 2002-03;

653 (B) fiscal year 2003-04; and

654 (C) fiscal year 2004-05.

655 (ii) "Minimum tax revenue distribution" means the greater of:

656 (A) the total amount of tax revenue distributions an eligible county, city, or town
657 receives from a tax imposed in accordance with this part for fiscal year 2000-01; or

658 (B) the total amount of tax revenue distributions an eligible county, city, or town
659 receives from a tax imposed in accordance with this part for fiscal year 2004-05.

660 (b) (i) Except as provided in Subsection (5)(b)(ii), beginning with fiscal year 2006-07
661 and ending with fiscal year 2012-13, an eligible county, city, or town shall receive a tax
662 revenue distribution for a tax imposed in accordance with this part equal to the greater of:

663 (A) the payment required by Subsection (2); or

664 (B) the minimum tax revenue distribution.

665 (ii) If the tax revenue distribution required by Subsection (5)(b)(i) for an eligible
666 county, city, or town is equal to the amount described in Subsection (5)(b)(i)(A) for three
667 consecutive fiscal years, for fiscal years beginning with the fiscal year immediately following
668 that three consecutive fiscal year period, the eligible county, city, or town shall receive the tax
669 revenue distribution equal to the payment required by Subsection (2).

670 (c) For a fiscal year beginning with fiscal year 2013-14 and ending with fiscal year
671 2015-16, an eligible county, city, or town shall receive the minimum tax revenue distribution
672 for that fiscal year if for fiscal year 2012-13 the payment required by Subsection (2) to that
673 eligible county, city, or town is less than or equal to the product of:

674 (i) the minimum tax revenue distribution; and

675 (ii) .90.

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

- 677 (i) "Eligible county, city, or town" means a county, city, or town that:
678 (A) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
679 distributions for fiscal year 2002-03;
680 (B) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
681 distributions for fiscal year 2003-04;
682 (C) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
683 distributions for fiscal year 2004-05;
684 (D) for a fiscal year beginning with fiscal year 2012-13 and ending with fiscal year
685 2015-16, does not receive a tax revenue distribution described in Subsection (5) equal to the
686 amount described in Subsection (5)(b)(i)(A) for three consecutive fiscal years; and
687 (E) does not impose a sales and use tax under Section [59-12-2103](#) on or before July 1,
688 2016.
- 689 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
690 distributions an eligible county, city, or town receives from a tax imposed in accordance with
691 this part for fiscal year 2004-05.
- 692 (b) Beginning with fiscal year 2016-17, an eligible county, city, or town shall receive a
693 tax revenue distribution for a tax imposed in accordance with this part equal to the greater of:
694 (i) the payment required by Subsection (2); or
695 (ii) the minimum tax revenue distribution.
- 696 (7) (a) As used in this subsection:
- 697 (i) "Annual local contribution" means the same as that term is defined in Section
698 [35A-8-606](#).
- 699 (ii) "Department" means the Department of Workforce Services created in Section
700 [35A-1-103](#).
- 701 (iii) "Monthly local contribution" means the annual local contribution divided by 12 for
702 each county, city, and town in the state.
- 703 (b) For each tax revenue distribution the commission makes under this section on or
704 after January 1, 2019, the commission shall:
- 705 (i) retain an amount of each county's, city's, and town's distribution equal to the
706 monthly local contribution; and
- 707 (ii) deposit the amount the commission retains into the Homeless to Housing Reform

708 Restricted Account created in Section [35A-8-605](#).

709 (c) On or before October 1 of each year, the department shall provide the commission
710 with the annual local contribution that the commission will use to determine how much tax
711 revenue to retain from distributions made in the following calendar year.

712 (d) The commission may use the annual local contribution the commission used for the
713 previous calendar year to determine how much tax revenue to retain under this Subsection (7)
714 if:

715 (i) the department does not provide an updated annual local contribution; or

716 (ii) (A) the department provides an annual local contribution after October 1; and

717 (B) the commission does not have sufficient time to incorporate the new annual local
718 contribution into its distribution model.

719 ~~[(7)]~~ (8) (a) Population figures for purposes of this section shall be based on the most
720 recent official census or census estimate of the United States Census Bureau.

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

724 (c) The population of a county for purposes of this section shall be determined only
725 from the unincorporated area of the county.

726 Section 10. Section **59-12-302** is amended to read:

727 **59-12-302. Collection of tax -- Administrative charge.**

728 (1) Except as provided in Subsection (2) or (3), the tax authorized under this part shall
729 be administered, collected, and enforced in accordance with:

730 (a) the same procedures used to administer, collect, and enforce the tax under:

731 (i) Part 1, Tax Collection; or

732 (ii) Part 2, Local Sales and Use Tax Act; and

733 (b) Chapter 1, General Taxation Policies.

734 (2) The location of a transaction shall be determined in accordance with Sections
735 [59-12-211](#) through [59-12-215](#).

736 (3) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or
737 Subsections [59-12-205](#)(2) through ~~[(7)]~~ (8).

738 (4) The commission:

739 (a) shall distribute the revenue collected from the tax to the county within which the
740 revenue was collected; and

741 (b) shall retain and deposit an administrative charge in accordance with Section
742 59-1-306 from revenue the commission collects from a tax under this part.

743 Section 11. Section 59-12-354 is amended to read:

744 **59-12-354. Collection of tax -- Administrative charge.**

745 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part
746 shall be administered, collected, and enforced in accordance with:

747 (a) the same procedures used to administer, collect, and enforce the tax under:

748 (i) Part 1, Tax Collection; or

749 (ii) Part 2, Local Sales and Use Tax Act; and

750 (b) Chapter 1, General Taxation Policies.

751 (2) (a) The location of a transaction shall be determined in accordance with Sections
752 59-12-211 through 59-12-215.

753 (b) The commission:

754 (i) except as provided in Subsection (2)(b)(ii), shall distribute the revenue collected
755 from the tax to the municipality within which the revenue was collected; and

756 (ii) shall retain and deposit an administrative charge in accordance with Section
757 59-1-306 from the revenue the commission collects from a tax under this part.

758 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
759 Subsections 59-12-205(2) through [(7)] (8).

760 Section 12. Section 59-12-403 is amended to read:

761 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**

762 **Notice requirements -- Administration, collection, and enforcement of tax --**

763 **Administrative charge.**

764 (1) For purposes of this section:

765 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
766 4, Annexation.

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

768 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a
769 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,

770 repeal, or change shall take effect:

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

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

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

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

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

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

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

781 (c) (i) If the billing period for a transaction begins before the effective date of the
782 enactment of the tax or the tax rate increase imposed under Section [59-12-401](#), [59-12-402](#), or
783 [59-12-402.1](#), the enactment of the tax or the tax rate increase takes effect on the first day of the
784 first billing period that begins on or after the effective date of the enactment of the tax or the
785 tax rate increase.

786 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
787 statement for the billing period is produced on or after the effective date of the repeal of the tax
788 or the tax rate decrease imposed under Section [59-12-401](#), [59-12-402](#), or [59-12-402.1](#).

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

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

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

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

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

- 801 (i) on the first day of a calendar quarter; and
- 802 (ii) after a 90-day period beginning on the date the commission receives notice meeting
803 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.
- 804 (b) The notice described in Subsection (3)(a)(ii) shall state:
- 805 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
806 repeal, or change in the rate of a tax under this part for the annexing area;
- 807 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);
- 808 (iii) the effective date of the tax described in Subsection (3)(b)(i); and
- 809 (iv) if the city or town enacts the tax or changes the rate of the tax described in
810 Subsection (3)(b)(i), the rate of the tax.
- 811 (c) (i) If the billing period for a transaction begins before the effective date of the
812 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
813 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the
814 first billing period that begins on or after the effective date of the enactment of the tax or the
815 tax rate increase.
- 816 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
817 statement for the billing period is produced on or after the effective date of the repeal of the tax
818 or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or 59-12-402.1.
- 819 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
820 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
821 a tax described in Subsection (3)(a) takes effect:
- 822 (A) on the first day of a calendar quarter; and
- 823 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
824 rate of the tax under Subsection (3)(a).
- 825 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
826 commission may by rule define the term "catalogue sale."
- 827 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be
828 administered, collected, and enforced in accordance with:
- 829 (i) the same procedures used to administer, collect, and enforce the tax under:
- 830 (A) Part 1, Tax Collection; or
- 831 (B) Part 2, Local Sales and Use Tax Act; and

832 (ii) Chapter 1, General Taxation Policies.

833 (b) A tax under this part is not subject to Subsections 59-12-205(2) through [(7)] (8).

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

836 Section 13. Section 59-12-603 is amended to read:

837 **59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance**
838 **required -- Advisory board -- Administration -- Collection -- Administrative charge --**
839 **Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice**
840 **requirements.**

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

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

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

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

855 (A) alcoholic beverages;

856 (B) food and food ingredients; or

857 (C) prepared food; and

858 (iii) a county legislative body of a county of the first class may impose a tax of not to
859 exceed .5% on charges for the accommodations and services described in Subsection

860 59-12-103(1)(i).

861 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
862 17-31-5.5.

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

- 865 (i) financing tourism promotion; and
- 866 (ii) the development, operation, and maintenance of:
 - 867 (A) an airport facility;
 - 868 (B) a convention facility;
 - 869 (C) a cultural facility;
 - 870 (D) a recreation facility; or
 - 871 (E) a tourist facility.

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

- 875 (i) promote tourism in ski areas within the county by persons that do not reside within
876 the state; and
- 877 (ii) combine the sale of:
 - 878 (A) ski lift tickets; and
 - 879 (B) accommodations and services described in Subsection 59-12-103(1)(i).

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

- 884 (a) an airport facility;
- 885 (b) a convention facility;
- 886 (c) a cultural facility;
- 887 (d) a recreation facility; or
- 888 (e) a tourist facility.

889 (4) (a) To impose the tax under Subsection (1), each county legislative body shall adopt
890 an ordinance imposing the tax.

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

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

897 (5) To maintain in effect its tax ordinance adopted under this part, each county
898 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,
899 Tax Collection, adopt amendments to its tax ordinance to conform with the applicable
900 amendments to Part 1, Tax Collection.

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

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

905 (i) four members shall be residents of a county of the first class appointed by the
906 county legislative body of the county of the first class; and

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

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

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

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

913 (ii) procedures and requirements for removing a member of the tax advisory board;

914 (iii) voting requirements, except that action of the tax advisory board shall be by at
915 least a majority vote of a quorum of the tax advisory board;

916 (iv) chairs or other officers of the tax advisory board;

917 (v) how meetings are to be called and the frequency of meetings; and

918 (vi) the compensation, if any, of members of the tax advisory board.

919 (e) The tax advisory board under this Subsection (6) shall advise the county legislative
920 body of the county of the first class on the expenditure of revenue collected within the county
921 of the first class from the taxes described in Subsection (1)(a).

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

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

925 (I) Part 1, Tax Collection; or
926 (II) Part 2, Local Sales and Use Tax Act; and
927 (B) Chapter 1, General Taxation Policies.
928 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
929 Subsections 59-12-205(2) through ~~(7)~~ (8).
930 (b) Except as provided in Subsection (7)(c):
931 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
932 commission shall distribute the revenue to the county imposing the tax; and
933 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue
934 according to the distribution formula provided in Subsection (8).
935 (c) The commission shall retain and deposit an administrative charge in accordance
936 with Section 59-1-306 from the revenue the commission collects from a tax under this part.
937 (8) The commission shall distribute the revenue generated by the tax under Subsection
938 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the
939 following formula:
940 (a) the commission shall distribute 70% of the revenue based on the percentages
941 generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by
942 the total revenue collected by all counties under Subsection (1)(a)(i)(B); and
943 (b) the commission shall distribute 30% of the revenue based on the percentages
944 generated by dividing the population of each county collecting a tax under Subsection
945 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).
946 (9) (a) For purposes of this Subsection (9):
947 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
948 County Annexation.
949 (ii) "Annexing area" means an area that is annexed into a county.
950 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county
951 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or
952 change shall take effect:
953 (A) on the first day of a calendar quarter; and
954 (B) after a 90-day period beginning on the date the commission receives notice meeting
955 the requirements of Subsection (9)(b)(ii) from the county.

956 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:
957 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;
958 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);
959 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and
960 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
961 (9)(b)(ii)(A), the rate of the tax.

962 (c) (i) If the billing period for a transaction begins before the effective date of the
963 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
964 the tax or the tax rate increase shall take effect on the first day of the first billing period that
965 begins after the effective date of the enactment of the tax or the tax rate increase.

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

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

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

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

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

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

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

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

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

983 (e) (i) If the billing period for a transaction begins before the effective date of the
984 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
985 the tax or the tax rate increase shall take effect on the first day of the first billing period that
986 begins after the effective date of the enactment of the tax or the tax rate increase.

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

991 Section 14. Section **59-12-703** is amended to read:

992 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**
993 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**
994 **-- Notice requirements.**

995 (1) (a) Subject to the other provisions of this section, a county legislative body may
996 submit an opinion question to the residents of that county, by majority vote of all members of
997 the legislative body, so that each resident of the county, except residents in municipalities that
998 have already imposed a sales and use tax under Part 14, City or Town Option Funding for
999 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an
1000 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
1001 .1% on the transactions described in Subsection **59-12-103(1)** located within the county, to:

1002 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
1003 organizations, cultural organizations, and zoological organizations, and rural radio stations, in
1004 that county; or

1005 (ii) provide funding for a botanical organization, cultural organization, or zoological
1006 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
1007 furtherance of the botanical organization's, cultural organization's, or zoological organization's
1008 primary purpose.

1009 (b) The opinion question required by this section shall state:

1010 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and
1011 use tax for (list the purposes for which the revenue collected from the sales and use tax shall be
1012 expended)?"

1013 (c) A county legislative body may not impose a tax under this section on:

1014 (i) the sales and uses described in Section **59-12-104** to the extent the sales and uses
1015 are exempt from taxation under Section **59-12-104**;

1016 (ii) sales and uses within a municipality that has already imposed a sales and use tax
1017 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and

1018 Zoological Organizations or Facilities; and

1019 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
1020 food ingredients.

1021 (d) For purposes of this Subsection (1), the location of a transaction shall be
1022 determined in accordance with Sections 59-12-211 through 59-12-215.

1023 (e) A county legislative body imposing a tax under this section shall impose the tax on
1024 the purchase price or sales price for amounts paid or charged for food and food ingredients if
1025 the food and food ingredients are sold as part of a bundled transaction attributable to food and
1026 food ingredients and tangible personal property other than food and food ingredients.

1027 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local
1028 Government Bonding Act.

1029 (2) (a) If the county legislative body determines that a majority of the county's
1030 registered voters voting on the imposition of the tax have voted in favor of the imposition of
1031 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a
1032 majority vote of all members of the legislative body on the transactions:

1033 (i) described in Subsection (1); and

1034 (ii) within the county, including the cities and towns located in the county, except those
1035 cities and towns that have already imposed a sales and use tax under Part 14, City or Town
1036 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
1037 Facilities.

1038 (b) A county legislative body may revise county ordinances to reflect statutory changes
1039 to the distribution formula or eligible recipients of revenue generated from a tax imposed under
1040 Subsection (2)(a) without submitting an opinion question to residents of the county.

1041 (3) Subject to Section 59-12-704, revenue collected from a tax imposed under
1042 Subsection (2) shall be expended:

1043 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
1044 within the county or a city or town located in the county, except a city or town that has already
1045 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,
1046 Cultural, Recreational, and Zoological Organizations or Facilities;

1047 (b) to fund ongoing operating expenses of:

1048 (i) recreational facilities described in Subsection (3)(a);

- 1049 (ii) botanical organizations, cultural organizations, and zoological organizations within
1050 the county; and
- 1051 (iii) rural radio stations within the county; and
- 1052 (c) as stated in the opinion question described in Subsection (1).
- 1053 (4) (a) A tax authorized under this part shall be:
- 1054 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1055 accordance with:
- 1056 (A) the same procedures used to administer, collect, and enforce the tax under:
- 1057 (I) Part 1, Tax Collection; or
- 1058 (II) Part 2, Local Sales and Use Tax Act; and
- 1059 (B) Chapter 1, General Taxation Policies; and
- 1060 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1061 period in accordance with this section.
- 1062 (b) A tax under this part is not subject to Subsections 59-12-205(2) through [~~(7)~~] (8).
- 1063 (5) (a) For purposes of this Subsection (5):
- 1064 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
1065 County Annexation.
- 1066 (ii) "Annexing area" means an area that is annexed into a county.
- 1067 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1068 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:
- 1069 (A) on the first day of a calendar quarter; and
- 1070 (B) after a 90-day period beginning on the date the commission receives notice meeting
1071 the requirements of Subsection (5)(b)(ii) from the county.
- 1072 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
- 1073 (A) that the county will enact or repeal a tax under this part;
- 1074 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
- 1075 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
- 1076 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the
1077 tax.
- 1078 (c) (i) If the billing period for a transaction begins before the effective date of the
1079 enactment of the tax under this section, the enactment of the tax takes effect on the first day of

1080 the first billing period that begins on or after the effective date of the enactment of the tax.

1081 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1082 period is produced on or after the effective date of the repeal of the tax imposed under this
1083 section.

1084 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1085 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1086 Subsection (5)(b)(i) takes effect:

1087 (A) on the first day of a calendar quarter; and

1088 (B) beginning 60 days after the effective date of the enactment or repeal under
1089 Subsection (5)(b)(i).

1090 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1091 commission may by rule define the term "catalogue sale."

1092 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1093 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1094 part for an annexing area, the enactment or repeal shall take effect:

1095 (A) on the first day of a calendar quarter; and

1096 (B) after a 90-day period beginning on the date the commission receives notice meeting
1097 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

1098 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1099 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1100 repeal of a tax under this part for the annexing area;

1101 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1102 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1103 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1104 (f) (i) If the billing period for a transaction begins before the effective date of the
1105 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1106 the first billing period that begins on or after the effective date of the enactment of the tax.

1107 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1108 period is produced on or after the effective date of the repeal of the tax imposed under this
1109 section.

1110 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1111 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1112 Subsection (5)(e)(i) takes effect:

1113 (A) on the first day of a calendar quarter; and

1114 (B) beginning 60 days after the effective date of the enactment or repeal under

1115 Subsection (5)(e)(i).

1116 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1117 commission may by rule define the term "catalogue sale."

1118 Section 15. Section **59-12-802** is amended to read:

1119 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**
1120 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**
1121 **Administrative charge.**

1122 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class
1123 may impose a sales and use tax of up to 1% on the transactions described in Subsection
1124 [59-12-103](#)(1) located within the county.

1125 (b) Subject to Subsection (3), the money collected from a tax under this section may be
1126 used to fund:

1127 (i) for a county of the third or fourth class, rural county health care facilities in that
1128 county; or

1129 (ii) for a county of the fifth or sixth class:

1130 (A) rural emergency medical services in that county;

1131 (B) federally qualified health centers in that county;

1132 (C) freestanding urgent care centers in that county;

1133 (D) rural county health care facilities in that county;

1134 (E) rural health clinics in that county; or

1135 (F) a combination of Subsections (1)(b)(ii)(A) through (E).

1136 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax
1137 under this section on:

1138 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses
1139 are exempt from taxation under Section [59-12-104](#);

1140 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in
1141 a city that imposes a tax under Section [59-12-804](#); and

1142 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
1143 food ingredients.

1144 (d) For purposes of this Subsection (1), the location of a transaction shall be
1145 determined in accordance with Sections 59-12-211 through 59-12-215.

1146 (e) A county legislative body imposing a tax under this section shall impose the tax on
1147 the purchase price or sales price for amounts paid or charged for food and food ingredients if
1148 the food and food ingredients are sold as part of a bundled transaction attributable to food and
1149 food ingredients and tangible personal property other than food and food ingredients.

1150 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall
1151 obtain approval to impose the tax from a majority of the:

1152 (i) members of the county's legislative body; and

1153 (ii) county's registered voters voting on the imposition of the tax.

1154 (b) The county legislative body shall conduct the election according to the procedures
1155 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

1156 (3) (a) The money collected from a tax imposed under Subsection (1) by a county
1157 legislative body of a county of the third or fourth class may only be used for the financing of:

1158 (i) ongoing operating expenses of a rural county health care facility within that county;

1159 (ii) the acquisition of land for a rural county health care facility within that county; or

1160 (iii) the design, construction, equipping, or furnishing of a rural county health care
1161 facility within that county.

1162 (b) The money collected from a tax imposed under Subsection (1) by a county of the
1163 fifth or sixth class may only be used to fund:

1164 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection
1165 (1)(b)(ii) within that county;

1166 (ii) the acquisition of land for a center, clinic, or facility described in Subsection
1167 (1)(b)(ii) within that county;

1168 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility
1169 described in Subsection (1)(b)(ii) within that county; or

1170 (iv) rural emergency medical services within that county.

1171 (4) (a) A tax under this section shall be:

1172 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in

1173 accordance with:

1174 (A) the same procedures used to administer, collect, and enforce the tax under:

1175 (I) Part 1, Tax Collection; or

1176 (II) Part 2, Local Sales and Use Tax Act; and

1177 (B) Chapter 1, General Taxation Policies; and

1178 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1179 period by the county legislative body as provided in Subsection (1).

1180 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]

1181 (8).

1182 (c) A county legislative body shall distribute money collected from a tax under this
1183 section quarterly.

1184 (5) The commission shall retain and deposit an administrative charge in accordance
1185 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1186 Section 16. Section 59-12-804 is amended to read:

1187 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
1188 **collection, and enforcement of tax -- Administrative charge.**

1189 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

1190 (i) on the transactions described in Subsection 59-12-103(1) located within the city;

1191 and

1192 (ii) to fund rural city hospitals in that city.

1193 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax
1194 under this section on:

1195 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1196 are exempt from taxation under Section 59-12-104; and

1197 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food
1198 ingredients.

1199 (c) For purposes of this Subsection (1), the location of a transaction shall be
1200 determined in accordance with Sections 59-12-211 through 59-12-215.

1201 (d) A city legislative body imposing a tax under this section shall impose the tax on the
1202 purchase price or sales price for amounts paid or charged for food and food ingredients if the
1203 food and food ingredients are sold as part of a bundled transaction attributable to food and food

1204 ingredients and tangible personal property other than food and food ingredients.

1205 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall
1206 obtain approval to impose the tax from a majority of the:

1207 (i) members of the city legislative body; and

1208 (ii) city's registered voters voting on the imposition of the tax.

1209 (b) The city legislative body shall conduct the election according to the procedures and
1210 requirements of Title 11, Chapter 14, Local Government Bonding Act.

1211 (3) The money collected from a tax imposed under Subsection (1) may only be used to
1212 fund:

1213 (a) ongoing operating expenses of a rural city hospital;

1214 (b) the acquisition of land for a rural city hospital; or

1215 (c) the design, construction, equipping, or furnishing of a rural city hospital.

1216 (4) (a) A tax under this section shall be:

1217 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1218 accordance with:

1219 (A) the same procedures used to administer, collect, and enforce the tax under:

1220 (I) Part 1, Tax Collection; or

1221 (II) Part 2, Local Sales and Use Tax Act; and

1222 (B) Chapter 1, General Taxation Policies; and

1223 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1224 period by the city legislative body as provided in Subsection (1).

1225 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]
1226 (8).

1227 (5) The commission shall retain and deposit an administrative charge in accordance
1228 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1229 Section 17. Section 59-12-1102 is amended to read:

1230 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**

1231 **Administration -- Administrative charge -- Commission requirement to retain an amount**
1232 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
1233 **of tax -- Effective date -- Notice requirements.**

1234 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax

1235 authorized by this chapter, a county may impose by ordinance a county option sales and use tax
1236 of .25% upon the transactions described in Subsection 59-12-103(1).

1237 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
1238 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
1239 exempt from taxation under Section 59-12-104.

1240 (b) For purposes of this Subsection (1), the location of a transaction shall be
1241 determined in accordance with Sections 59-12-211 through 59-12-215.

1242 (c) The county option sales and use tax under this section shall be imposed:

1243 (i) upon transactions that are located within the county, including transactions that are
1244 located within municipalities in the county; and

1245 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
1246 January:

1247 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
1248 ordinance is adopted on or before May 25; or

1249 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
1250 ordinance is adopted after May 25.

1251 (d) The county option sales and use tax under this section shall be imposed:

1252 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
1253 September 4, 1997; or

1254 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
1255 but after September 4, 1997.

1256 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
1257 county shall hold two public hearings on separate days in geographically diverse locations in
1258 the county.

1259 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
1260 time of no earlier than 6 p.m.

1261 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
1262 days after the day the first advertisement required by Subsection (2)(c) is published.

1263 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
1264 shall advertise:

1265 (A) its intent to adopt a county option sales and use tax;

1266 (B) the date, time, and location of each public hearing; and
1267 (C) a statement that the purpose of each public hearing is to obtain public comments
1268 regarding the proposed tax.

1269 (ii) The advertisement shall be published:

1270 (A) in a newspaper of general circulation in the county once each week for the two
1271 weeks preceding the earlier of the two public hearings; and

1272 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks
1273 preceding the earlier of the two public hearings.

1274 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
1275 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
1276 border.

1277 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
1278 portion of the newspaper where legal notices and classified advertisements appear.

1279 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

1280 (A) the advertisement shall appear in a newspaper that is published at least five days a
1281 week, unless the only newspaper in the county is published less than five days a week; and

1282 (B) the newspaper selected shall be one of general interest and readership in the
1283 community, and not one of limited subject matter.

1284 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
1285 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
1286 6, Local Referenda - Procedures.

1287 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
1288 county option sales and use tax under Subsection (1) is less than 75% of the state population,
1289 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
1290 collected.

1291 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
1292 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
1293 population:

1294 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
1295 the county in which the tax was collected; and

1296 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection

1297 (1) in each county shall be distributed proportionately among all counties imposing the tax,
1298 based on the total population of each county.

1299 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
1300 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
1301 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1302 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
1303 be increased so that, when combined with the amount distributed to the county under
1304 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1305 (ii) the amount to be distributed annually to all other counties under Subsection
1306 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
1307 Subsection (3)(c)(i).

1308 (d) The commission shall establish rules to implement the distribution of the tax under
1309 Subsections (3)(a), (b), and (c).

1310 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
1311 shall be administered, collected, and enforced in accordance with:

1312 (i) the same procedures used to administer, collect, and enforce the tax under:

1313 (A) Part 1, Tax Collection; or

1314 (B) Part 2, Local Sales and Use Tax Act; and

1315 (ii) Chapter 1, General Taxation Policies.

1316 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1317 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
1318 administrative charge in accordance with Section 59-1-306 from the revenue the commission
1319 collects from a tax under this part.

1320 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
1321 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
1322 the distribution amounts resulting after:

1323 (A) the applicable distribution calculations under Subsection (3) have been made; and

1324 (B) the commission retains the amount required by Subsection (5).

1325 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
1326 of the sales and use tax collected under this part as provided in this Subsection (5).

1327 (b) For a county that imposes a tax under this part, the commission shall calculate a

1328 percentage each month by dividing the sales and use tax collected under this part for that
1329 month within the boundaries of that county by the total sales and use tax collected under this
1330 part for that month within the boundaries of all of the counties that impose a tax under this part.

1331 (c) For a county that imposes a tax under this part, the commission shall retain each
1332 month an amount equal to the product of:

1333 (i) the percentage the commission determines for the month under Subsection (5)(b)
1334 for the county; and

1335 (ii) \$6,354.

1336 (d) The commission shall deposit an amount the commission retains in accordance
1337 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
1338 [35A-8-1009](#).

1339 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
1340 Fund shall be expended as provided in Section [35A-8-1009](#).

1341 (6) (a) For purposes of this Subsection (6):

1342 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
1343 Consolidations and Annexations.

1344 (ii) "Annexing area" means an area that is annexed into a county.

1345 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a
1346 county enacts or repeals a tax under this part:

1347 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

1348 (II) the repeal shall take effect on the first day of a calendar quarter; and

1349 (B) after a 90-day period beginning on the date the commission receives notice meeting
1350 the requirements of Subsection (6)(b)(ii) from the county.

1351 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

1352 (A) that the county will enact or repeal a tax under this part;

1353 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

1354 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

1355 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the
1356 tax.

1357 (c) (i) If the billing period for a transaction begins before the effective date of the
1358 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day

1359 of the first billing period that begins on or after the effective date of the enactment of the tax.

1360 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1361 period is produced on or after the effective date of the repeal of the tax imposed under
1362 Subsection (1).

1363 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1364 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1365 Subsection (6)(b)(i) takes effect:

1366 (A) on the first day of a calendar quarter; and

1367 (B) beginning 60 days after the effective date of the enactment or repeal under
1368 Subsection (6)(b)(i).

1369 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1370 commission may by rule define the term "catalogue sale."

1371 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
1372 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1373 part for an annexing area, the enactment or repeal shall take effect:

1374 (A) on the first day of a calendar quarter; and

1375 (B) after a 90-day period beginning on the date the commission receives notice meeting
1376 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1377 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1378 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
1379 repeal of a tax under this part for the annexing area;

1380 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1381 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1382 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1383 (f) (i) If the billing period for a transaction begins before the effective date of the
1384 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day
1385 of the first billing period that begins on or after the effective date of the enactment of the tax.

1386 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1387 period is produced on or after the effective date of the repeal of the tax imposed under
1388 Subsection (1).

1389 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1390 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1391 Subsection (6)(e)(i) takes effect:

1392 (A) on the first day of a calendar quarter; and

1393 (B) beginning 60 days after the effective date of the enactment or repeal under

1394 Subsection (6)(e)(i).

1395 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1396 commission may by rule define the term "catalogue sale."

1397 Section 18. Section **59-12-1302** is amended to read:

1398 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
1399 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
1400 **enforcement of tax -- Administrative charge.**

1401 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
1402 tax as provided in this part in an amount that does not exceed 1%.

1403 (2) A town may impose a tax as provided in this part if the town imposed a license fee
1404 or tax on businesses based on gross receipts under Section [10-1-203](#) on or before January 1,
1405 1996.

1406 (3) A town imposing a tax under this section shall:

1407 (a) except as provided in Subsection (4), impose the tax on the transactions described
1408 in Subsection [59-12-103](#)(1) located within the town; and

1409 (b) provide an effective date for the tax as provided in Subsection (5).

1410 (4) (a) A town may not impose a tax under this section on:

1411 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses
1412 are exempt from taxation under Section [59-12-104](#); and

1413 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
1414 ingredients.

1415 (b) For purposes of this Subsection (4), the location of a transaction shall be
1416 determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

1417 (c) A town imposing a tax under this section shall impose the tax on the purchase price
1418 or sales price for amounts paid or charged for food and food ingredients if the food and food
1419 ingredients are sold as part of a bundled transaction attributable to food and food ingredients
1420 and tangible personal property other than food and food ingredients.

1421 (5) (a) For purposes of this Subsection (5):

1422 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
1423 Annexation.

1424 (ii) "Annexing area" means an area that is annexed into a town.

1425 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1426 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,
1427 or change shall take effect:

1428 (A) on the first day of a calendar quarter; and

1429 (B) after a 90-day period beginning on the date the commission receives notice meeting
1430 the requirements of Subsection (5)(b)(ii) from the town.

1431 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1432 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1433 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1434 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1435 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1436 (5)(b)(ii)(A), the rate of the tax.

1437 (c) (i) If the billing period for the transaction begins before the effective date of the
1438 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
1439 the tax or the tax rate increase takes effect on the first day of the first billing period that begins
1440 on or after the effective date of the enactment of the tax or the tax rate increase.

1441 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1442 statement for the billing period is produced on or after the effective date of the repeal of the tax
1443 or the tax rate decrease imposed under Subsection (1).

1444 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1445 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1446 a tax described in Subsection (5)(b)(i) takes effect:

1447 (A) on the first day of a calendar quarter; and

1448 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1449 rate of the tax under Subsection (5)(b)(i).

1450 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1451 commission may by rule define the term "catalogue sale."

1452 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1453 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
1454 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1455 effect:

1456 (A) on the first day of a calendar quarter; and

1457 (B) after a 90-day period beginning on the date the commission receives notice meeting
1458 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1459 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1460 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,
1461 repeal, or change in the rate of a tax under this part for the annexing area;

1462 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1463 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1464 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1465 (5)(e)(ii)(A), the rate of the tax.

1466 (f) (i) If the billing period for a transaction begins before the effective date of the
1467 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
1468 the tax or the tax rate increase takes effect on the first day of the first billing period that begins
1469 on or after the effective date of the enactment of the tax or the tax rate increase.

1470 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1471 statement for the billing period is produced on or after the effective date of the repeal of the tax
1472 or the tax rate decrease imposed under Subsection (1).

1473 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1474 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1475 a tax described in Subsection (5)(e)(i) takes effect:

1476 (A) on the first day of a calendar quarter; and

1477 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1478 rate of the tax under Subsection (5)(e)(i).

1479 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1480 commission may by rule define the term "catalogue sale."

1481 (6) The commission shall:

1482 (a) distribute the revenue generated by the tax under this section to the town imposing

1483 the tax; and

1484 (b) except as provided in Subsection (8), administer, collect, and enforce the tax
1485 authorized under this section in accordance with:

1486 (i) the same procedures used to administer, collect, and enforce the tax under:

1487 (A) Part 1, Tax Collection; or

1488 (B) Part 2, Local Sales and Use Tax Act; and

1489 (ii) Chapter 1, General Taxation Policies.

1490 (7) The commission shall retain and deposit an administrative charge in accordance
1491 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

1492 (8) A tax under this section is not subject to Subsections 59-12-205(2) through ~~(7)~~
1493 (8).

1494 Section 19. Section 59-12-1402 is amended to read:

1495 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**
1496 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**
1497 **requirements.**

1498 (1) (a) Subject to the other provisions of this section, a city or town legislative body
1499 subject to this part may submit an opinion question to the residents of that city or town, by
1500 majority vote of all members of the legislative body, so that each resident of the city or town
1501 has an opportunity to express the resident's opinion on the imposition of a local sales and use
1502 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or
1503 town, to:

1504 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical
1505 organizations, cultural organizations, and zoological organizations in that city or town; or

1506 (ii) provide funding for a botanical organization, cultural organization, or zoological
1507 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
1508 furtherance of the botanical organization's, cultural organization's, or zoological organization's
1509 primary purpose.

1510 (b) The opinion question required by this section shall state:

1511 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
1512 and use tax for (list the purposes for which the revenue collected from the sales and use tax
1513 shall be expended)?"

- 1514 (c) A city or town legislative body may not impose a tax under this section:
- 1515 (i) if the county in which the city or town is located imposes a tax under Part 7, County
- 1516 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
- 1517 Facilities;
- 1518 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
- 1519 uses are exempt from taxation under Section 59-12-104; and
- 1520 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
- 1521 food ingredients.
- 1522 (d) For purposes of this Subsection (1), the location of a transaction shall be
- 1523 determined in accordance with Sections 59-12-211 through 59-12-215.
- 1524 (e) A city or town legislative body imposing a tax under this section shall impose the
- 1525 tax on the purchase price or sales price for amounts paid or charged for food and food
- 1526 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
- 1527 to food and food ingredients and tangible personal property other than food and food
- 1528 ingredients.
- 1529 (f) Except as provided in Subsection (6), the election shall be held at a regular general
- 1530 election or a municipal general election, as those terms are defined in Section 20A-1-102, and
- 1531 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.
- 1532 (2) If the city or town legislative body determines that a majority of the city's or town's
- 1533 registered voters voting on the imposition of the tax have voted in favor of the imposition of
- 1534 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by
- 1535 a majority vote of all members of the legislative body.
- 1536 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under
- 1537 Subsection (2) shall be expended:
- 1538 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
- 1539 the city or town or within the geographic area of entities that are parties to an interlocal
- 1540 agreement, to which the city or town is a party, providing for cultural facilities, recreational
- 1541 facilities, or zoological facilities;
- 1542 (b) to finance ongoing operating expenses of:
- 1543 (i) recreational facilities described in Subsection (3)(a) within the city or town or
- 1544 within the geographic area of entities that are parties to an interlocal agreement, to which the

1545 city or town is a party, providing for recreational facilities; or
1546 (ii) botanical organizations, cultural organizations, and zoological organizations within
1547 the city or town or within the geographic area of entities that are parties to an interlocal
1548 agreement, to which the city or town is a party, providing for the support of botanical
1549 organizations, cultural organizations, or zoological organizations; and
1550 (c) as stated in the opinion question described in Subsection (1).
1551 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall
1552 be:
1553 (i) administered, collected, and enforced in accordance with:
1554 (A) the same procedures used to administer, collect, and enforce the tax under:
1555 (I) Part 1, Tax Collection; or
1556 (II) Part 2, Local Sales and Use Tax Act; and
1557 (B) Chapter 1, General Taxation Policies; and
1558 (ii) (A) levied for a period of eight years; and
1559 (B) may be reauthorized at the end of the eight-year period in accordance with this
1560 section.
1561 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the
1562 tax shall be levied for a period of 10 years.
1563 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
1564 after July 1, 2011, the tax shall be reauthorized for a ten-year period.
1565 (c) A tax under this section is not subject to Subsections 59-12-205(2) through ~~(7)~~
1566 (8).
1567 (5) (a) For purposes of this Subsection (5):
1568 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
1569 4, Annexation.
1570 (ii) "Annexing area" means an area that is annexed into a city or town.
1571 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
1572 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:
1573 (A) on the first day of a calendar quarter; and
1574 (B) after a 90-day period beginning on the date the commission receives notice meeting
1575 the requirements of Subsection (5)(b)(ii) from the city or town.

1576 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
1577 (A) that the city or town will enact or repeal a tax under this part;
1578 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
1579 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
1580 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of
1581 the tax.

1582 (c) (i) If the billing period for a transaction begins before the effective date of the
1583 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1584 the first billing period that begins on or after the effective date of the enactment of the tax.

1585 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1586 period is produced on or after the effective date of the repeal of the tax imposed under this
1587 section.

1588 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1589 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1590 Subsection (5)(b)(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 or repeal under
1593 Subsection (5)(b)(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 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1597 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1598 part for an annexing area, the enactment or repeal shall take effect:

1599 (A) on the first day of a calendar quarter; and

1600 (B) after a 90-day period beginning on the date the commission receives notice meeting
1601 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1602 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1603 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1604 repeal a tax under this part for the annexing area;

1605 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1606 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1607 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1608 (f) (i) If the billing period for a transaction begins before the effective date of the
1609 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1610 the first billing period that begins on or after the effective date of the enactment of the tax.

1611 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1612 period is produced on or after the effective date of the repeal of the tax imposed under this
1613 section.

1614 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1615 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1616 Subsection (5)(e)(i) takes effect:

1617 (A) on the first day of a calendar quarter; and

1618 (B) beginning 60 days after the effective date of the enactment or repeal under
1619 Subsection (5)(e)(i).

1620 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1621 commission may by rule define the term "catalogue sale."

1622 (6) (a) Before a city or town legislative body submits an opinion question to the
1623 residents of the city or town under Subsection (1), the city or town legislative body shall:

1624 (i) submit to the county legislative body in which the city or town is located a written
1625 notice of the intent to submit the opinion question to the residents of the city or town; and

1626 (ii) receive from the county legislative body:

1627 (A) a written resolution passed by the county legislative body stating that the county
1628 legislative body is not seeking to impose a tax under Part 7, County Option Funding for
1629 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

1630 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
1631 opinion question submitted to the residents of the county under Part 7, County Option Funding
1632 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
1633 or town legislative body to submit the opinion question to the residents of the city or town in
1634 accordance with this part.

1635 (b) (i) Within 60 days after the day the county legislative body receives from a city or
1636 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
1637 opinion question to the residents of the city or town, the county legislative body shall provide

1638 the city or town legislative body:

1639 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1640 (B) written notice that the county legislative body will submit an opinion question to
1641 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
1642 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under
1643 that part.

1644 (ii) If the county legislative body provides the city or town legislative body the written
1645 notice that the county legislative body will submit an opinion question as provided in
1646 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no
1647 later than, from the date the county legislative body sends the written notice, the later of:

1648 (A) a 12-month period;

1649 (B) the next regular primary election; or

1650 (C) the next regular general election.

1651 (iii) Within 30 days of the date of the canvass of the election at which the opinion
1652 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
1653 city or town legislative body described in Subsection (6)(a) written results of the opinion
1654 question submitted by the county legislative body under Part 7, County Option Funding for
1655 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1656 (A) (I) the city or town legislative body may not impose a tax under this part because a
1657 majority of the county's registered voters voted in favor of the county imposing the tax and the
1658 county legislative body by a majority vote approved the imposition of the tax; or

1659 (II) for at least 12 months from the date the written results are submitted to the city or
1660 town legislative body, the city or town legislative body may not submit to the county legislative
1661 body a written notice of the intent to submit an opinion question under this part because a
1662 majority of the county's registered voters voted against the county imposing the tax and the
1663 majority of the registered voters who are residents of the city or town described in Subsection
1664 (6)(a) voted against the imposition of the county tax; or

1665 (B) the city or town legislative body may submit the opinion question to the residents
1666 of the city or town in accordance with this part because although a majority of the county's
1667 registered voters voted against the county imposing the tax, the majority of the registered voters
1668 who are residents of the city or town voted for the imposition of the county tax.

1669 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
1670 provide a city or town legislative body described in Subsection (6)(a) a written resolution
1671 passed by the county legislative body stating that the county legislative body is not seeking to
1672 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
1673 Zoological Organizations or Facilities, which permits the city or town legislative body to
1674 submit under Subsection (1) an opinion question to the city's or town's residents.

1675 Section 20. Section **59-12-2103** is amended to read:

1676 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**
1677 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1678 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1679 (1) (a) Subject to the other provisions of this section and except as provided in
1680 Subsection (2) or (3), beginning on January 1, 2009 and ending on June 30, 2016, if a city or
1681 town receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the
1682 city or town would have received a tax revenue distribution of less than .75% of the taxable
1683 sales within the boundaries of the city or town but for Subsection **59-12-205(4)(a)**, the city or
1684 town legislative body may impose a sales and use tax of up to .20% on the transactions:

- 1685 (i) described in Subsection **59-12-103(1)**; and
1686 (ii) within the city or town.

1687 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall
1688 expend the revenue collected from the tax for the same purposes for which the city or town
1689 may expend the city's or town's general fund revenue.

1690 (c) For purposes of this Subsection (1), the location of a transaction shall be
1691 determined in accordance with Sections **59-12-211** through **59-12-215**.

1692 (2) (a) A city or town legislative body may not impose a tax under this section on:

1693 (i) the sales and uses described in Section **59-12-104** to the extent the sales and uses
1694 are exempt from taxation under Section **59-12-104**; and

1695 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
1696 ingredients.

1697 (b) A city or town legislative body imposing a tax under this section shall impose the
1698 tax on the purchase price or sales price for amounts paid or charged for food and food
1699 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable

1700 to food and food ingredients and tangible personal property other than food and food
1701 ingredients.

1702 (3) (a) Beginning on January 1, 2009, and ending on June 30, 2016, to impose a tax
1703 under this part, a city or town legislative body shall obtain approval from a majority of the
1704 members of the city or town legislative body.

1705 (b) If, on June 30, 2016, a city or town is not imposing a tax under this part, the city or
1706 town legislative body may not impose a tax under this part beginning on or after July 1, 2016.

1707 (c) (i) If, on June 30, 2016, a city or town imposes a tax under this part, the city or
1708 town shall repeal the tax on July 1, 2016, unless, on or after July 1, 2012, but on or before
1709 March 31, 2016, the city or town legislative body obtains approval from a majority vote of the
1710 members of the city or town legislative body to continue to impose the tax.

1711 (ii) If a city or town obtains approval under Subsection (3)(c)(i) from a majority vote of
1712 the members of the city or town legislative body to continue to impose a tax under this part on
1713 or after July 1, 2016, the city or town may impose the tax until no later than June 30, 2030.

1714 (4) The commission shall transmit revenue collected within a city or town from a tax
1715 under this part:

1716 (a) to the city or town legislative body;

1717 (b) monthly; and

1718 (c) by electronic funds transfer.

1719 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
1720 collect, and enforce a tax under this part in accordance with:

1721 (i) the same procedures used to administer, collect, and enforce the tax under:

1722 (A) Part 1, Tax Collection; or

1723 (B) Part 2, Local Sales and Use Tax Act; and

1724 (ii) Chapter 1, General Taxation Policies.

1725 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1726 (6) The commission shall retain and deposit an administrative charge in accordance
1727 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

1728 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
1729 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
1730 repeal, or change shall take effect:

- 1731 (A) on the first day of a calendar quarter; and
- 1732 (B) after a 90-day period beginning on the date the commission receives notice meeting
- 1733 the requirements of Subsection (7)(a)(i) from the city or town.
- 1734 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:
- 1735 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
- 1736 this part;
- 1737 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);
- 1738 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and
- 1739 (D) if the city or town enacts the tax or changes the rate of the tax described in
- 1740 Subsection (7)(a)(ii)(A), the rate of the tax.
- 1741 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
- 1742 the tax rate increase under Subsection (1), the enactment of the tax or the tax rate increase takes
- 1743 effect on the first day of the first billing period that begins on or after the effective date of the
- 1744 enactment of the tax or the tax rate increase.
- 1745 (ii) If the billing period for a transaction begins before the effective date of the repeal
- 1746 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
- 1747 rate decrease applies to a billing period if the billing statement for the billing period is rendered
- 1748 on or after the effective date of the repeal of the tax or the tax rate decrease.
- 1749 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
- 1750 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
- 1751 described in Subsection (7)(a)(i) takes effect:
- 1752 (A) on the first day of a calendar quarter; and
- 1753 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
- 1754 rate of the tax under Subsection (7)(a)(i).
- 1755 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1756 commission may by rule define the term "catalogue sale."
- 1757 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
- 1758 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
- 1759 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
- 1760 effect:
- 1761 (A) on the first day of a calendar quarter; and

1762 (B) after a 90-day period beginning on the date the commission receives notice meeting
1763 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1764 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1765 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
1766 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1767 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1768 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1769 (D) if the city or town enacts the tax or changes the rate of the tax described in

1770 Subsection (7)(d)(ii)(A), the rate of the tax.

1771 (e) (i) If the billing period for a transaction begins before the effective date of the
1772 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
1773 rate increase takes effect on the first day of the first billing period that begins on or after the
1774 effective date of the enactment of the tax or the tax rate increase.

1775 (ii) If the billing period for a transaction begins before the effective date of the repeal
1776 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1777 rate decrease applies to a billing period if the billing statement for the billing period is rendered
1778 on or after the effective date of the repeal of the tax or the tax rate decrease.

1779 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1780 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1781 described in Subsection (7)(d)(i) takes effect:

1782 (A) on the first day of a calendar quarter; and

1783 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1784 Subsection (7)(d)(i).

1785 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1786 commission may by rule define the term "catalogue sale."

1787 Section 21. Section **59-12-2206** is amended to read:

1788 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**
1789 **under this part -- Transmission of revenue monthly by electronic funds transfer --**

1790 **Transfer of revenue to a public transit district or eligible political subdivision.**

1791 (1) Except as provided in Subsection (2), the commission shall administer, collect, and
1792 enforce a sales and use tax imposed under this part.

1793 (2) The commission shall administer, collect, and enforce a sales and use tax imposed
1794 under this part in accordance with:

1795 (a) the same procedures used to administer, collect, and enforce a tax under:

1796 (i) Part 1, Tax Collection; or

1797 (ii) Part 2, Local Sales and Use Tax Act; and

1798 (b) Chapter 1, General Taxation Policies.

1799 (3) A sales and use tax under this part is not subject to Subsections 59-12-205(2)
1800 through ~~(7)~~ (8).

1801 (4) Subject to Section 59-12-2207 and except as provided in Subsection (5) or another
1802 provision of this part, the state treasurer shall transmit revenue collected within a county, city,
1803 or town from a sales and use tax under this part to the county, city, or town legislative body
1804 monthly by electronic funds transfer.

1805 (5) (a) Subject to Section 59-12-2207, and except as provided in Subsection (5)(b), the
1806 state treasurer shall transfer revenue collected within a county, city, or town from a sales and
1807 use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a,
1808 Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section
1809 59-12-2219, if the county, city, or town legislative body:

1810 (i) provides written notice to the commission and the state treasurer requesting the
1811 transfer; and

1812 (ii) designates the public transit district or eligible political subdivision to which the
1813 county, city, or town legislative body requests the state treasurer to transfer the revenue.

1814 (b) The commission shall transmit a portion of the revenue collected within a county,
1815 city, or town from a sales and use tax under this part that would be transferred to a public
1816 transit district or an eligible political subdivision under Subsection (5)(a) to the county, city, or
1817 town to fund public transit fixed guideway safety oversight under Section 72-1-214 if the
1818 county, city, or town legislative body:

1819 (i) provides written notice to the commission and the state treasurer requesting the
1820 transfer; and

1821 (ii) specifies the amount of revenue required to be transmitted to the county, city, or
1822 town.

1823 Section 22. **Appropriation.**

1824 For Item 1 and Item 2, the following sums of money are appropriated for the fiscal year
 1825 beginning July 1, 2018, and ending June 30, 2019. These are additions to amounts previously
 1826 appropriated for fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1,
 1827 Budgetary Procedures Act, the Legislature appropriates the following sums of money from the
 1828 funds or accounts indicated for the use and support of the government of the state of Utah.

1829 ITEM 1

1830 To Fund and Account Transfers -- General Fund Restricted -- Homeless to
 1831 Housing Reform Restricted Account

1832 From General Fund \$3,300,000

1833 Schedule of Programs:

1834 General Fund Restricted -- Homeless to Housing Reform
 1835 Restricted Account \$3,300,000

1836 ITEM 2

1837 To Department of Workforce Services -- Housing and Community Development

1838 From General Fund Restricted -- Homeless to Housing

1839 Reform Restricted Account \$6,600,000

1840 From General Fund Restricted -- Homeless to Housing

1841 Reform Restricted Account, One-time (\$1,650,000)

1842 Schedule of Programs:

1843 Homeless to Housing Reform Program \$4,950,000

1844 The Legislature intends that:

1845 (1) under Section 63J-1-603 appropriations provided under this section not lapse at the
 1846 close of fiscal year 2019; and

1847 (2) the appropriation to the Homeless to Housing Reform Restricted Account be used
 1848 for the purposes described in Subsection 35A-8-604(9).