

2nd Sub. H.B. 354
PEER-TO-PEER CAR SHARING ACT

Senator **Wayne A. Harper** proposes the following amendments:

1. *Page 1, Lines 18 through 19:*

18 ▶ exempts the rental of a motor vehicle that a peer-to-peer car sharing company
19 facilitates from {~~certain taxes~~} the motor vehicle rental tax .

2. *Page 1, Line 25 through Page 2, Line 27:*

25 AMENDS:
26 {~~59-12-603, as last amended by Laws of Utah 2018, Chapters 258 and 312~~}
27 59-12-1201, as last amended by Laws of Utah 2016, Chapters 184 and 291

3. *Page 3, Line 74 through Page 8, Line 231:*

74 {~~Section 4. Section 59-12-603 is amended to read:~~
75 ~~59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance~~
76 ~~required -- Advisory board -- Administration -- Collection -- Administrative charge --~~
77 ~~Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice~~
78 ~~requirements.~~
79 ~~—— (1) (a) [In] Subject to Subsection (1)(c), in addition to any other taxes, a county~~
80 ~~legislative body may, as provided in this part, impose a tax as follows:~~
81 ~~—— (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%~~
82 ~~on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases~~
83 ~~and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor~~
84 ~~vehicle that is being repaired pursuant to a repair or an insurance agreement; and~~
85 ~~—— (B) beginning on or after January 1, 1999, a county legislative body of any county~~
86 ~~imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under~~
87 ~~Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term leases and rentals~~
88 ~~of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made~~
89 ~~for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant~~
90 ~~to a repair or an insurance agreement;~~
91 ~~—— (ii) a county legislative body of any county may impose a tax of not to exceed 1% of all~~
92 ~~sales of the following that are sold by a restaurant:~~
93 ~~—— (A) alcoholic beverages;~~
94 ~~—— (B) food and food ingredients; or~~
95 ~~—— (C) prepared food; and~~

96 ~~—— (iii) a county legislative body of a county of the first class may impose a tax of not to~~
97 ~~exceed .5% on charges for the accommodations and services described in Subsection~~
98 ~~59-12-103(1)(i):~~
99 ~~—— (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section~~
100 ~~17-31-5.5:~~
101 ~~—— (c) In accordance with Section 13-54-201, a county may not impose a tax described in~~
102 ~~Subsection (1)(a) on the rental of a motor vehicle facilitated by a peer-to-peer car sharing~~
103 ~~company as defined in Section 13-54-102:~~
104 ~~—— (2) (a) Subject to Subsection (2)(b), revenue from the imposition of the taxes provided~~
105 ~~for in Subsections (1)(a)(i) through (iii) may be used for:~~
106 ~~—— (i) financing tourism promotion; and~~
107 ~~—— (ii) the development, operation, and maintenance of:~~
108 ~~—— (A) an airport facility;~~
109 ~~—— (B) a convention facility;~~
110 ~~—— (C) a cultural facility;~~
111 ~~—— (D) a recreation facility; or~~
112 ~~—— (E) a tourist facility:~~
113 ~~—— (b) A county of the first class shall expend at least \$450,000 each year of the revenue~~
114 ~~from the imposition of a tax authorized by Subsection (1)(a)(iii) within the county to fund a~~
115 ~~marketing and ticketing system designed to:~~
116 ~~—— (i) promote tourism in ski areas within the county by persons that do not reside within~~
117 ~~the state; and~~
118 ~~—— (ii) combine the sale of:~~
119 ~~—— (A) ski lift tickets; and~~
120 ~~—— (B) accommodations and services described in Subsection 59-12-103(1)(i):~~
121 ~~—— (3) A tax imposed under this part may be pledged as security for bonds, notes, or other~~
122 ~~evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local~~
123 ~~Government Bonding Act, or a community reinvestment agency under Title 17C, Chapter 1,~~
124 ~~Part 5, Agency Bonds, to finance:~~
125 ~~—— (a) an airport facility;~~
126 ~~—— (b) a convention facility;~~
127 ~~—— (c) a cultural facility;~~
128 ~~—— (d) a recreation facility; or~~
129 ~~—— (e) a tourist facility:~~
130 ~~—— (4) (a) To impose the tax under Subsection (1), each county legislative body shall adopt~~
131 ~~an ordinance imposing the tax.~~
132 ~~—— (b) The ordinance under Subsection (4)(a) shall include provisions substantially the~~
133 ~~same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on~~
134 ~~those items and sales described in Subsection (1):~~
135 ~~—— (c) The name of the county as the taxing agency shall be substituted for that of the state~~

136 where necessary, and an additional license is not required if one has been or is issued under
137 Section 59-12-106.

138 ~~—— (5) To maintain in effect its tax ordinance adopted under this part, each county~~
139 ~~legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,~~
140 ~~Tax Collection, adopt amendments to its tax ordinance to conform with the applicable~~
141 ~~amendments to Part 1, Tax Collection.~~

142 ~~—— (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory~~
143 ~~board in accordance with Section 17-31-8, the county legislative body of the county of the first~~
144 ~~class shall create a tax advisory board in accordance with this Subsection (6):~~

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

146 ~~—— (i) four members shall be residents of a county of the first class appointed by the~~
147 ~~county legislative body of the county of the first class; and~~

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

151 ~~—— (c) Five members of the tax advisory board constitute a quorum.~~

152 ~~—— (d) The county legislative body of the county of the first class shall determine:~~

153 ~~—— (i) terms of the members of the tax advisory board;~~

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

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

157 ~~—— (iv) chairs or other officers of the tax advisory board;~~

158 ~~—— (v) how meetings are to be called and the frequency of meetings; and~~

159 ~~—— (vi) the compensation, if any, of members of the tax advisory board.~~

160 ~~—— (e) The tax advisory board under this Subsection (6) shall advise the county legislative~~
161 ~~body of the county of the first class on the expenditure of revenue collected within the county~~
162 ~~of the first class from the taxes described in Subsection (1)(a):~~

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

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

166 ~~—— (H) Part 1, Tax Collection; or~~

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

168 ~~—— (B) Chapter 1, General Taxation Policies.~~

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

171 ~~—— (b) Except as provided in Subsection (7)(c):~~

172 ~~—— (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the~~
173 ~~commission shall distribute the revenue to the county imposing the tax; and~~

174 ~~—— (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue~~
175 ~~according to the distribution formula provided in Subsection (8):~~

176 ~~—— (c) The commission shall retain and deposit an administrative charge in accordance~~
177 ~~with Section 59-1-306 from the revenue the commission collects from a tax under this part.~~
178 ~~—— (8) The commission shall distribute the revenue generated by the tax under Subsection~~
179 ~~(1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the~~
180 ~~following formula:~~
181 ~~—— (a) the commission shall distribute 70% of the revenue based on the percentages~~
182 ~~generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by~~
183 ~~the total revenue collected by all counties under Subsection (1)(a)(i)(B); and~~
184 ~~—— (b) the commission shall distribute 30% of the revenue based on the percentages~~
185 ~~generated by dividing the population of each county collecting a tax under Subsection~~
186 ~~(1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).~~
187 ~~—— (9) (a) For purposes of this Subsection (9):~~
188 ~~—— (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,~~
189 ~~County Annexation.~~
190 ~~—— (ii) "Annexing area" means an area that is annexed into a county.~~
191 ~~—— (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county~~
192 ~~enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or~~
193 ~~change shall take effect:~~
194 ~~—— (A) on the first day of a calendar quarter; and~~
195 ~~—— (B) after a 90-day period beginning on the date the commission receives notice meeting~~
196 ~~the requirements of Subsection (9)(b)(ii) from the county.~~
197 ~~—— (ii) The notice described in Subsection (9)(b)(i)(B) shall state:~~
198 ~~—— (A) that the county will enact or repeal a tax or change the rate of a tax under this part;~~
199 ~~—— (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);~~
200 ~~—— (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and~~
201 ~~—— (D) if the county enacts the tax or changes the rate of the tax described in Subsection~~
202 ~~(9)(b)(ii)(A), the rate of the tax.~~
203 ~~—— (c) (i) If the billing period for a transaction begins before the effective date of the~~
204 ~~enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of~~
205 ~~the tax or the tax rate increase shall take effect on the first day of the first billing period that~~
206 ~~begins after the effective date of the enactment of the tax or the tax rate increase.~~
207 ~~—— (ii) If the billing period for a transaction begins before the effective date of the repeal~~
208 ~~of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax~~
209 ~~rate decrease shall take effect on the first day of the last billing period that began before the~~
210 ~~effective date of the repeal of the tax or the tax rate decrease.~~
211 ~~—— (d) (i) Except as provided in Subsection (9)(c), if, for an annexation that occurs on or~~
212 ~~after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a~~
213 ~~tax under this part for an annexing area, the enactment, repeal, or change shall take effect:~~
214 ~~—— (A) on the first day of a calendar quarter; and~~
215 ~~—— (B) after a 90-day period beginning on the date the commission receives notice meeting~~

216 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area:
217 ——— (ii) The notice described in Subsection (9)(d)(i)(B) shall state:
218 ——— (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,
219 repeal, or change in the rate of a tax under this part for the annexing area;
220 ——— (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);
221 ——— (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and
222 ——— (D) if the county enacts the tax or changes the rate of the tax described in Subsection
223 (9)(d)(ii)(A), the rate of the tax:
224 ——— (e) (i) If the billing period for a transaction begins before the effective date of the
225 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
226 the tax or the tax rate increase shall take effect on the first day of the first billing period that
227 begins after the effective date of the enactment of the tax or the tax rate increase:
228 ——— (ii) If the billing period for a transaction begins before the effective date of the repeal
229 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
230 rate decrease shall take effect on the first day of the last billing period that began before the
231 effective date of the repeal of the tax or the tax rate decrease. }