

1                   **RURAL COUNTY HEALTH CARE FACILITIES TAX**  
2                                   **AMENDMENTS**

3                                   2020 GENERAL SESSION

4                                   STATE OF UTAH

5                                   **Chief Sponsor: Phil Lyman**

6                                   Senate Sponsor: David P. Hinkins

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8   **LONG TITLE**

9   **General Description:**

10           This bill modifies provisions relating to the county sales and use tax for rural county  
11 health care facilities.

12 **Highlighted Provisions:**

13           This bill:

14           ▶       modifies the purposes for which a county of the ~~H~~→ **third or** ←~~H~~ fourth class may  
14a use money

15 collected from the rural county health care facilities tax; and

16           ▶       makes technical and conforming changes.

17 **Money Appropriated in this Bill:**

18           None

19 **Other Special Clauses:**

20           None

21 **Utah Code Sections Affected:**

22 AMENDS:

23           **59-12-802**, as last amended by Laws of Utah 2017, Chapter 422

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

26           Section 1. Section **59-12-802** is amended to read:

27           **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**



28 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**  
 29 **Administrative charge.**

30 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class  
 31 may impose a sales and use tax of up to 1% on the transactions described in Subsection  
 32 [59-12-103](#)(1) located within the county.

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

35 ~~Ĥ→ [(i) for a county of the third [or fourth] class, rural county health care facilities in that~~  
 36 ~~county; or~~

37 ~~—— [(ii) for a county of the fourth, fifth, or sixth class:] ←Ĥ~~

38 ~~Ĥ→ [(A)] (i) ←Ĥ~~ rural emergency medical services in that county;

39 ~~Ĥ→ [(B)] (ii) ←Ĥ~~ federally qualified health centers in that county;

40 ~~Ĥ→ [(C)] (iii) ←Ĥ~~ freestanding urgent care centers in that county;

41 ~~Ĥ→ [(D)] (iv) ←Ĥ~~ rural county health care facilities in that county;

42 ~~Ĥ→ [(E)] (v) ←Ĥ~~ rural health clinics in that county; or

43 ~~Ĥ→ [(F)] (vi) ←Ĥ~~ a combination of Subsections (1)(b) ~~Ĥ→ [(ii)(A)] (i) ←Ĥ~~ through

43a ~~Ĥ→ [(E)] (v) ←Ĥ~~ .

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

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

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

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

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

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

58 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall

59 obtain approval to impose the tax from a majority of the:

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

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

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

64 (3) ~~Ĥ→ [(a) The money collected from a tax imposed under Subsection (1) by a county~~  
65 ~~legislative body of a county of the third [or fourth] class may only be used [for the financing of]~~  
66 ~~to fund:~~

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

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

69 ~~— (iii) the design, construction, equipping, or furnishing of a rural county health care~~  
70 ~~facility within that county.~~

71 ~~— (b) ←Ĥ The money collected from a tax imposed under Subsection (1) Ĥ→ [by a county of~~  
71a ~~the~~

72 ~~fourth, fifth, or sixth class] ←Ĥ may only be used to fund:~~

73 ~~Ĥ→ [(+) (a) ←Ĥ ongoing operating expenses of a center, clinic, or facility described in~~

73a Subsection

74 (1)(b) ~~Ĥ→ [(+)] ←Ĥ within that county;~~

75 ~~Ĥ→ [(+)] (b) ←Ĥ the acquisition of land for a center, clinic, or facility described in~~

75a Subsection

76 (1)(b) ~~Ĥ→ [(+)] ←Ĥ within that county;~~

77 ~~Ĥ→ [(+)] (c) ←Ĥ the design, construction, equipping, or furnishing of a center, clinic, or~~

77a facility

78 described in Subsection (1)(b) ~~Ĥ→ [(+)] ←Ĥ within that county; or~~

79 ~~Ĥ→ [(+)] (d) ←Ĥ rural emergency medical services within that county.~~

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

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

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

84 (I) Part 1, Tax Collection; or

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

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

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

89 (b) A tax under this section is not subject to Subsections 59-12-205(2) through (6).

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

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