

SALES TAX DISTRIBUTION AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies the distribution of certain sales and use tax revenue to counties and municipalities.

Highlighted Provisions:

This bill:

- ▶ modifies the distribution method applicable to local sales and use tax revenue subject to distribution among the counties and municipalities by moving to a population-based distribution over a 30-year period; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-12-205, as last amended by Laws of Utah 2019, Chapters 17, 136, and 399

59-12-302, as last amended by Laws of Utah 2020, Chapter 315

59-12-354, as last amended by Laws of Utah 2018, Chapters 258 and 312

59-12-403, as last amended by Laws of Utah 2018, Chapters 258 and 312

59-12-603, as last amended by Laws of Utah 2020, Chapter 407



- 28 **59-12-703**, as last amended by Laws of Utah 2017, Chapters 181 and 422
- 29 **59-12-802**, as last amended by Laws of Utah 2020, Chapter 427
- 30 **59-12-804**, as last amended by Laws of Utah 2017, Chapter 422
- 31 **59-12-1102**, as last amended by Laws of Utah 2016, Chapter 364
- 32 **59-12-1302**, as last amended by Laws of Utah 2017, Chapter 422
- 33 **59-12-1402**, as last amended by Laws of Utah 2017, Chapter 422
- 34 **59-12-2103**, as last amended by Laws of Utah 2017, Chapter 422
- 35 **59-12-2206**, as last amended by Laws of Utah 2018, Chapters 258 and 312
- 36 **63H-1-205**, as last amended by Laws of Utah 2019, Chapter 136

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

39 Section 1. Section **59-12-205** is amended to read:

40 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
 41 **tax revenue -- Determination of population.**

42 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
 43 **59-12-204**, a county, city, or town shall adopt amendments to the county's, city's, or town's
 44 sales and use tax ordinances:

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

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

48 (2) Except as provided in Subsections (3) through (5) and subject to [~~Subsection (6)]~~
 49 Subsections (6) and (7):

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

54 (b) (i) except as provided in Subsections (2)(b)(ii) and (iii), 50% of each dollar
 55 collected from the sales and use tax authorized by this part shall be distributed to each county,
 56 city, and town on the basis of the location of the transaction as determined under Sections
 57 **59-12-211** through **59-12-215**;

58 (ii) 50% of each dollar collected from the sales and use tax authorized by this part

59 within a project area described in a project area plan adopted by the military installation
60 development authority under Title 63H, Chapter 1, Military Installation Development
61 Authority Act, shall be distributed to the military installation development authority created in
62 Section 63H-1-201; and

63 (iii) 50% of each dollar collected from the sales and use tax authorized by this part
64 within a project area under Title 11, Chapter 58, Utah Inland Port Authority Act, shall be
65 distributed to the Utah Inland Port Authority, created in Section 11-58-201.

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

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

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

70 (B) city of the fifth class; or

71 (C) town;

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

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

81 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
82 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
83 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
84 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
85 2002 North American Industry Classification System of the federal Executive Office of the
86 President, Office of Management and Budget; and

87 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
88 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for
89 one or more days during the calendar year beginning on January 1, 2008, was not the holder of

90 a direct payment permit under Section 59-12-107.1; or

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

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

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

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

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

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

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

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

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

109 (4) (a) As used in this Subsection (4):

110 (i) "Eligible county, city, or town" means a county, city, or town that:

111 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b)
112 equal to the amount described in Subsection (4)(b)(ii); and

113 (B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,
114 2016.

115 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
116 distributions an eligible county, city, or town received from a tax imposed in accordance with
117 this part for fiscal year 2004-05.

118 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
119 imposed in accordance with this part equal to the greater of:

120 (i) the payment required by Subsection (2); or

121 (ii) the minimum tax revenue distribution.

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

123 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to
124 1.8% of the participating local government's tax revenue distribution amount under Subsection
125 (2)(a) for the previous fiscal year.

126 (ii) "Participating local government" means a county or municipality, as defined in
127 Section 10-1-104, that is not an eligible municipality or grant eligible entity certified in
128 accordance with Section 35A-8-609.

129 (b) For revenue collected from the tax authorized by this part that is distributed on or
130 after January 1, 2019, the commission, before making a tax revenue distribution under
131 Subsection (2)(a) to a participating local government, shall:

132 (i) subtract one-twelfth of the annual local contribution for each participating local
133 government from the participating local government's tax revenue distribution under
134 Subsection (2)(a); and

135 (ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter
136 Cities Mitigation Restricted Account created in Section 35A-8-606.

137 (c) For a participating local government that qualifies to receive a distribution
138 described in Subsection (3) or (4), the commission shall apply the provisions of this Subsection
139 (5) after the commission applies the provisions of Subsections (3) and (4).

140 (6) Beginning with the fiscal year that begins July 1, 2026, and ending with the fiscal
141 year that begins July 1, 2056:

142 (a) the percentage described in Subsection (2)(a) is increased each fiscal year by the
143 percentage equal to 1/30 of 50%; and

144 (b) the percentage described in Subsection (2)(b)(i) is decreased each fiscal year by the
145 percentage equal to 1/30 of 50%.

146 [~~6~~] (7) (a) Population figures for purposes of this section shall be based on the most
147 recent official census or census estimate of the United States Bureau of the Census.

148 (b) If a needed population estimate is not available from the United States Bureau of
149 the Census, population figures shall be derived from the estimate from the Utah Population
150 Committee.

151 (c) The population of a county for purposes of this section shall be determined only

152 from the unincorporated area of the county.

153 Section 2. Section **59-12-302** is amended to read:

154 **59-12-302. Collection of tax -- Administrative charge.**

155 (1) Except as provided in Subsections (2), (3), and (4), the tax authorized under this
156 part shall be administered, collected, and enforced in accordance with:

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

158 (i) Part 1, Tax Collection; or

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

160 (b) Chapter 1, General Taxation Policies.

161 (2) The location of a transaction shall be determined in accordance with Sections
162 [59-12-211](#) through [59-12-215](#).

163 (3) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or
164 Subsections [59-12-205](#)(2) through [~~(6)~~] (7).

165 (4) A county auditor may coordinate with the commission in determining whether to
166 require an audit of any person that is required to remit a tax authorized under this part.

167 (5) The commission:

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

170 (b) shall retain and deposit an administrative charge in accordance with Section
171 [59-1-306](#) from revenue the commission collects from a tax under this part.

172 Section 3. Section **59-12-354** is amended to read:

173 **59-12-354. Collection of tax -- Administrative charge.**

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

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

177 (i) Part 1, Tax Collection; or

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

179 (b) Chapter 1, General Taxation Policies.

180 (2) (a) The location of a transaction shall be determined in accordance with Sections
181 [59-12-211](#) through [59-12-215](#).

182 (b) The commission:

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

185 (ii) shall retain and deposit an administrative charge in accordance with Section
186 59-1-306 from the revenue the commission collects from a tax under this part.

187 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
188 Subsections 59-12-205(2) through [~~(6)~~] (7).

189 Section 4. Section 59-12-403 is amended to read:

190 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**

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

192 **Administrative charge.**

193 (1) For purposes of this section:

194 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
195 4, Annexation.

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

197 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a
198 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
199 repeal, or change shall take effect:

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

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

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

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

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

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

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

210 (c) (i) If the billing period for a transaction begins before the effective date of the
211 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
212 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the
213 first billing period that begins on or after the effective date of the enactment of the tax or the

214 tax rate increase.

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

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

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

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

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

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

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

231 (ii) after a 90-day period beginning on the date the commission receives notice meeting
232 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

233 (b) The notice described in Subsection (3)(a)(ii) shall state:

234 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
235 repeal, or change in the rate of a tax under this part for the annexing area;

236 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

237 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

238 (iv) if the city or town enacts the tax or changes the rate of the tax described in
239 Subsection (3)(b)(i), the rate of the tax.

240 (c) (i) If the billing period for a transaction begins before the effective date of the
241 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
242 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the
243 first billing period that begins on or after the effective date of the enactment of the tax or the
244 tax rate increase.

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

248 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
 249 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
 250 a tax described in Subsection (3)(a) takes effect:

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

252 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
 253 rate of the tax under Subsection (3)(a).

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

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

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

259 (A) Part 1, Tax Collection; or

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

261 (ii) Chapter 1, General Taxation Policies.

262 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(6)~~ (7).

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

265 Section 5. Section 59-12-603 is amended to read:

266 **59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance**
 267 **required -- Advisory board -- Administration -- Collection -- Administrative charge --**
 268 **Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice**
 269 **requirements.**

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

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

276 (B) a county legislative body of any county imposing a tax under Subsection
277 (1)(a)(i)(A) may, in addition to imposing the tax under Subsection (1)(a)(i)(A), impose a tax of
278 not to exceed 4% on all short-term rentals of motor vehicles, except for short-term rentals of
279 motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is
280 being repaired pursuant to a repair or an insurance agreement;

281 (ii) beginning on January 1, 2021, a county legislative body of any county may impose
282 a tax of not to exceed 7% on all short-term rentals of off-highway vehicles and recreational
283 vehicles;

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

- 286 (A) alcoholic beverages;
- 287 (B) food and food ingredients; or
- 288 (C) prepared food; and

289 (iv) a county legislative body of a county of the first class may impose a tax of not to
290 exceed .5% on charges for the accommodations and services described in Subsection
291 59-12-103(1)(i).

292 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
293 17-31-5.5.

294 (2) (a) Subject to Subsection (2)(b), a county may use revenue from the imposition of a
295 tax under Subsection (1) for:

- 296 (i) financing tourism promotion; and
- 297 (ii) the development, operation, and maintenance of:
 - 298 (A) an airport facility;
 - 299 (B) a convention facility;
 - 300 (C) a cultural facility;
 - 301 (D) a recreation facility; or
 - 302 (E) a tourist facility.

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

306 (i) promote tourism in ski areas within the county by persons that do not reside within

307 the state; and

308 (ii) combine the sale of:

309 (A) ski lift tickets; and

310 (B) accommodations and services described in Subsection 59-12-103(1)(i).

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

315 (a) an airport facility;

316 (b) a convention facility;

317 (c) a cultural facility;

318 (d) a recreation facility; or

319 (e) a tourist facility.

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

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

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

328 (5) To maintain in effect a tax ordinance adopted under this part, each county
329 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,
330 Tax Collection, adopt amendments to the county's tax ordinance to conform with the applicable
331 amendments to Part 1, Tax Collection.

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

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

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

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

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

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

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

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

345 (iii) voting requirements, except that action of the tax advisory board shall be by at

346 least a majority vote of a quorum of the tax advisory board;

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

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

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

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

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

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

356 (I) Part 1, Tax Collection; or

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

358 (B) Chapter 1, General Taxation Policies.

359 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
360 Subsections 59-12-205(2) through [~~6~~] (7).

361 (b) Except as provided in Subsection (7)(c):

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

364 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue
365 according to the distribution formula provided in Subsection (8).

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

368 (8) The commission shall distribute the revenue generated by the tax under Subsection

369 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the
370 following formula:

371 (a) the commission shall distribute 70% of the revenue based on the percentages
372 generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by
373 the total revenue collected by all counties under Subsection (1)(a)(i)(B); and

374 (b) the commission shall distribute 30% of the revenue based on the percentages
375 generated by dividing the population of each county collecting a tax under Subsection
376 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

377 (9) (a) For purposes of this Subsection (9):

378 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
379 County Annexation.

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

381 (b) (i) Except as provided in Subsection (9)(c), if a county enacts or repeals a tax or
382 changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:

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

384 (B) after a 90-day period beginning on the day on which the commission receives
385 notice meeting the requirements of Subsection (9)(b)(ii) from the county.

386 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

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

388 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

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

390 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
391 (9)(b)(ii)(A), the rate of the tax.

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

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

400 (d) (i) Except as provided in Subsection (9)(e), if the annexation will result in the
401 enactment, repeal, or change in the rate of a tax under this part for an annexing area, the
402 enactment, repeal, or change shall take effect:

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

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

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

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

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

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

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

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

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

422 Section 6. Section **59-12-703** is amended to read:

423 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**
424 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**
425 **-- Notice requirements.**

426 (1) (a) Subject to the other provisions of this section, a county legislative body may
427 submit an opinion question to the residents of that county, by majority vote of all members of
428 the legislative body, so that each resident of the county, except residents in municipalities that
429 have already imposed a sales and use tax under Part 14, City or Town Option Funding for
430 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an

431 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
432 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

433 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
434 organizations, cultural organizations, and zoological organizations, and rural radio stations, in
435 that county; or

436 (ii) provide funding for a botanical organization, cultural organization, or zoological
437 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
438 furtherance of the botanical organization's, cultural organization's, or zoological organization's
439 primary purpose.

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

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

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

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

447 (ii) sales and uses within a municipality that has already imposed a sales and use tax
448 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and
449 Zoological Organizations or Facilities; and

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

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

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

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

460 (2) (a) If the county legislative body determines that a majority of the county's
461 registered voters voting on the imposition of the tax have voted in favor of the imposition of

462 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a
463 majority vote of all members of the legislative body on the transactions:

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

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

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

472 (3) Subject to Section [59-12-704](#), revenue collected from a tax imposed under
473 Subsection (2) shall be expended:

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

478 (b) to fund ongoing operating expenses of:

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

480 (ii) botanical organizations, cultural organizations, and zoological organizations within
481 the county; and

482 (iii) rural radio stations within the county; and

483 (c) as stated in the opinion question described in Subsection (1).

484 (4) (a) A tax authorized under this part shall be:

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

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

488 (I) Part 1, Tax Collection; or

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

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

491 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
492 period in accordance with this section.

493 (b) A tax under this part is not subject to Subsections [59-12-205\(2\)](#) through ~~[(6)]~~ (7).

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

495 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
496 County Annexation.

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

498 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
499 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

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

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

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

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

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

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

507 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the
508 tax.

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

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

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

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

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

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

523 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs

524 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
525 part for an annexing area, the enactment or repeal shall take effect:

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

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

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

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

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

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

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

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

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

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

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

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

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

549 Section 7. Section **59-12-802** is amended to read:

550 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**
551 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**
552 **Administrative charge.**

553 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class
554 may impose a sales and use tax of up to 1% on the transactions described in Subsection

555 59-12-103(1) located within the county.

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

558 (i) rural emergency medical services in that county;

559 (ii) federally qualified health centers in that county;

560 (iii) freestanding urgent care centers in that county;

561 (iv) rural county health care facilities in that county;

562 (v) rural health clinics in that county; or

563 (vi) a combination of Subsections (1)(b)(i) through (v).

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

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

568 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in
569 a city that imposes a tax under Section 59-12-804; and

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

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

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

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

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

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

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

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

586 (a) ongoing operating expenses of a center, clinic, or facility described in Subsection
587 (1)(b) within that county;

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

590 (c) the design, construction, equipping, or furnishing of a center, clinic, or facility
591 described in Subsection (1)(b) within that county; or

592 (d) rural emergency medical services within that county.

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

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

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

597 (I) Part 1, Tax Collection; or

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

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

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

602 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [~~6~~]
603 7).

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

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

608 Section 8. Section 59-12-804 is amended to read:

609 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
610 **collection, and enforcement of tax -- Administrative charge.**

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

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

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

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

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

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

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

623 (d) A city legislative body imposing a tax under this section shall impose the tax on the
624 purchase price or sales price for amounts paid or charged for food and food ingredients if the
625 food and food ingredients are sold as part of a bundled transaction attributable to food and food
626 ingredients and tangible personal property other than food and food ingredients.

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

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

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

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

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

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

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

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

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

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

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

642 (I) Part 1, Tax Collection; or

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

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

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

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

648 (7).

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

651 Section 9. Section 59-12-1102 is amended to read:

652 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
653 **Administration -- Administrative charge -- Commission requirement to retain an amount**
654 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
655 **of tax -- Effective date -- Notice requirements.**

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

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

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

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

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

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

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

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

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

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

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

678 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a

679 county shall hold two public hearings on separate days in geographically diverse locations in
680 the county.

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

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

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

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

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

689 (C) a statement that the purpose of each public hearing is to obtain public comments
690 regarding the proposed tax.

691 (ii) The advertisement shall be published:

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

694 (B) on the Utah Public Notice Website created in Section [63F-1-701](#), for two weeks
695 preceding the earlier of the two public hearings.

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

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

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

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

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

706 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
707 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
708 6, Local Referenda - Procedures.

709 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a

710 county option sales and use tax under Subsection (1) is less than 75% of the state population,
711 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
712 collected.

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

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

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

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

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

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

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

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

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

735 (A) Part 1, Tax Collection; or

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

737 (ii) Chapter 1, General Taxation Policies.

738 (b) A tax under this part is not subject to Subsections [59-12-205\(2\)](#) through ~~[(6)]~~ [\(7\)](#).

739 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
740 administrative charge in accordance with Section [59-1-306](#) from the revenue the commission

741 collects from a tax under this part.

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

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

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

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

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

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

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

757 (ii) \$6,354.

758 (d) The commission shall deposit an amount the commission retains in accordance
759 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
760 35A-8-1009.

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

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

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

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

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

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

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

771 (B) after a 90-day period beginning on the date the commission receives notice meeting

772 the requirements of Subsection (6)(b)(ii) from the county.

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

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

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

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

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

779 (c) (i) If the billing period for a transaction begins before the effective date of the
780 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day
781 of the first billing period that begins on or after the effective date of the enactment of the tax.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

815 (B) beginning 60 days after the effective date of the enactment or repeal under
816 Subsection (6)(e)(i).

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

819 Section 10. Section **59-12-1302** is amended to read:

820 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
821 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
822 **enforcement of tax -- Administrative charge.**

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

825 (2) A town may impose a tax as provided in this part if the town imposed a license fee
826 or tax on businesses based on gross receipts under Section [10-1-203](#) on or before January 1,
827 1996.

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

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

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

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

833 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses

834 are exempt from taxation under Section 59-12-104; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

863 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
864 statement for the billing period is produced on or after the effective date of the repeal of the tax

865 or the tax rate decrease imposed under Subsection (1).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

903 (6) The commission shall:

904 (a) distribute the revenue generated by the tax under this section to the town imposing
 905 the tax; and

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

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

909 (A) Part 1, Tax Collection; or

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

911 (ii) Chapter 1, General Taxation Policies.

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

914 (8) A tax under this section is not subject to Subsections 59-12-205(2) through [~~(6)~~]
 915 (7).

916 Section 11. Section 59-12-1402 is amended to read:

917 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**
 918 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**
 919 **requirements.**

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

926 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical

927 organizations, cultural organizations, and zoological organizations in that city or town; or
928 (ii) provide funding for a botanical organization, cultural organization, or zoological
929 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
930 furtherance of the botanical organization's, cultural organization's, or zoological organization's
931 primary purpose.

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

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

936 (c) A city or town legislative body may not impose a tax under this section:

937 (i) if the county in which the city or town is located imposes a tax under Part 7, County
938 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
939 Facilities;

940 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
941 uses are exempt from taxation under Section 59-12-104; and

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

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

946 (e) A city or town legislative body imposing a tax under this section shall impose the
947 tax on the purchase price or sales price for amounts paid or charged for food and food
948 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
949 to food and food ingredients and tangible personal property other than food and food
950 ingredients.

951 (f) Except as provided in Subsection (6), the election shall be held at a regular general
952 election or a municipal general election, as those terms are defined in Section 20A-1-102, and
953 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

954 (2) If the city or town legislative body determines that a majority of the city's or town's
955 registered voters voting on the imposition of the tax have voted in favor of the imposition of
956 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by
957 a majority vote of all members of the legislative body.

958 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under
959 Subsection (2) shall be expended:

960 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
961 the city or town or within the geographic area of entities that are parties to an interlocal
962 agreement, to which the city or town is a party, providing for cultural facilities, recreational
963 facilities, or zoological facilities;

964 (b) to finance ongoing operating expenses of:

965 (i) recreational facilities described in Subsection (3)(a) within the city or town or
966 within the geographic area of entities that are parties to an interlocal agreement, to which the
967 city or town is a party, providing for recreational facilities; or

968 (ii) botanical organizations, cultural organizations, and zoological organizations within
969 the city or town or within the geographic area of entities that are parties to an interlocal
970 agreement, to which the city or town is a party, providing for the support of botanical
971 organizations, cultural organizations, or zoological organizations; and

972 (c) as stated in the opinion question described in Subsection (1).

973 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall
974 be:

975 (i) administered, collected, and enforced in accordance with:

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

977 (I) Part 1, Tax Collection; or

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

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

980 (ii) (A) levied for a period of eight years; and

981 (B) may be reauthorized at the end of the eight-year period in accordance with this
982 section.

983 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the
984 tax shall be levied for a period of 10 years.

985 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
986 after July 1, 2011, the tax shall be reauthorized for a ten-year period.

987 (c) A tax under this section is not subject to Subsections 59-12-205(2) through ~~[(6)]~~
988 (7).

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

990 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
991 4, Annexation.

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

993 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
994 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

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

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

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

999 (A) that the city or town will enact or repeal a tax under this part;

1000 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1001 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1002 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of
1003 the tax.

1004 (c) (i) If the billing period for a transaction begins before the effective date of the
1005 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1006 the first billing period that begins on or after the effective date of the enactment of the tax.

1007 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1008 period is produced on or after the effective date of the repeal of the tax imposed under this
1009 section.

1010 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1011 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1012 Subsection (5)(b)(i) takes effect:

1013 (A) on the first day of a calendar quarter; and

1014 (B) beginning 60 days after the effective date of the enactment or repeal under
1015 Subsection (5)(b)(i).

1016 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1017 commission may by rule define the term "catalogue sale."

1018 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1019 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this

1020 part for an annexing area, the enactment or repeal shall take effect:

1021 (A) on the first day of a calendar quarter; and

1022 (B) after a 90-day period beginning on the date the commission receives notice meeting

1023 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1024 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1025 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or

1026 repeal a tax under this part for the annexing area;

1027 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1028 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1029 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1030 (f) (i) If the billing period for a transaction begins before the effective date of the

1031 enactment of the tax under this section, the enactment of the tax takes effect on the first day of

1032 the first billing period that begins on or after the effective date of the enactment of the tax.

1033 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing

1034 period is produced on or after the effective date of the repeal of the tax imposed under this

1035 section.

1036 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1037 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

1038 Subsection (5)(e)(i) takes effect:

1039 (A) on the first day of a calendar quarter; and

1040 (B) beginning 60 days after the effective date of the enactment or repeal under

1041 Subsection (5)(e)(i).

1042 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

1043 commission may by rule define the term "catalogue sale."

1044 (6) (a) Before a city or town legislative body submits an opinion question to the

1045 residents of the city or town under Subsection (1), the city or town legislative body shall:

1046 (i) submit to the county legislative body in which the city or town is located a written

1047 notice of the intent to submit the opinion question to the residents of the city or town; and

1048 (ii) receive from the county legislative body:

1049 (A) a written resolution passed by the county legislative body stating that the county

1050 legislative body is not seeking to impose a tax under Part 7, County Option Funding for

1051 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or
1052 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
1053 opinion question submitted to the residents of the county under Part 7, County Option Funding
1054 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
1055 or town legislative body to submit the opinion question to the residents of the city or town in
1056 accordance with this part.

1057 (b) (i) Within 60 days after the day the county legislative body receives from a city or
1058 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
1059 opinion question to the residents of the city or town, the county legislative body shall provide
1060 the city or town legislative body:

1061 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1062 (B) written notice that the county legislative body will submit an opinion question to
1063 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
1064 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under
1065 that part.

1066 (ii) If the county legislative body provides the city or town legislative body the written
1067 notice that the county legislative body will submit an opinion question as provided in
1068 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no
1069 later than, from the date the county legislative body sends the written notice, the later of:

1070 (A) a 12-month period;

1071 (B) the next regular primary election; or

1072 (C) the next regular general election.

1073 (iii) Within 30 days of the date of the canvass of the election at which the opinion
1074 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
1075 city or town legislative body described in Subsection (6)(a) written results of the opinion
1076 question submitted by the county legislative body under Part 7, County Option Funding for
1077 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1078 (A) (I) the city or town legislative body may not impose a tax under this part because a
1079 majority of the county's registered voters voted in favor of the county imposing the tax and the
1080 county legislative body by a majority vote approved the imposition of the tax; or

1081 (II) for at least 12 months from the date the written results are submitted to the city or

1082 town legislative body, the city or town legislative body may not submit to the county legislative
1083 body a written notice of the intent to submit an opinion question under this part because a
1084 majority of the county's registered voters voted against the county imposing the tax and the
1085 majority of the registered voters who are residents of the city or town described in Subsection
1086 (6)(a) voted against the imposition of the county tax; or

1087 (B) the city or town legislative body may submit the opinion question to the residents
1088 of the city or town in accordance with this part because although a majority of the county's
1089 registered voters voted against the county imposing the tax, the majority of the registered voters
1090 who are residents of the city or town voted for the imposition of the county tax.

1091 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
1092 provide a city or town legislative body described in Subsection (6)(a) a written resolution
1093 passed by the county legislative body stating that the county legislative body is not seeking to
1094 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
1095 Zoological Organizations or Facilities, which permits the city or town legislative body to
1096 submit under Subsection (1) an opinion question to the city's or town's residents.

1097 Section 12. Section **59-12-2103** is amended to read:

1098 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**
1099 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1100 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1101 (1) (a) As used in this section, "eligible city or town" means a city or town that
1102 imposed a tax under this part on July 1, 2016.

1103 (b) Subject to the other provisions of this section and except as provided in Subsection
1104 (2) or (3), the legislative body of an eligible city or town may impose a sales and use tax of up
1105 to .20% on the transactions:

1106 (i) described in Subsection [59-12-103\(1\)](#); and

1107 (ii) within the city or town.

1108 (c) A city or town legislative body that imposes a tax under Subsection (1)(b) shall
1109 expend the revenue collected from the tax for the same purposes for which the city or town
1110 may expend the city's or town's general fund revenue.

1111 (d) For purposes of this Subsection (1), the location of a transaction shall be
1112 determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

- 1113 (2) (a) A city or town legislative body may not impose a tax under this section on:
- 1114 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
- 1115 are exempt from taxation under Section 59-12-104; and
- 1116 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
- 1117 ingredients.
- 1118 (b) A city or town legislative body imposing a tax under this section shall impose the
- 1119 tax on the purchase price or sales price for amounts paid or charged for food and food
- 1120 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
- 1121 to food and food ingredients and tangible personal property other than food and food
- 1122 ingredients.
- 1123 (3) An eligible city or town may impose a tax under this part until no later than June
- 1124 30, 2030.
- 1125 (4) The commission shall transmit revenue collected within a city or town from a tax
- 1126 under this part:
- 1127 (a) to the city or town legislative body;
- 1128 (b) monthly; and
- 1129 (c) by electronic funds transfer.
- 1130 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
- 1131 collect, and enforce a tax under this part in accordance with:
- 1132 (i) the same procedures used to administer, collect, and enforce the tax under:
- 1133 (A) Part 1, Tax Collection; or
- 1134 (B) Part 2, Local Sales and Use Tax Act; and
- 1135 (ii) Chapter 1, General Taxation Policies.
- 1136 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(6)~~ (7).
- 1137 (6) The commission shall retain and deposit an administrative charge in accordance
- 1138 with Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 1139 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
- 1140 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
- 1141 repeal, or change shall take effect:
- 1142 (A) on the first day of a calendar quarter; and
- 1143 (B) after a 90-day period beginning on the date the commission receives notice meeting

1144 the requirements of Subsection (7)(a)(i) from the city or town.

1145 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1146 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
1147 this part;

1148 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1149 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1150 (D) if the city or town enacts the tax or changes the rate of the tax described in
1151 Subsection (7)(a)(ii)(A), the rate of the tax.

1152 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
1153 the tax rate increase under Subsection (1), the enactment of the tax or the tax rate increase takes
1154 effect on the first day of the first billing period that begins on or after the effective date of the
1155 enactment of the tax or the tax rate increase.

1156 (ii) If the billing period for a transaction begins before the effective date of the repeal
1157 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1158 rate decrease applies to a billing period if the billing statement for the billing period is rendered
1159 on or after the effective date of the repeal of the tax or the tax rate decrease.

1160 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1161 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1162 described in Subsection (7)(a)(i) takes effect:

1163 (A) on the first day of a calendar quarter; and

1164 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1165 rate of the tax under Subsection (7)(a)(i).

1166 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1167 commission may by rule define the term "catalogue sale."

1168 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
1169 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
1170 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1171 effect:

1172 (A) on the first day of a calendar quarter; and

1173 (B) after a 90-day period beginning on the date the commission receives notice meeting
1174 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1175 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1176 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
1177 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1178 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1179 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1180 (D) if the city or town enacts the tax or changes the rate of the tax described in
1181 Subsection (7)(d)(ii)(A), the rate of the tax.

1182 (e) (i) If the billing period for a transaction begins before the effective date of the
1183 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
1184 rate increase takes effect on the first day of the first billing period that begins on or after the
1185 effective date of the enactment of the tax or the tax rate increase.

1186 (ii) If the billing period for a transaction begins before the effective date of the repeal
1187 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1188 rate decrease applies to a billing period if the billing statement for the billing period is rendered
1189 on or after the effective date of the repeal of the tax or the tax rate decrease.

1190 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1191 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1192 described in Subsection (7)(d)(i) takes effect:

1193 (A) on the first day of a calendar quarter; and

1194 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1195 Subsection (7)(d)(i).

1196 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1197 commission may by rule define the term "catalogue sale."

1198 Section 13. Section **59-12-2206** is amended to read:

1199 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**
1200 **under this part -- Transmission of revenue monthly by electronic funds transfer --**
1201 **Transfer of revenue to a public transit district or eligible political subdivision.**

1202 (1) Except as provided in Subsection (2), the commission shall administer, collect, and
1203 enforce a sales and use tax imposed under this part.

1204 (2) The commission shall administer, collect, and enforce a sales and use tax imposed
1205 under this part in accordance with:

- 1206 (a) the same procedures used to administer, collect, and enforce a tax under:
- 1207 (i) Part 1, Tax Collection; or
- 1208 (ii) Part 2, Local Sales and Use Tax Act; and
- 1209 (b) Chapter 1, General Taxation Policies.
- 1210 (3) A sales and use tax under this part is not subject to Subsections 59-12-205(2)
- 1211 through ~~[(6)]~~ (7).
- 1212 (4) Subject to Section 59-12-2207 and except as provided in Subsection (5) or another
- 1213 provision of this part, the state treasurer shall transmit revenue collected within a county, city,
- 1214 or town from a sales and use tax under this part to the county, city, or town legislative body
- 1215 monthly by electronic funds transfer.
- 1216 (5) (a) Subject to Section 59-12-2207, and except as provided in Subsection (5)(b), the
- 1217 state treasurer shall transfer revenue collected within a county, city, or town from a sales and
- 1218 use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a,
- 1219 Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section
- 1220 59-12-2219, if the county, city, or town legislative body:
- 1221 (i) provides written notice to the commission and the state treasurer requesting the
- 1222 transfer; and
- 1223 (ii) designates the public transit district or eligible political subdivision to which the
- 1224 county, city, or town legislative body requests the state treasurer to transfer the revenue.
- 1225 (b) The commission shall transmit a portion of the revenue collected within a county,
- 1226 city, or town from a sales and use tax under this part that would be transferred to a public
- 1227 transit district or an eligible political subdivision under Subsection (5)(a) to the county, city, or
- 1228 town to fund public transit fixed guideway safety oversight under Section 72-1-214 if the
- 1229 county, city, or town legislative body:
- 1230 (i) provides written notice to the commission and the state treasurer requesting the
- 1231 transfer; and
- 1232 (ii) specifies the amount of revenue required to be transmitted to the county, city, or
- 1233 town.
- 1234 Section 14. Section 63H-1-205 is amended to read:
- 1235 **63H-1-205. MIDA accommodations tax.**
- 1236 (1) As used in this section:

1237 (a) "Accommodations and services" means an accommodation or service described in
1238 Subsection 59-12-103(1)(i).

1239 (b) "Accommodations and services" does not include amounts paid or charged that are
1240 not part of a rental room rate.

1241 (2) By ordinance, the authority board may impose a MIDA accommodations tax on a
1242 provider for amounts paid or charged for accommodations and services, if the place of
1243 accommodation is located on authority-owned or other government-owned property within the
1244 project area.

1245 (3) The maximum rate of the MIDA accommodations tax is 15% of the amounts paid
1246 to or charged by the provider for accommodations and services.

1247 (4) A provider may recover an amount equal to the MIDA accommodations tax from
1248 customers, if the provider includes the amount as a separate billing line item.

1249 (5) If the authority imposes the tax described in this section, neither the authority nor a
1250 public entity may impose, on the amounts paid or charged for accommodations and services,
1251 any other tax described in:

1252 (a) Title 59, Chapter 12, Sales and Use Tax Act; or

1253 (b) Title 59, Chapter 28, State Transient Room Tax Act.

1254 (6) Except as provided in Subsection (7) or (8), the tax imposed under this section shall
1255 be administered, collected, and enforced in accordance with:

1256 (a) the same procedures used to administer, collect, and enforce the tax under:

1257 (i) Title 59, Chapter 12, Part 1, Tax Collection; or

1258 (ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and

1259 (b) Title 59, Chapter 1, General Taxation Policies.

1260 (7) The location of a transaction shall be determined in accordance with Sections
1261 59-12-211 through 59-12-215.

1262 (8) (a) A tax under this section is not subject to Section 59-12-107.1 or 59-12-123 or
1263 Subsections 59-12-205(2) through [~~5~~] (7).

1264 (b) The exemptions described in Sections 59-12-104, 59-12-104.1, and 59-12-104.6 do
1265 not apply to a tax imposed under this section.

1266 (9) The State Tax Commission shall:

1267 (a) except as provided in Subsection (9)(b), distribute the revenue collected from the

1268 tax to the authority; and

1269 (b) retain and deposit an administrative charge in accordance with Section 59-1-306
1270 from revenue the commission collects from a tax under this section.

1271 (10) (a) If the authority imposes, repeals, or changes the rate of tax under this section,
1272 the implementation, repeal, or change shall take effect:

1273 (i) on the first day of a calendar quarter; and

1274 (ii) after a 90-day period beginning on the date the State Tax Commission receives the
1275 notice described in Subsection (10)(b) from the authority.

1276 (b) The notice required in Subsection (10)(a)(ii) shall state:

1277 (i) that the authority will impose, repeal, or change the rate of a tax under this section;

1278 (ii) the effective date of the implementation, repeal, or change of the tax; and

1279 (iii) the rate of the tax.

1280 (11) In addition to the uses permitted under Section 63H-1-502, the authority may
1281 allocate revenue from the MIDA accommodations tax to a county in which a place of
1282 accommodation that is subject to the MIDA accommodations tax is located, if:

1283 (a) the county had a transient room tax described in Section 59-12-301 in effect at the
1284 time the authority board imposed a MIDA accommodations tax by ordinance; and

1285 (b) the revenue replaces revenue that the county received from a county transient room
1286 tax described in Section 59-12-301 for the county's general operations and administrative
1287 expenses.