

SAND AND GRAVEL SALES TAX AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. Sandall

House Sponsor: Bridger Bolinder

LONG TITLE

General Description:

This bill modifies the distribution of specified local property tax revenue.

Highlighted Provisions:

This bill:

- ▶ distributes the local sales and use tax revenue from sales made by ready-mix concrete manufacturers to each county, city, and town with a sand and gravel extraction site within its boundaries;
 - ▶ specifies a formula by which the State Tax Commission apportions the revenue;
 - ▶ requires the county, city, or town to use the revenue for class B and class C roads;
- and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

17C-1-409, as last amended by Laws of Utah 2022, Chapter 307

17C-1-411, as last amended by Laws of Utah 2018, Chapter 312

17C-1-412, as last amended by Laws of Utah 2022, Chapter 21



28 [59-1-404](#), as last amended by Laws of Utah 2021, Chapter 367

29 [59-12-205](#), as last amended by Laws of Utah 2022, Chapters 59, 82 and 403



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

32 Section 1. Section **17C-1-409** is amended to read:

33 **17C-1-409. Allowable uses of agency funds.**

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

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

36 (ii) for administrative, overhead, legal, or other operating expenses of the agency,
37 including consultant fees and expenses under Subsection [17C-2-102\(1\)\(b\)\(ii\)\(B\)](#) or funding for
38 a business resource center;

39 (iii) subject to Section [11-41-103](#), to pay for, including financing or refinancing, all or
40 part of:

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

43 (B) housing-related expenditures, projects, or programs as described in Section
44 [17C-1-411](#) or [17C-1-412](#);

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

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

50 (E) the cost of the installation of publicly owned infrastructure and improvements
51 outside the project area from which the project area funds are collected if the board and the
52 community legislative body determine by resolution that the publicly owned infrastructure and
53 improvements benefit the project area;

54 (iv) in an urban renewal project area that includes some or all of an inactive industrial
55 site and subject to Subsection (1)(e), to reimburse the Department of Transportation created
56 under Section [72-1-201](#), or a public transit district created under Title 17B, Chapter 2a, Part 8,
57 Public Transit District Act, for the cost of:

58 (A) construction of a public road, bridge, or overpass;

59 (B) relocation of a railroad track within the urban renewal project area; or
60 (C) relocation of a railroad facility within the urban renewal project area;
61 (v) subject to Subsection (5), to transfer funds to a community that created the agency;

62 or

63 (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10,
64 Agency Taxing Authority.

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

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

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

- 73 (A) the board approves; and
- 74 (B) the community legislative body approves.

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

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

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

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

86 (f) Before an agency may use project area funds for agency-wide project development,
87 as defined in Section [17C-1-1001](#), the agency shall obtain the consent of the taxing entity
88 committee or each taxing entity party to an interlocal agreement with the agency.

89 (2) (a) Sales and use tax revenue that an agency receives from a taxing entity is not

90 subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Retail Facility
91 Incentive Payments Act.

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

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

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

101 (4) Notwithstanding any other provision of this title, an agency may not use project
102 area funds, project area incremental revenue as defined in Section 17C-1-1001, or property tax
103 revenue as defined in Section 17C-1-1001, to construct a local government building unless the
104 taxing entity committee or each taxing entity party to an interlocal agreement with the agency
105 consents.

106 (5) For the purpose of offsetting the community's annual local contribution to the
107 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in
108 a calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and
109 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as defined in
110 Subsection [~~59-12-205(5)~~] 59-12-205(4).

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

112 **17C-1-411. Use of project area funds for housing-related improvements and for**
113 **relocating mobile home park residents -- Funds to be held in separate accounts.**

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

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

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

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

121 (ii) increasing, improving, or preserving the affordable housing supply within the
122 boundary of the agency;

123 (c) for relocating mobile home park residents displaced by project area development,
124 whether inside or outside a project area; or

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

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

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

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

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

136 (4) For the purpose of offsetting the community's annual local contribution to the
137 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in
138 a calendar year to a community under Subsections (1)(d), 17C-1-409(1)(a)(v), and
139 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as defined in
140 Subsection [~~59-12-205(5)~~] 59-12-205(4).

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

142 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**
143 **of bonds for housing -- Action to compel agency to provide housing allocation.**

144 (1) (a) An agency shall use the agency's housing allocation to:

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

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

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

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

154 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
155 any building, facility, structure, or other housing improvement, including infrastructure
156 improvements, related to housing located in a project area where a board has determined that a
157 development impediment exists;

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

159 (vii) make payments on or establish a reserve fund for bonds:

160 (A) issued by the agency, the community, or the housing authority that provides
161 income targeted housing within the community; and

162 (B) all or part of the proceeds of which are used within the community for the purposes
163 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

164 (viii) if the community's fair share ratio at the time of the first adoption of the project
165 area budget is at least 1.1 to 1.0, make payments on bonds:

166 (A) that were previously issued by the agency, the community, or the housing authority
167 that provides income targeted housing within the community; and

168 (B) all or part of the proceeds of which were used within the community for the
169 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

170 (ix) relocate mobile home park residents displaced by project area development;

171 (x) subject to Subsection (7), transfer funds to a community that created the agency; or

172 (xi) pay for or make a contribution toward the acquisition, construction, or
173 rehabilitation of housing that:

174 (A) is located in the same county as the agency;

175 (B) is owned in whole or in part by, or is dedicated to supporting, a public nonprofit
176 college or university; and

177 (C) only students of the relevant college or university, including the students'
178 immediate families, occupy.

179 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
180 any portion of the agency's housing allocation to:

181 (i) the community for use as described in Subsection (1)(a);

182 (ii) a housing authority that provides income targeted housing within the community

183 for use in providing income targeted housing within the community;

184 (iii) a housing authority established by the county in which the agency is located for
185 providing:

186 (A) income targeted housing within the county;

187 (B) permanent housing, permanent supportive housing, or a transitional facility, as
188 defined in Section 35A-5-302, within the county; or

189 (C) homeless assistance within the county;

190 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,
191 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within
192 the community;

193 (v) pay for or make a contribution toward the acquisition, construction, or
194 rehabilitation of income targeted housing that is outside of the community if the housing is
195 located along or near a major transit investment corridor that services the community and the
196 related project has been approved by the community in which the housing is or will be located;
197 or

198 (vi) pay for or make a contribution toward the expansion of child care facilities within
199 the boundary of the agency, provided that any recipient of funds from the agency's housing
200 allocation reports annually to the agency on how the funds were used.

201 (2) (a) An agency may combine all or any portion of the agency's housing allocation
202 with all or any portion of one or more additional agency's housing allocations if the agencies
203 execute an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation
204 Act.

205 (b) An agency that has entered into an interlocal agreement as described in Subsection
206 (2)(a), meets the requirements of Subsection (1)(a) or (1)(b) if the use of the housing allocation
207 meets the requirements for at least one agency that is a party to the interlocal agreement.

208 (3) The agency shall create a housing fund and separately account for the agency's
209 housing allocation, together with all interest earned by the housing allocation and all payments
210 or repayments for loans, advances, or grants from the housing allocation.

211 (4) An agency may:

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

214 and

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

217 (5) (a) Except as provided in Subsection (5)(b), an agency shall allocate money to the
218 housing fund each year in which the agency receives sufficient tax increment to make a
219 housing allocation required by the project area budget.

220 (b) Subsection (5)(a) does not apply in a year in which tax increment is insufficient.

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

225 (b) In an action under Subsection (6)(a), the court:

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

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

230 (7) For the purpose of offsetting the community's annual local contribution to the
231 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in
232 a calendar year to a community under Subsections (1)(a)(x), 17C-1-409(1)(a)(v), and
233 17C-1-411(1)(d) may not exceed the community's annual local contribution as defined in
234 Subsection [~~59-12-205(5)~~] 59-12-205(4).

235 Section 4. Section 59-1-404 is amended to read:

236 **59-1-404. Definitions -- Confidentiality of commercial information obtained from**
237 **a property taxpayer or derived from the commercial information -- Rulemaking**
238 **authority -- Exceptions -- Written explanation -- Signature requirements -- Retention of**
239 **signed explanation by employer -- Penalty.**

240 (1) As used in this section:

241 (a) "Appraiser" means an individual who holds an appraiser's certificate or license
242 issued by the Division of Real Estate under Title 61, Chapter 2g, Real Estate Appraiser
243 Licensing and Certification Act and includes an individual associated with an appraiser who
244 assists the appraiser in preparing an appraisal.

- 245 (b) "Appraisal" is as defined in Section 61-2g-102.
- 246 (c) (i) "Commercial information" means:
 - 247 (A) information of a commercial nature obtained from a property taxpayer regarding
 - 248 the property taxpayer's property; or
 - 249 (B) information derived from the information described in this Subsection (1)(c)(i).
- 250 (ii) (A) "Commercial information" does not include information regarding a property
- 251 taxpayer's property if the information is intended for public use.
 - 252 (B) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
 - 253 purposes of Subsection (1)(c)(ii)(A), the commission may by rule prescribe the circumstances
 - 254 under which information is intended for public use.
- 255 (d) "Consultation service" is as defined in Section 61-2g-102.
- 256 (e) "Locally assessed property" means property that is assessed by a county assessor in
- 257 accordance with Chapter 2, Part 3, County Assessment.
- 258 (f) "Property taxpayer" means a person that:
 - 259 (i) is a property owner; or
 - 260 (ii) has in effect a contract with a property owner to:
 - 261 (A) make filings on behalf of the property owner;
 - 262 (B) process appeals on behalf of the property owner; or
 - 263 (C) pay a tax under Chapter 2, Property Tax Act, on the property owner's property.
- 264 (g) "Property taxpayer's property" means property with respect to which a property
- 265 taxpayer:
 - 266 (i) owns the property;
 - 267 (ii) makes filings relating to the property;
 - 268 (iii) processes appeals relating to the property; or
 - 269 (iv) pays a tax under Chapter 2, Property Tax Act, on the property.
- 270 (h) "Protected commercial information" means commercial information that:
 - 271 (i) identifies a specific property taxpayer; or
 - 272 (ii) would reasonably lead to the identity of a specific property taxpayer.
- 273 (2) An individual listed under Subsection 59-1-403(2)(a) may not disclose commercial
- 274 information:
 - 275 (a) obtained in the course of performing any duty that the individual listed under

276 Subsection 59-1-403(2)(a) performs under Chapter 2, Property Tax Act; or
277 (b) relating to an action or proceeding:
278 (i) with respect to a tax imposed on property in accordance with Chapter 2, Property
279 Tax Act; and
280 (ii) that is filed in accordance with:
281 (A) this chapter;
282 (B) Chapter 2, Property Tax Act; or
283 (C) this chapter and Chapter 2, Property Tax Act.
284 (3) (a) Notwithstanding Subsection (2) and subject to Subsection (3)(c), an individual
285 listed under Subsection 59-1-403(2)(a) may disclose the following information:
286 (i) the assessed value of property;
287 (ii) the tax rate imposed on property;
288 (iii) a legal description of property;
289 (iv) the physical description or characteristics of property, including a street address or
290 parcel number for the property;
291 (v) the square footage or acreage of property;
292 (vi) the square footage of improvements on property;
293 (vii) the name of a property taxpayer;
294 (viii) the mailing address of a property taxpayer;
295 (ix) the amount of a property tax:
296 (A) assessed on property;
297 (B) due on property;
298 (C) collected on property;
299 (D) abated on property; or
300 (E) deferred on property;
301 (x) the amount of the following relating to property taxes due on property:
302 (A) interest;
303 (B) costs; or
304 (C) other charges;
305 (xi) the tax status of property, including:
306 (A) an exemption;

- 307 (B) a property classification;
- 308 (C) a bankruptcy filing; or
- 309 (D) whether the property is the subject of an action or proceeding under this title;
- 310 (xii) information relating to a tax sale of property; or
- 311 (xiii) information relating to single-family residential property.
- 312 (b) Notwithstanding Subsection (2) and subject to Subsection (3)(c), an individual
- 313 listed under Subsection 59-1-403(2)(a) shall disclose, upon request, the information described
- 314 in Subsection 59-2-1007(9).
- 315 (c) (i) Subject to Subsection (3)(c)(ii), a person may receive the information described
- 316 in Subsection (3)(a) or (b) in written format.
- 317 (ii) The following may charge a reasonable fee to cover the actual cost of providing the
- 318 information described in Subsection (3)(a) or (b) in written format:
- 319 (A) the commission;
- 320 (B) a county;
- 321 (C) a city; or
- 322 (D) a town.
- 323 (4) (a) Notwithstanding Subsection (2) and except as provided in Subsection (4)(c), an
- 324 individual listed under Subsection 59-1-403(2)(a) shall disclose commercial information:
- 325 (i) in accordance with judicial order;
- 326 (ii) on behalf of the commission in any action or proceeding:
- 327 (A) under this title;
- 328 (B) under another law under which a property taxpayer is required to disclose
- 329 commercial information; or
- 330 (C) to which the commission is a party;
- 331 (iii) on behalf of any party to any action or proceeding under this title if the commercial
- 332 information is directly involved in the action or proceeding; or
- 333 (iv) if the requirements of Subsection (4)(b) are met, that is:
- 334 (A) relevant to an action or proceeding:
- 335 (I) filed in accordance with this title; and
- 336 (II) involving property; or
- 337 (B) in preparation for an action or proceeding involving property.

338 (b) Commercial information shall be disclosed in accordance with Subsection
339 (4)(a)(iv):
340 (i) if the commercial information is obtained from:
341 (A) a real estate agent if the real estate agent is not a property taxpayer of the property
342 that is the subject of the action or proceeding;
343 (B) an appraiser if the appraiser:
344 (I) is not a property taxpayer of the property that is the subject of the action or
345 proceeding; and
346 (II) did not receive the commercial information pursuant to Subsection (8);
347 (C) a property manager if the property manager is not a property taxpayer of the
348 property that is the subject of the action or proceeding; or
349 (D) a property taxpayer other than a property taxpayer of the property that is the subject
350 of the action or proceeding;
351 (ii) regardless of whether the commercial information is disclosed in more than one
352 action or proceeding; and
353 (iii) (A) if a county board of equalization conducts the action or proceeding, the county
354 board of equalization takes action to provide that any commercial information disclosed during
355 the action or proceeding may not be disclosed by any person conducting or participating in the
356 action or proceeding except as specifically allowed by this section;
357 (B) if the commission conducts the action or proceeding, the commission enters a
358 protective order or, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
359 Act, makes rules specifying that any commercial information disclosed during the action or
360 proceeding may not be disclosed by any person conducting or participating in the action or
361 proceeding except as specifically allowed by this section; or
362 (C) if a court of competent jurisdiction conducts the action or proceeding, the court
363 enters a protective order specifying that any commercial information disclosed during the
364 action or proceeding may not be disclosed by any person conducting or participating in the
365 action or proceeding except as specifically allowed by this section.
366 (c) Notwithstanding Subsection (4)(a), a court may require the production of, and may
367 admit in evidence, commercial information that is specifically pertinent to the action or
368 proceeding.

- 369 (5) Notwithstanding Subsection (2), this section does not prohibit:
370 (a) the following from receiving a copy of any commercial information relating to the
371 basis for assessing a tax that is charged to a property taxpayer:
- 372 (i) the property taxpayer;
 - 373 (ii) a duly authorized representative of the property taxpayer;
 - 374 (iii) a person that has in effect a contract with the property taxpayer to:
 - 375 (A) make filings on behalf of the property taxpayer;
 - 376 (B) process appeals on behalf of the property taxpayer; or
 - 377 (C) pay a tax under Chapter 2, Property Tax Act, on the property taxpayer's property;
 - 378 (iv) a property taxpayer that purchases property from another property taxpayer; or
 - 379 (v) a person that the property taxpayer designates in writing as being authorized to
380 receive the commercial information;
- 381 (b) the publication of statistics as long as the statistics are classified to prevent the
382 identification of a particular property taxpayer's commercial information; [or]
- 383 (c) the inspection by the attorney general or other legal representative of the state or a
384 legal representative of a political subdivision of the state of the commercial information of a
385 property taxpayer:
- 386 (i) that brings action to set aside or review a tax or property valuation based on the
387 commercial information;
 - 388 (ii) against which an action or proceeding is contemplated or has been instituted under
389 this title; or
 - 390 (iii) against which the state or a political subdivision of the state has an unsatisfied
391 money judgment[.]; or
- 392 (d) the commission from disclosing commercial information to the extent necessary to
393 comply with the requirements of Subsection [59-12-205\(5\)](#).
- 394 (6) Notwithstanding Subsection (2), in accordance with Title 63G, Chapter 3, Utah
395 Administrative Rulemaking Act, the commission may by rule establish standards authorizing
396 an individual listed under Subsection [59-1-403\(2\)\(a\)](#) to disclose commercial information:
- 397 (a) (i) in a published decision; or
 - 398 (ii) in carrying out official duties; and
 - 399 (b) if that individual listed under Subsection [59-1-403\(2\)\(a\)](#) consults with the property

400 taxpayer that provided the commercial information.

401 (7) Notwithstanding Subsection (2):

402 (a) an individual listed under Subsection 59-1-403(2)(a) may share commercial
403 information with the following:

404 (i) another individual listed in Subsection 59-1-403(2)(a)(i) or (ii); or

405 (ii) a representative, agent, clerk, or other officer or employee of a county as required
406 to fulfill an obligation created by Chapter 2, Property Tax Act;

407 (b) an individual listed under Subsection 59-1-403(2)(a) may perform the following to
408 fulfill an obligation created by Chapter 2, Property Tax Act:

409 (i) publish notice;

410 (ii) provide notice; or

411 (iii) file a lien; or

412 (c) the commission may by rule, made in accordance with Title 63G, Chapter 3, Utah
413 Administrative Rulemaking Act, share commercial information gathered from returns and other
414 written statements with the federal government, any other state, any of the political
415 subdivisions of another state, or any political subdivision of this state, if these political
416 subdivisions or the federal government grant substantially similar privileges to this state.

417 (8) Notwithstanding Subsection (2):

418 (a) subject to the limitations in this section, an individual described in Subsection
419 59-1-403(2)(a) may share the following commercial information with an appraiser:

420 (i) the sales price of locally assessed property and the related financing terms;

421 (ii) capitalization rates and related rates and ratios related to the valuation of locally
422 assessed property; and

423 (iii) income and expense information related to the valuation of locally assessed
424 property; and

425 (b) except as provided in Subsection (4), an appraiser who receives commercial
426 information:

427 (i) may disclose the commercial information:

428 (A) to an individual described in Subsection 59-1-403(2)(a);

429 (B) to an appraiser;

430 (C) in an appraisal if protected commercial information is removed to protect its

431 confidential nature; or
432 (D) in performing a consultation service if protected commercial information is not
433 disclosed; and
434 (ii) may not use the commercial information:
435 (A) for a purpose other than to prepare an appraisal or perform a consultation service;
436 or
437 (B) for a purpose intended to be, or which could reasonably be foreseen to be,
438 anti-competitive to a property taxpayer.
439 (9) (a) The commission shall:
440 (i) prepare a written explanation of this section; and
441 (ii) make the written explanation described in Subsection (9)(a)(i) available to the
442 public.
443 (b) An employer of a person described in Subsection 59-1-403(2)(a) shall:
444 (i) provide the written explanation described in Subsection (9)(a)(i) to each person
445 described in Subsection 59-1-403(2)(a) who is reasonably likely to receive commercial
446 information;
447 (ii) require each person who receives a written explanation in accordance with
448 Subsection (9)(b)(i) to:
449 (A) read the written explanation; and
450 (B) sign the written explanation; and
451 (iii) retain each written explanation that is signed in accordance with Subsection
452 (9)(b)(ii) for a time period:
453 (A) beginning on the day on which a person signs the written explanation in
454 accordance with Subsection (9)(b)(ii); and
455 (B) ending six years after the day on which the employment of the person described in
456 Subsection (9)(b)(iii)(A) by the employer terminates.
457 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
458 commission shall by rule define "employer."
459 (10) (a) An individual described in Subsection (1)(a) or 59-1-403(2)(a), or an
460 individual that violates a protective order or similar limitation entered pursuant to Subsection
461 (4)(b)(iii), is guilty of a class A misdemeanor if that person:

462 (i) intentionally discloses commercial information in violation of this section; and
463 (ii) knows that the disclosure described in Subsection (10)(a)(i) is prohibited by this
464 section.

465 (b) If the individual described in Subsection (10)(a) is an officer or employee of the
466 state or a county and is convicted of violating this section, the individual shall be dismissed
467 from office and be disqualified from holding public office in this state for a period of five years
468 thereafter.

469 (c) If the individual described in Subsection (10)(a) is an appraiser, the appraiser shall
470 forfeit any certification or license received under Title 61, Chapter 2g, Real Estate Appraiser
471 Licensing and Certification Act, for a period of five years.

472 (d) If the individual described in Subsection (10)(a) is an individual associated with an
473 appraiser who assists the appraiser in preparing appraisals, the individual shall be prohibited
474 from becoming licensed or certified under Title 61, Chapter 2g, Real Estate Appraiser
475 Licensing and Certification Act, for a period of five years.

476 Section 5. Section **59-12-205** is amended to read:

477 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
478 **tax revenue -- Determination of population.**

479 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
480 [59-12-204](#), a county, city, or town shall adopt amendments to the county's, city's, or town's
481 sales and use tax ordinances:

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

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

485 (2) (a) Except as provided in Subsections (3) through (5) and subject to Subsection (6):

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

490 (ii) (A) except as provided in Subsections (2)(a)(ii)(B), (C), and (D), 50% of each
491 dollar collected from the sales and use tax authorized by this part shall be distributed to each
492 county, city, and town on the basis of the location of the transaction as determined under

493 Sections 59-12-211 through 59-12-215;

494 (B) 50% of each dollar collected from the sales and use tax authorized by this part
495 within a project area described in a project area plan adopted by the military installation
496 development authority under Title 63H, Chapter 1, Military Installation Development
497 Authority Act, shall be distributed to the military installation development authority created in
498 Section 63H-1-201;

499 (C) beginning July 1, 2022, 50% of each dollar collected from the sales and use tax
500 authorized by this part within a project area under Title 11, Chapter 58, Utah Inland Port
501 Authority Act, shall be distributed to the Utah Inland Port Authority, created in Section
502 11-58-201; and

503 (D) 50% of each dollar collected from the sales and use tax authorized by this part
504 within the lake authority boundary, as defined in Section 11-65-101, shall be distributed to the
505 Utah Lake Authority, created in Section 11-65-201, beginning the next full calendar quarter
506 following the creation of the Utah Lake Authority.

507 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before
508 July 1, 2022.

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

511 ~~[(i) the county, city, or town is a:]~~

512 ~~[(A) county of the third, fourth, fifth, or sixth class;]~~

513 ~~[(B) city of the fifth class; or]~~

514 ~~[(C) town;]~~

515 ~~[(ii) the county, city, or town received a distribution under this section for the calendar~~
516 ~~year beginning on January 1, 2008, that was less than the distribution under this section that the~~
517 ~~county, city, or town received for the calendar year beginning on January 1, 2007;]~~

518 ~~[(iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located~~
519 ~~within the unincorporated area of the county for one or more days during the calendar year~~
520 ~~beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,~~
521 ~~Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North~~
522 ~~American Industry Classification System of the federal Executive Office of the President,~~
523 ~~Office of Management and Budget; or]~~

524 ~~[(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection~~
525 ~~(3)(a)(i)(C), the city or town had located within the city or town for one or more days during~~
526 ~~the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry~~
527 ~~Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the~~
528 ~~2002 North American Industry Classification System of the federal Executive Office of the~~
529 ~~President, Office of Management and Budget; and]~~

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

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

538 ~~[(b) The commission shall make the distribution required by this Subsection (3) to a~~
539 ~~county, city, or town described in Subsection (3)(a):]~~

540 ~~[(i) from the distribution required by Subsection (2)(a); and]~~

541 ~~[(ii) before making any other distribution required by this section.]~~

542 ~~[(c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by~~
543 ~~multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.]~~

544 ~~[(ii) For purposes of Subsection (3)(c)(i):]~~

545 ~~[(A) the numerator of the fraction is the difference calculated by subtracting the~~
546 ~~distribution a county, city, or town described in Subsection (3)(a) received under this section~~
547 ~~for the calendar year beginning on January 1, 2008, from the distribution under this section that~~
548 ~~the county, city, or town received for the calendar year beginning on January 1, 2007; and]~~

549 ~~[(B) the denominator of the fraction is \$333,583.]~~

550 ~~[(d) A distribution required by this Subsection (3) is in addition to any other~~
551 ~~distribution required by this section.]~~

552 ~~[(4)] (3) (a) As used in this Subsection [(4)] (3):~~

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

554 ~~(A) for fiscal year 2012-13, received a tax revenue distribution under Subsection~~

555 ~~[(4)(b)]~~ (3)(b) equal to the amount described in Subsection ~~[(4)(b)(i)]~~ (3)(b)(ii); and
556 (B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,
557 2016.

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

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

- 563 (i) the payment required by Subsection (2); or
- 564 (ii) the minimum tax revenue distribution.

565 ~~[(5)]~~ (4) (a) For purposes of this Subsection ~~[(5)]~~ (4):

566 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to
567 1.8% of the participating local government's tax revenue distribution amount under Subsection
568 (2)(a) for the previous fiscal year.

569 (ii) "Participating local government" means a county or municipality, as defined in
570 Section 10-1-104, that is not an eligible municipality certified in accordance with Section
571 35A-16-404.

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

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

578 (ii) deposit the amount described in Subsection ~~[(5)(b)(i)]~~ (4)(b)(i) into the Homeless
579 Shelter Cities Mitigation Restricted Account created in Section 35A-16-402.

580 (c) For a participating local government that qualifies to receive a distribution
581 described in Subsection (3) ~~[or (4)]~~, the commission shall apply the provisions of this
582 Subsection ~~[(5)]~~ (4) after the commission applies the provisions of ~~[Subsections (3) and (4)]~~
583 Subsection (3).

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

585 (i) "Annual dedicated sand and gravel sales tax revenue" means an amount equal to the

586 total revenue an establishment described in NAICS Code 327320, Ready-Mix Concrete
587 Manufacturing, of the 2022 North American Industry Classification System of the federal
588 Executive Office of the President, Office of Management and Budget, collects and remits under
589 this part for a calendar year.

590 (ii) "Sand and gravel" means sand, gravel, or a combination of sand and gravel.

591 (iii) "Sand and gravel extraction site" means a pit, quarry, or deposit that:

592 (A) contains sand and gravel; and

593 (B) is assessed by the commission in accordance with Section [59-2-201](#).

594 (iv) "Ton" means a short ton of 2,000 pounds.

595 (v) "Tonnage ratio" means the ratio of:

596 (A) the total amount of sand and gravel, measured in tons, sold during a calendar year
597 from all sand and gravel extraction sites located within a county, city, or town; to

598 (B) the total amount of sand and gravel, measured in tons, sold during the same
599 calendar year from sand and gravel extraction sites statewide.

600 (b) For purposes of calculating the ratio described in Subsection (5)(a)(v), the
601 commission shall:

602 (i) use the gross sales data provided to the commission as part of the commission's
603 property tax valuation process; and

604 (ii) if a sand and gravel extraction site operates as a unit across municipal or county
605 lines, apportion the reported tonnage among the counties, cities, or towns based on the
606 percentage of the sand and gravel extraction site located in each county, city, or town, as
607 approximated by the commission.

608 (c) (i) On July 1, 2023, and each July 1 thereafter, the commission shall distribute from
609 total collections under this part an amount equal to the annual dedicated sand and gravel sales
610 tax revenue for the preceding calendar year to each county, city, or town in the same proportion
611 as the county's, city's, or town's tonnage ratio for the preceding calendar year.

612 (ii) The commission shall ensure that the revenue distributed under this Subsection
613 (5)(c) is drawn from each jurisdiction's collections in proportion to the jurisdiction's share of
614 total collections for the preceding 12-month period.

615 (d) A county, city, or town shall use revenue described in Subsection (5)(c) for class B
616 or class C roads.

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

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

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