

**Representative Ryan D. Wilcox** proposes the following substitute bill:

**UTAH FAIRPARK AREA INVESTMENT AND RESTORATION**

**DISTRICT**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ryan D. Wilcox**

Senate Sponsor: Lincoln Fillmore

**LONG TITLE**

**General Description:**

This bill enacts and modifies provisions relating to the Utah Fairpark Area Investment and Restoration District.

**Highlighted Provisions:**

This bill:

- ▶ creates the Utah Fairpark Area Investment and Restoration District;
- ▶ provides for the district's powers and duties;
- ▶ defines the district boundary;
- ▶ creates a board to govern the district and provides for board membership;
- ▶ authorizes the district to levy:
  - an energy sales and use tax;
  - a telecommunications license tax;
  - a transient room tax;
  - a resort communities sales and use tax;
  - an additional resort communities sales and use tax; and
  - an accommodations and services tax;
- ▶ provides for an increase in a transient room tax if a franchise agreement is executed



26 and changes how transient room tax revenue is to be spent;

27       ▶ provides for an increase in a car rental tax and provides for how the additional  
28 revenue is to be spent;

29       ▶ provides for state-owned land within the district boundary to be subject to a  
30 privilege tax;

31       ▶ provides for enhanced property tax revenue to be paid to the district;

32       ▶ specifies the use of district funds;

33       ▶ authorizes the district to adopt one or more project area plans, including a project  
34 area, with the consent of the property owner, for the development and construction  
35 of a qualified stadium;

36       ▶ provides for the district to own the land on which a qualified stadium is built and to  
37 own the qualified stadium;

38       ▶ provides a sales tax exemption for construction materials used for the construction  
39 of a qualified stadium;

40       ▶ provides for income tax on nonresident professional athletes generated from within  
41 the district to be used for at-risk students;

42       ▶ modifies provisions relating to the State Fair Park Authority;

43       ▶ authorizes the district board to approve loans from an infrastructure loan fund; and

44       ▶ makes technical and conforming changes.

45 **Utah Fairpark Area Investment and Restoration District Boundary Information:**

46       The boundary information for the Utah Fairpark Area Investment and Restoration  
47 District boundary:

48       ▶ is delineated in a shapefile that:

49           • is enacted as part of this bill in electronic form;

50           • may be found at: [https://le.utah.gov/~2024/documents/HB0562\\_shapefile.zip](https://le.utah.gov/~2024/documents/HB0562_shapefile.zip);

51 and

52           • has the following electronic file security code:

53 cf4d4953297c3ea4c936028b7c89e3c0; and

54       ▶ is also depicted in a format that:

55           • is intended to be more accessible to the general public and is provided for  
56 informational purposes only;

57           • shows the boundary as delineated in the shapefile, but is not enacted as part of  
58 this bill; and

59           • may be found at:

60 [https://www.google.com/maps/d/edit?mid=140hCtPp\\_tbgfo4lm2PFBCipH5bJmFTs](https://www.google.com/maps/d/edit?mid=140hCtPp_tbgfo4lm2PFBCipH5bJmFTs).

61

62 **Money Appropriated in this Bill:**

63           None

64 **Other Special Clauses:**

65           None

66 **Utah Code Sections Affected:**

67 AMENDS:

68           **10-1-203**, as last amended by Laws of Utah 2022, Chapter 306

69           **10-1-303**, as last amended by Laws of Utah 2021, Chapter 210

70           **10-1-304**, as last amended by Laws of Utah 2022, Chapter 237

71           **10-1-310**, as enacted by Laws of Utah 1996, Chapter 280

72           **10-1-403**, as last amended by Laws of Utah 2021, Chapter 414

73           **11-68-201**, as renumbered and amended by Laws of Utah 2023, Chapter 502

74           **11-68-202**, as renumbered and amended by Laws of Utah 2023, Chapter 502

75           **11-68-403**, as renumbered and amended by Laws of Utah 2023, Chapter 502

76           **11-68-502**, as enacted by Laws of Utah 2023, Chapter 502

77           **17C-1-407**, as last amended by Laws of Utah 2022, Chapter 307

78           **17D-4-102**, as last amended by Laws of Utah 2023, Chapter 15

79           **59-2-924**, as last amended by Laws of Utah 2023, Chapter 502

80           **59-4-101**, as last amended by Laws of Utah 2023, Chapter 502

81           **59-10-544**, as last amended by Laws of Utah 2022, Chapter 456

82           **59-12-104**, as last amended by Laws of Utah 2023, Chapters 213, 518

83           **59-12-352**, as last amended by Laws of Utah 2023, Chapter 263

84           **59-12-354**, as last amended by Laws of Utah 2023, Chapters 263, 471

85           **59-12-401**, as last amended by Laws of Utah 2021, Chapter 414

86           **59-12-402**, as last amended by Laws of Utah 2023, Chapter 435

87           **59-12-1201**, as last amended by Laws of Utah 2023, Chapters 361, 471

- 88 **59-28-103**, as last amended by Laws of Utah 2022, Chapter 68
- 89 **63A-3-401.5**, as last amended by Laws of Utah 2023, Chapter 259
- 90 **63A-3-402**, as last amended by Laws of Utah 2023, Chapter 259
- 91 **63A-5b-902**, as last amended by Laws of Utah 2023, Chapter 263
- 92 **63C-25-101**, as last amended by Laws of Utah 2023, Chapters 91, 139 and 502
- 93 **63C-25-202**, as last amended by Laws of Utah 2023, Chapter 91

94 ENACTS:

- 95 **11-70-101**, Utah Code Annotated 1953
- 96 **11-70-102**, Utah Code Annotated 1953
- 97 **11-70-103**, Utah Code Annotated 1953
- 98 **11-70-104**, Utah Code Annotated 1953
- 99 **11-70-201**, Utah Code Annotated 1953
- 100 **11-70-202**, Utah Code Annotated 1953
- 101 **11-70-203**, Utah Code Annotated 1953
- 102 **11-70-204**, Utah Code Annotated 1953
- 103 **11-70-205**, Utah Code Annotated 1953
- 104 **11-70-206**, Utah Code Annotated 1953
- 105 **11-70-207**, Utah Code Annotated 1953
- 106 **11-70-301**, Utah Code Annotated 1953
- 107 **11-70-302**, Utah Code Annotated 1953
- 108 **11-70-303**, Utah Code Annotated 1953
- 109 **11-70-304**, Utah Code Annotated 1953
- 110 **11-70-305**, Utah Code Annotated 1953
- 111 **11-70-401**, Utah Code Annotated 1953
- 112 **11-70-402**, Utah Code Annotated 1953
- 113 **11-70-403**, Utah Code Annotated 1953
- 114 **11-70-501**, Utah Code Annotated 1953
- 115 **11-70-502**, Utah Code Annotated 1953
- 116 **11-70-503**, Utah Code Annotated 1953
- 117 **11-70-504**, Utah Code Annotated 1953
- 118 **11-70-505**, Utah Code Annotated 1953

- 119            [11-70-506](#), Utah Code Annotated 1953
- 120            [11-70-601](#), Utah Code Annotated 1953
- 121            [11-70-602](#), Utah Code Annotated 1953
- 122            [11-70-603](#), Utah Code Annotated 1953
- 123            [11-70-604](#), Utah Code Annotated 1953
- 124            [11-70-605](#), Utah Code Annotated 1953
- 125            [11-70-701](#), Utah Code Annotated 1953
- 126            [11-70-702](#), Utah Code Annotated 1953
- 127            [11-70-703](#), Utah Code Annotated 1953
- 128            [11-70-704](#), Utah Code Annotated 1953
- 129            [11-70-801](#), Utah Code Annotated 1953
- 130            [53F-9-207](#), Utah Code Annotated 1953

131 REPEALS:

132            [11-68-402](#), as renumbered and amended by Laws of Utah 2023, Chapter 502



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

135            Section 1. Section **10-1-203** is amended to read:

136            **10-1-203. License fees and taxes -- Application information to be transmitted to**  
137 **the county assessor.**

138            (1) As used in this section:

139            (a) "Business" means any enterprise carried on for the purpose of gain or economic  
140 profit, except that the acts of employees rendering services to employers are not included in  
141 this definition.

142            (b) "Telecommunications provider" means the same as that term is defined in Section  
143 [10-1-402](#).

144            (c) "Telecommunications tax or fee" means the same as that term is defined in Section  
145 [10-1-402](#).

146            (2) Except as provided in Subsections (3) through (5) and Subsection (7), the  
147 legislative body of a municipality may license for the purpose of regulation any business within  
148 the limits of the municipality, may regulate that business by ordinance, and may impose fees on  
149 businesses to recover the municipality's costs of regulation.

150 (3) (a) The legislative body of a municipality may raise revenue by levying and  
151 collecting a municipal energy sales or use tax as provided in Part 3, Municipal Energy Sales  
152 and Use Tax Act, except a municipality may not levy or collect a franchise tax or fee on an  
153 energy supplier other than the municipal energy sales and use tax provided in Part 3, Municipal  
154 Energy Sales and Use Tax Act.

155 (b) (i) Subsection (3)(a) does not affect the validity of a franchise agreement as defined  
156 in Subsection [~~10-1-303(6)~~] 10-1-303(7), that is in effect on July 1, 1997, or a future franchise.

157 (ii) A franchise agreement as defined in Subsection [~~10-1-303(6)~~] 10-1-303(7) in effect  
158 on January 1, 1997, or a future franchise shall remain in full force and effect.

159 (c) A municipality that collects a contractual franchise fee pursuant to a franchise  
160 agreement as defined in Subsection [~~10-1-303(6)~~] 10-1-303(7) with an energy supplier that is  
161 in effect on July 1, 1997, may continue to collect that fee as provided in Subsection  
162 10-1-310(2).

163 (d) (i) Subject to the requirements of Subsection (3)(d)(ii), a franchise agreement as  
164 defined in Subsection [~~10-1-303(6)~~] 10-1-303(7) between a municipality and an energy  
165 supplier may contain a provision that:

166 (A) requires the energy supplier by agreement to pay a contractual franchise fee that is  
167 otherwise prohibited under Part 3, Municipal Energy Sales and Use Tax Act; and

168 (B) imposes the contractual franchise fee on or after the day on which Part 3,  
169 Municipal Energy Sales and Use Tax Act is:

170 (I) repealed, invalidated, or the maximum allowable rate provided in Section 10-1-305  
171 is reduced; and

172 (II) not superseded by a law imposing a substantially equivalent tax.

173 (ii) A municipality may not charge a contractual franchise fee under the provisions  
174 permitted by Subsection (3)(b)(i) unless the municipality charges an equal contractual franchise  
175 fee or a tax on all energy suppliers.

176 (4) (a) Subject to Subsection (4)(b), beginning July 1, 2004, the legislative body of a  
177 municipality may raise revenue by levying and providing for the collection of a municipal  
178 telecommunications license tax as provided in Part 4, Municipal Telecommunications License  
179 Tax Act.

180 (b) A municipality may not levy or collect a telecommunications tax or fee on a

181 telecommunications provider except as provided in Part 4, Municipal Telecommunications  
182 License Tax Act.

183 (5) (a) (i) The legislative body of a municipality may by ordinance raise revenue by  
184 levying and collecting a license fee or tax on:

185 (A) a parking service business in an amount that is less than or equal to:

186 (I) \$1 per vehicle that parks at the parking service business; or

187 (II) 2% of the gross receipts of the parking service business;

188 (B) a public assembly or other related facility in an amount that is less than or equal to

189 \$5 per ticket purchased from the public assembly or other related facility; and

190 (C) subject to the limitations of Subsections (5)(c) and (d):

191 (I) a business that causes disproportionate costs of municipal services; or

192 (II) a purchaser from a business for which the municipality provides an enhanced level

193 of municipal services.

194 (ii) Nothing in this Subsection (5)(a) may be construed to authorize a municipality to

195 levy or collect a license fee or tax on a public assembly or other related facility owned and

196 operated by another political subdivision other than a community reinvestment agency without

197 the written consent of the other political subdivision.

198 (b) As used in this Subsection (5):

199 (i) "Municipal services" includes:

200 (A) public utilities; and

201 (B) services for:

202 (I) police;

203 (II) fire;

204 (III) storm water runoff;

205 (IV) traffic control;

206 (V) parking;

207 (VI) transportation;

208 (VII) beautification; or

209 (VIII) snow removal.

210 (ii) "Parking service business" means a business:

211 (A) that primarily provides off-street parking services for a public facility that is

212 wholly or partially funded by public money;

213 (B) that provides parking for one or more vehicles; and

214 (C) that charges a fee for parking.

215 (iii) "Public assembly or other related facility" means an assembly facility that:

216 (A) is wholly or partially funded by public money;

217 (B) is operated by a business; and

218 (C) requires a person attending an event at the assembly facility to purchase a ticket.

219 (c) (i) Before the legislative body of a municipality imposes a license fee on a business

220 that causes disproportionate costs of municipal services under Subsection (5)(a)(i)(C)(I), the

221 legislative body of the municipality shall adopt an ordinance defining for purposes of the tax

222 under Subsection (5)(a)(i)(C)(I):

223 (A) the costs that constitute disproportionate costs; and

224 (B) the amounts that are reasonably related to the costs of the municipal services  
225 provided by the municipality.

226 (ii) The amount of a fee under Subsection (5)(a)(i)(C)(I) shall be reasonably related to  
227 the costs of the municipal services provided by the municipality.

228 (d) (i) Before the legislative body of a municipality imposes a license fee on a  
229 purchaser from a business for which it provides an enhanced level of municipal services under  
230 Subsection (5)(a)(i)(C)(II), the legislative body of the municipality shall adopt an ordinance  
231 defining for purposes of the fee under Subsection (5)(a)(i)(C)(II):

232 (A) the level of municipal services that constitutes the basic level of municipal services  
233 in the municipality; and

234 (B) the amounts that are reasonably related to the costs of providing an enhanced level  
235 of municipal services in the municipality.

236 (ii) The amount of a fee under Subsection (5)(a)(i)(C)(II) shall be reasonably related to  
237 the costs of providing an enhanced level of the municipal services.

238 (6) All license fees and taxes shall be uniform in respect to the class upon which they  
239 are imposed.

240 (7) A municipality may not:

241 (a) require a license or permit for a business that is operated:

242 (i) only occasionally; and



- 243 (ii) by an individual who is under 18 years old;
- 244 (b) charge any fee for a resident of the municipality to operate a home-based business,  
245 unless the combined offsite impact of the home-based business and the primary residential use  
246 materially exceeds the offsite impact of the primary residential use alone;
- 247 (c) require, as a condition of obtaining or maintaining a license or permit for a  
248 business:
- 249 (i) that an employee or agent of a business complete education, continuing education,  
250 or training that is in addition to requirements under state law or state licensing requirements; or
- 251 (ii) that a business disclose financial information, inventory amounts, or proprietary  
252 business information, except as specifically authorized under state or federal law.
- 253 (8) (a) Notwithstanding Subsection (7)(b), a municipality may charge an administrative  
254 fee for a license to a home-based business owner who is otherwise exempt under Subsection  
255 (7)(b) but who requests a license from the municipality.
- 256 (b) A municipality shall notify the owner of each home-based business of the  
257 exemption described in Subsection (7)(b) in any communication with the owner.
- 258 (9) The municipality shall transmit the information from each approved business  
259 license application to the county assessor within 60 days following the approval of the  
260 application.
- 261 (10) If challenged in court, an ordinance enacted by a municipality before January 1,  
262 1994, imposing a business license fee on rental dwellings under this section shall be upheld  
263 unless the business license fee is found to impose an unreasonable burden on the fee payer.
- 264 Section 2. Section **10-1-303** is amended to read:
- 265 **10-1-303. Definitions.**
- 266 As used in this part:
- 267 (1) "Commission" means the State Tax Commission.
- 268 (2) "Contractual franchise fee" means:
- 269 (a) a fee:
- 270 (i) provided for in a franchise agreement; and
- 271 (ii) that is consideration for the franchise agreement; or
- 272 (b) (i) a fee similar to Subsection (2)(a); or
- 273 (ii) any combination of Subsections (2)(a) and (b).

274 (3) (a) "Delivered value" means the fair market value of the taxable energy delivered  
275 for sale or use in the municipality and includes:

276 (i) the value of the energy itself; and

277 (ii) any transportation, freight, customer demand charges, services charges, or other  
278 costs typically incurred in providing taxable energy in usable form to each class of customer in  
279 the municipality.

280 (b) "Delivered value" does not include the amount of a tax paid under:

281 (i) Title 59, Chapter 12, Sales and Use Tax Act; or

282 (ii) this part.

283 (4) "De minimis amount" means an amount of taxable energy that does not exceed the  
284 greater of:

285 (a) 5% of the energy supplier's estimated total Utah gross receipts from sales of  
286 property or services; or

287 (b) \$10,000.

288 (5) "Energy supplier" means a person supplying taxable energy, except that the  
289 commission may by rule exclude from this definition a person supplying a de minimis amount  
290 of taxable energy.

291 (6) "Fairpark district" means the Utah Fairpark Area Investment and Restoration  
292 District, created in Section [11-70-201](#).

293 ~~[(6)]~~ (7) "Franchise agreement" means a franchise or an ordinance, contract, or  
294 agreement granting a franchise.

295 ~~[(7)]~~ (8) "Franchise tax" means:

296 (a) a franchise tax;

297 (b) a tax similar to a franchise tax; or

298 (c) any combination of Subsections ~~[(7)(a)]~~ (8)(a) and (b).

299 (9) "Military authority" means the Military Installation Development Authority, created  
300 in Section [63H-1-201](#).

301 ~~[(8)]~~ (10) "Municipality" means a city, town, or metro township.

302 ~~[(9)]~~ (11) "Person" is as defined in Section [59-12-102](#).

303 (12) "Point of the mountain authority" means the Point of the Mountain State Land  
304 Authority, created in Section [11-59-201](#).

305 ~~[(10)]~~ (13) "Taxable energy" means gas and electricity.

306 Section 3. Section 10-1-304 is amended to read:

307 **10-1-304. Energy sales and use tax -- Rate -- Imposition or repeal of tax -- Tax**  
 308 **rate change -- Effective date -- Notice requirements -- Exemptions.**

309 (1) (a) Except as provided in Subsections (4) and (5), a municipality may levy a  
 310 municipal energy sales and use tax on the sale or use of taxable energy within the municipality:

311 (i) by ordinance as provided in Section 10-1-305; and

312 (ii) of up to 6% of the delivered value of the taxable energy.

313 (b) Subject to Section 63H-1-203, the military [~~installation development~~] authority  
 314 [~~created in Section 63H-1-201~~] may levy a municipal energy sales and use tax under this part  
 315 within a project area described in a project area plan adopted by the military authority under  
 316 Title 63H, Chapter 1, Military Installation Development Authority Act, as though the military  
 317 authority were a municipality.

318 (c) (i) Beginning July 1, 2022, the [~~Point of the Mountain State Land Authority, created~~  
 319 ~~in Section 11-59-201;~~] point of the mountain authority may by resolution levy a municipal  
 320 energy sales and use tax under this part within the area that constitutes the point of the  
 321 mountain state land, as defined in Section 11-59-102, as though the [~~Point of the Mountain~~  
 322 ~~State Land Authority~~] point of the mountain authority were a municipality.

323 (ii) The [~~Point of the Mountain State Land Authority's~~] point of the mountain  
 324 authority's adoption of a resolution under Subsection (1)(c)(i) that otherwise complies with the  
 325 requirements under this part applicable to an ordinance is considered the equivalent of adopting  
 326 an ordinance under this part.

327 (d) (i) Beginning July 1, 2024, the fairpark district may by resolution levy a municipal  
 328 energy sales and use tax under this part within the fairpark district boundary, as defined in  
 329 Section 11-70-101, as though the fairpark district were a municipality.

330 (ii) The fairpark district's adoption of a resolution under Subsection (1)(d)(i) that  
 331 otherwise complies with the requirements under this part applicable to an ordinance is  
 332 considered the equivalent of adopting an ordinance under this part.

333 (2) A municipal energy sales and use tax imposed under this part may be in addition to  
 334 any sales and use tax imposed by the municipality under Title 59, Chapter 12, Sales and Use  
 335 Tax Act.

336 (3) (a) For purposes of this Subsection (3):

337 (i) "Annexation" means an annexation to a municipality under Chapter 2, Part 4,  
338 Annexation.

339 (ii) "Annexing area" means an area that is annexed into a municipality.

340 (b) (i) If, on or after May 1, 2000, a city or town enacts or repeals a tax or changes the  
341 rate of a tax under this part, the enactment, repeal, or change shall take effect:

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

343 (B) after a 90-day period beginning on the date the commission receives notice meeting  
344 the requirements of Subsection (3)(b)(ii) from the municipality.

345 (ii) The notice described in Subsection (3)(b)(i)(B) shall state:

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

348 (B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);

349 (C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and

350 (D) if the city or town enacts the tax or changes the rate of the tax described in  
351 Subsection (3)(b)(ii)(A), the new rate of the tax.

352 (c) (i) If, for an annexation that occurs on or after May 1, 2000, the annexation will  
353 result in a change in the rate of a tax under this part for an annexing area, the change shall take  
354 effect:

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

356 (B) after a 90-day period beginning on the date the commission receives notice meeting  
357 the requirements of Subsection (3)(c)(ii) from the municipality that annexes the annexing area.

358 (ii) The notice described in Subsection (3)(c)(i)(B) shall state:

359 (A) that the annexation described in Subsection (3)(c)(i) will result in a change in the  
360 rate of a tax under this part for the annexing area;

361 (B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);

362 (C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and

363 (D) the new rate of the tax described in Subsection (3)(c)(ii)(A).

364 (4) (a) Subject to Subsection (4)(b), a sale or use of electricity within a municipality is  
365 exempt from the tax authorized by this section if the sale or use is made under a tariff adopted  
366 by the Public Service Commission of Utah only for purchase of electricity produced from a

367 new source of alternative energy, as defined in Section [59-12-102](#), as designated in the tariff by  
 368 the Public Service Commission of Utah.

369 (b) The exemption under Subsection (4)(a) applies to the portion of the tariff rate a  
 370 customer pays under the tariff described in Subsection (4)(a) that exceeds the tariff rate under  
 371 the tariff described in Subsection (4)(a) that the customer would have paid absent the tariff.

372 (5) (a) A municipality may not levy a municipal energy sales and use tax:

373 (i) within any portion of the municipality that is within a project area described in a  
 374 project area plan adopted by the military [~~installation development~~] authority under Title 63H,  
 375 Chapter 1, Military Installation Development Authority Act; [~~or~~]

376 (ii) on or after July 1, 2022, within the point of the mountain state land, as defined in  
 377 Section [11-59-102](#)[~~;~~]; or

378 (iii) on or after July 1, 2024, within the fairpark district boundary, as defined in Section  
 379 [11-70-101](#).

380 (b) Subsection (5)(a) does not apply to:

381 (i) the military [~~installation development~~] authority's levy of a municipal energy sales  
 382 and use tax; [~~or~~]

383 (ii) the [~~Point of the Mountain State Land Authority's~~] point of the mountain authority's  
 384 levy of a municipal energy sales and use tax[~~;~~]; or

385 (iii) the fairpark district's levy of a municipal energy sales and use tax.

386 (6) A tax levied under this part by the military authority, point of the mountain  
 387 authority, or fairpark district shall be administered and collected on behalf of and paid to the  
 388 military authority, point of the mountain authority, or fairpark district, respectively, in the same  
 389 way that a tax levied under this part by a municipality is administered and collected on behalf  
 390 of and paid to the municipality.

391 Section 4. Section **10-1-310** is amended to read:

392 **10-1-310. Existing energy franchise taxes or contractual franchise fees.**

393 (1) Except as authorized in Subsection (2), Section [59-12-203](#), or Section [10-1-304](#), a  
 394 municipality may not:

395 (a) impose on, charge, or collect a franchise tax or contractual a franchise fee from an  
 396 energy supplier; or

397 (b) collect a franchise tax or contractual franchise fee pursuant to a franchise agreement

398 in effect on July 1, 1997.

399 (2) A municipality that collects a contractual franchise fee from an energy supplier  
400 pursuant to a franchise agreement in effect on July 1, 1997, may continue to collect that fee at  
401 the same rate for the remaining term of the franchise agreement, except the municipality shall  
402 provide a credit against the municipal energy sales and use tax in the amount of the contractual  
403 franchise fee paid by the energy supplier pursuant to Subsection [10-1-305\(5\)](#).

404 (3) (a) Subject to the requirements of Subsection (3)(b), a franchise agreement as  
405 defined in Subsection [~~[10-1-303\(6\)](#)~~ [10-1-303\(7\)](#)] between a municipality and an energy  
406 supplier may contain a provision that:

407 (i) requires the energy supplier by agreement to pay a contractual franchise fee that is  
408 otherwise prohibited under Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax  
409 Act; and

410 (ii) imposes the contractual franchise fee on or after the day on which Title 10, Chapter  
411 1, Part 3, Municipal Energy Sales and Use Tax Act is:

412 (A) repealed, invalidated, or the maximum allowable rate provided in Section [10-1-304](#)  
413 is reduced; and

414 (B) is not superseded by a law imposing a substantially equivalent tax.

415 (b) A municipality may not charge a contractual franchise fee under the provisions  
416 permitted by Subsection (3)(a) unless the municipality charges an equal contractual franchise  
417 fee or a tax on all energy suppliers.

418 (4) This section may not affect the validity of any existing or future franchise  
419 agreement and any franchise agreement effective on July 1, 1997, shall remain in full force and  
420 effect, unless otherwise terminated or altered by agreement or applicable law.

421 Section 5. Section **10-1-403** is amended to read:

422 **10-1-403. Levy of telecommunications license tax -- Recovery from customers --**  
423 **Enactment, repeal, or change in rate of tax -- Annexation.**

424 (1) (a) (i) Subject to the provisions of this section, beginning July 1, 2004, a  
425 municipality may levy on and provide that there is collected from a telecommunications  
426 provider a municipal telecommunications license tax on the telecommunications provider's  
427 gross receipts from telecommunications service that are attributed to the municipality in  
428 accordance with Section [10-1-407](#).

429 (ii) Subject to Section 63H-1-203, the military installation development authority  
430 created in Section 63H-1-201 may levy and collect a municipal telecommunications license tax  
431 under this part for telecommunications service provided within a project area described in a  
432 project area plan adopted by the authority under Title 63H, Chapter 1, Military Installation  
433 Development Authority Act, as though the authority were a municipality.

434 (iii) Beginning July 1, 2024, the Utah Fairpark Area Investment and Restoration  
435 District, created in Section 11-70-201, may levy and collect a municipal telecommunications  
436 license tax under this part for telecommunications service provided within a project area  
437 described in a project area plan adopted by the Utah Fairpark Area Investment and Restoration  
438 District under Title 11, Chapter 70, Utah Fairpark Area Investment and Restoration District, to  
439 the same extent and in the same manner that a municipality is authorized to levy and collect a  
440 municipal telecommunications license tax under this part.

441 (b) To levy and provide for the collection of a municipal telecommunications license  
442 tax under this part, the municipality shall adopt an ordinance that complies with the  
443 requirements of Section 10-1-404.

444 (c) Beginning on July 1, 2007, a municipal telecommunications license tax imposed  
445 under this part shall be at a rate of up to 3.5% of the telecommunications provider's gross  
446 receipts from telecommunications service that are attributed to the municipality in accordance  
447 with Section 10-1-407.

448 (2) A telecommunications provider may recover the amounts paid in municipal  
449 telecommunications license taxes from the customers of the telecommunications provider  
450 within the municipality imposing the municipal telecommunications license tax through a  
451 charge that is separately identified in the statement of the transaction with the customer as the  
452 recovery of a tax.

453 (3) (a) For purposes of this Subsection (3):

454 (i) "Annexation" means an annexation to a municipality under Title 10, Chapter 2, Part  
455 4, Annexation.

456 (ii) "Annexing area" means an area that is annexed into a municipality.

457 (b) (i) If, on or after July 1, 2004, a municipality enacts or repeals a tax or changes the  
458 rate of the tax under this part, the enactment, repeal, or change shall take effect:

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

460 (B) after a 90-day period beginning on the date the commission receives notice meeting  
461 the requirements of Subsection (3)(b)(ii) from the municipality.

462 (ii) The notice described in Subsection (3)(b)(i)(B) shall state:

463 (A) that the municipality will enact or repeal a tax under this part or change the rate of  
464 the tax;

465 (B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);

466 (C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and

467 (D) if the municipality enacts the municipal telecommunications license tax or changes  
468 the rate of the tax, the new rate of the tax.

469 (c) (i) If, for an annexation that occurs on or after July 1, 2004, the annexation will  
470 result in a change in the rate of the tax under this part for an annexing area, the change shall  
471 take effect:

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

473 (B) after a 90-day period beginning on the date the commission receives notice meeting  
474 the requirements of Subsection (3)(c)(ii) from the municipality that annexes the annexing area.

475 (ii) The notice described in Subsection (3)(c)(i)(B) shall state:

476 (A) that the annexation described in Subsection (3)(c)(i) will result in a change in the  
477 rate of a tax under this part for the annexing area;

478 (B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);

479 (C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and

480 (D) the new rate of the tax described in Subsection (3)(c)(ii)(A).

481 (4) Notwithstanding Subsection (3)(b), for purposes of a change in a municipal  
482 telecommunications license tax rate that takes effect on July 1, 2007, a municipality is not  
483 subject to the notice requirements of Subsection (3)(b) if:

484 (a) on June 30, 2007, the municipality has in effect an ordinance that levies a municipal  
485 telecommunications license tax at a rate that exceeds 3.5%; and

486 (b) on July 1, 2007, the municipality has in effect an ordinance that levies a municipal  
487 telecommunications license tax at a rate of 3.5%.

488 (5) Notwithstanding Subsection (3)(b), for purposes of a change in a municipal  
489 telecommunications license tax rate that takes effect on July 1, 2007, the 90-day period  
490 described in Subsection (3)(b)(i)(B) is considered to be a 30-day period if:



491 (a) on June 30, 2007, the municipality has in effect an ordinance that levies a municipal  
492 telecommunications license tax at a rate that exceeds 3.5%; and

493 (b) on July 1, 2007, the municipality has in effect an ordinance that levies a municipal  
494 telecommunications license tax at a rate that is less than 3.5%.

495 (6) (a) A municipality may not levy or collect a municipal telecommunications license  
496 tax for telecommunications service provided within any portion of the municipality that is  
497 within:

498 (i) a project area described in a project area plan adopted by the military installation  
499 development authority under Title 63H, Chapter 1, Military Installation Development  
500 Authority Act[-]; or

501 (ii) a project area described in a project area plan adopted by the Utah Fairpark Area  
502 Investment and Restoration District under Title 11, Chapter 70, Utah Fairpark Area Investment  
503 and Restoration District.

504 (b) Subsection (6)(a) does not apply to:

505 (i) the military installation development authority's levy of a municipal  
506 telecommunications license tax[-]; or

507 (ii) the levy of a municipal telecommunications license tax by the Utah Fairpark Area  
508 Investment and Restoration District, created in Section [11-70-201](#).

509 (7) (a) The State Tax Commission shall provide to the military installation  
510 development authority the collection data necessary to verify that revenue collected by the State  
511 Tax Commission is distributed to the military installation development authority in accordance  
512 with this part.

513 (b) The data described in Subsection (7)(a) shall include the State Tax Commission's  
514 breakdown of military installation development authority revenue, including reports of  
515 collections and distributions.

516 Section 6. Section **11-68-201** is amended to read:

517 **11-68-201. State Fair Park Authority -- Legal status -- Powers.**

518 (1) There is created the State Fair Park Authority.

519 (2) The authority is:

520 (a) an independent, nonprofit, separate body corporate and politic, with perpetual  
521 succession;

- 522 (b) a political subdivision of the state; and
- 523 (c) a public corporation, as defined in Section 63E-1-102.
- 524 (3) (a) The fair corporation is dissolved and ceases to exist, subject to any winding  
525 down and other actions necessary for a transition to the authority.
- 526 (b) The authority:
- 527 (i) replaces and is the successor to the fair corporation;
- 528 (ii) succeeds to all rights, obligations, privileges, immunities, and assets of the fair  
529 corporation; and
- 530 (iii) shall fulfill and perform all contractual and other obligations of the fair  
531 corporation.
- 532 (c) The board shall take all actions necessary and appropriate to wind down the affairs  
533 of the fair corporation as quickly as practicable and to make a transition from the fair  
534 corporation to the authority.
- 535 (4) The authority shall:
- 536 (a) manage, supervise, and control:
- 537 (i) all activities relating to the annual exhibition described in Subsection (4)(j); and
- 538 (ii) except as otherwise provided by statute, all state expositions, including setting the  
539 time, place, and purpose of any state exposition;
- 540 (b) for public entertainment, displays, and exhibits or similar events held [~~at the state~~]  
541 on fair park land:
- 542 (i) provide, sponsor, or arrange the events;
- 543 (ii) publicize and promote the events; and
- 544 (iii) secure funds to cover the cost of the exhibits from:
- 545 (A) private contributions;
- 546 (B) public appropriations;
- 547 (C) admission charges; and
- 548 (D) other lawful means;
- 549 (c) acquire and designate exposition sites;
- 550 (d) use generally accepted accounting principles in accounting for the authority's assets,  
551 liabilities, and operations;
- 552 (e) seek corporate sponsorships for the state fair park or for individual buildings or

553 facilities on fair park land;

554 (f) work with county and municipal governments, the Salt Lake Convention and  
555 Visitor's Bureau, the Utah Office of Tourism, and other entities to develop and promote  
556 expositions and the use of fair park land;

557 (g) develop and maintain a marketing program to promote expositions and the use of  
558 fair park land;

559 (h) in accordance with provisions of this chapter, operate and maintain state-owned  
560 buildings and facilities on fair park land, including the physical appearance and structural  
561 integrity of those buildings and facilities;

562 (i) prepare an economic development plan for the fair park land;

563 (j) hold an annual exhibition on fair park land that:

564 (i) is called the state fair or a similar name;

565 (ii) promotes and highlights agriculture throughout the state;

566 (iii) includes expositions of livestock, poultry, agricultural, domestic science,  
567 horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic  
568 animals that, in the board's opinion, will best stimulate agricultural, industrial, artistic, and  
569 educational pursuits and the sharing of talents among the people of the state;

570 (iv) includes the award of premiums for the best specimens of the exhibited articles  
571 and animals;

572 (v) permits competition by livestock exhibited by citizens of other states and territories  
573 of the United States; and

574 (vi) is arranged according to plans approved by the board;

575 (k) fix the conditions of entry to the annual exhibition described in Subsection (4)(j);  
576 and

577 (l) publish a list of premiums that will be awarded at the annual exhibition described in  
578 Subsection (4)(j) for the best specimens of exhibited articles and animals.

579 (5) In addition to the annual exhibition described in Subsection (4)(j), the authority  
580 may hold other exhibitions of livestock, poultry, agricultural, domestic science, horticultural,  
581 floricultural, mineral and industrial products, manufactured articles, and domestic animals that,  
582 in the [~~corporation's~~] authority's opinion, will best stimulate agricultural, industrial, artistic, and  
583 educational pursuits and the sharing of talents among the people of the state.

- 584 (6) The authority may:
- 585 (a) employ advisers, consultants, and agents, including financial experts and  
586 independent legal counsel, and fix their compensation;
- 587 (b) (i) participate in the state's Risk Management Fund created under Section  
588 [63A-4-201](#) or any captive insurance company created by the risk manager; or
- 589 (ii) procure insurance against any loss in connection with the authority's property and  
590 other assets;
- 591 (c) receive and accept aid or contributions of money, property, labor, or other things of  
592 value from any source, including any grants or appropriations from any department, agency, or  
593 instrumentality of the United States or the state;
- 594 (d) hold, use, loan, grant, and apply that aid and those contributions to carry out the  
595 purposes of the authority, subject to the conditions, if any, upon which the aid and  
596 contributions are made;
- 597 (e) enter into management agreements with any person or entity for the performance of  
598 the authority's functions or powers;
- 599 (f) establish accounts and procedures that are necessary to budget, receive, disburse,  
600 account for, and audit all funds received, appropriated, or generated;
- 601 (g) subject to Subsection (8) and subject to the powers and responsibilities of the Utah  
602 Fairpark Area Investment and Restoration District, created in Section [11-70-201](#), lease any of  
603 the state-owned buildings or facilities located on fair park land;
- 604 (h) sponsor events as approved by the board;
- 605 (i) subject to Subsection (11), acquire any interest in real property that the board  
606 considers necessary or advisable to further a purpose of the authority or facilitate the authority's  
607 fulfillment of a duty under this chapter;
- 608 (j) in accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean  
609 Energy Act, provide for or finance an energy efficiency upgrade, a renewable energy system, or  
610 electric vehicle charging infrastructure, as those terms are defined in Section [11-42a-102](#); and
- 611 (k) enter into one or more agreements [~~to develop the fair park land~~] with the Utah  
612 Fairpark Area Investment and Restoration District, created in Section [11-70-201](#).
- 613 (7) The authority shall comply with:
- 614 (a) Title 51, Chapter 5, Funds Consolidation Act;

- 615 (b) Title 51, Chapter 7, State Money Management Act;
- 616 (c) Title 52, Chapter 4, Open and Public Meetings Act;
- 617 (d) Title 63G, Chapter 2, Government Records Access and Management Act;
- 618 (e) the provisions of Section [67-3-12](#);
- 619 (f) Title 63G, Chapter 6a, Utah Procurement Code, except for a procurement for:
- 620 (i) entertainment provided at the state fair park;
- 621 (ii) judges for competitive exhibits; or
- 622 (iii) sponsorship of an event on fair park land; and
- 623 (g) the legislative approval requirements for capital development projects established
- 624 in Section [63A-5b-404](#).
- 625 (8) (a) Before the authority executes a lease described in Subsection (6)(g) with a term
- 626 of 10 or more years and subject to the powers and responsibilities of the Utah Fairpark Area
- 627 Investment and Restoration District, created in Section [11-70-201](#), the authority shall:
- 628 (i) submit the proposed lease to the division for the division's approval or rejection; and
- 629 (ii) if the division approves the proposed lease, submit the proposed lease to the
- 630 Executive Appropriations Committee for the Executive Appropriation Committee's review and
- 631 recommendation in accordance with Subsection (8)(b).
- 632 (b) The Executive Appropriations Committee shall review a proposed lease submitted
- 633 in accordance with Subsection (8)(a) and recommend to the authority that the authority:
- 634 (i) execute the proposed lease, either as proposed or with changes recommended by the
- 635 Executive Appropriations Committee; or
- 636 (ii) reject the proposed lease.
- 637 (9) (a) Subject to Subsection (9)(b), a department, division, or other instrumentality of
- 638 the state and a political subdivision of the state shall cooperate with the authority to the fullest
- 639 extent possible to provide whatever support, information, or other assistance the authority
- 640 requests that is reasonably necessary to help the authority fulfill the authority's duties and
- 641 responsibilities under this chapter.
- 642 (b) The division shall provide assistance and resources to the authority as the division
- 643 director determines is appropriate.
- 644 (10) The authority may share authority revenue with a municipality in which the fair
- 645 park land is located, as provided in an agreement between the authority and the municipality, to

646 pay for municipal services provided by the municipality.

647 (11) (a) As used in this Subsection (11), "new land" means land that, if acquired by the  
648 authority, would result in the authority having acquired over three acres of land more than the  
649 land described in Subsection 11-68-101(9)(a).

650 (b) In conjunction with the authority's acquisition of new land, the authority shall enter  
651 an agreement with the municipality in which the new land is located.

652 (c) To provide funds for the cost of increased municipal services that the municipality  
653 will provide to the new land, an agreement under Subsection (11)(b) shall:

654 (i) provide for:

655 (A) the payment of impact fees to the municipality for development activity on the new  
656 land; and

657 (B) the authority's sharing with the municipality tax revenue generated from the new  
658 land; and

659 (ii) be structured in a way that recognizes the needs of the authority and furthers mutual  
660 goals of the authority and the municipality.

661 Section 7. Section 11-68-202 is amended to read:

662 **11-68-202. Operation of the state-owned buildings and facilities on fair park land**

663 **-- New construction and modification of existing facilities -- Liability insurance --**

664 **Obligations of the authority.**

665 (1) The authority shall:

666 (a) operate and maintain state-owned buildings and facilities on fair park land in  
667 accordance with the facility maintenance standards approved by the division;

668 (b) pay for all costs associated with operating and maintaining state-owned buildings  
669 and facilities on fair park land;

670 (c) obtain approval from the division before making any alteration or addition to the  
671 water system, heating system, plumbing system, air conditioning system, or electrical system of  
672 a state-owned building or facility on fair park land;

673 (d) keep the fair park land and all state-owned buildings and facilities on fair park land  
674 fully insured to protect against loss or damage by fire, vandalism, or malicious mischief;

675 (e) in accordance with Subsection (3), at the authority's expense, and for the mutual  
676 benefit of the division, maintain general public liability insurance in an amount equal to at least

677 \$1,000,000 through one or more companies that are:

678 (i) licensed to do business in the state;

679 (ii) selected by the authority; and

680 (iii) approved by the division and the Division of Risk Management;

681 (f) ensure that the division is an additional insured with primary coverage on each  
682 insurance policy that the authority obtains in accordance with this section;

683 (g) give the division notice at least 30 days before the day on which the authority  
684 cancels any insurance policy that the authority obtains in accordance with this section; and

685 (h) if any lien that is not invalid under Section 38-1a-103 is recorded or filed against  
686 the state fair park as a result of an act or omission of the authority, cause the lien to be satisfied  
687 or released within 10 days after the day on which the authority receives notice of the lien.

688 (2) (a) As used in this Subsection (2):

689 (i) "Existing facility modification" means an alteration, repair, or improvement to an  
690 existing state-owned building or facility on fair park land.

691 (ii) "Major project" means new construction or an existing facility modification that  
692 costs, regardless of the funding source, over \$100,000.

693 (iii) "Minor project" means new construction or an existing facility modification that  
694 costs, regardless of the funding source, \$100,000 or less.

695 (iv) "New construction" means the design and construction of a new state-owned or  
696 privately owned building or facility on fair park land.

697 (b) (i) The director of the division shall exercise direct supervision over a major  
698 project.

699 (ii) Notwithstanding Subsection (2)(b)(i), the director of the division may delegate  
700 control over a major project to the authority on a project-by-project basis.

701 (iii) With respect to a delegation of control under Subsection (2)(b)(ii), the director of  
702 the division may:

703 (A) impose terms and conditions on the delegation that the director considers necessary  
704 or advisable to protect the interests of the state; and

705 (B) revoke the delegation and assume control of the design, construction, or other  
706 aspect of a delegated project if the director considers the revocation and assumption of control  
707 to be necessary to protect the interests of the state.

708 (iv) If a major project over which the division exercises direct supervision includes the  
709 demolition of a building or other facility on fair park land, the division shall, at least 90 days  
710 before demolition work begins, notify the State Historic Preservation Office of the division's  
711 demolition plan.

712 (c) Subject to Subsection (2)(d), the authority may exercise direct supervision over a  
713 minor project.

714 (d) With respect to a minor project over which the authority exercises direct  
715 supervision, the authority shall:

716 (i) obtain the division's approval before commencing the new construction or existing  
717 facility modification;

718 (ii) obtain a building permit from the division before commencing the new  
719 construction or existing facility modification, if a building permit is required;

720 (iii) comply with the division's forms and contracts and the division's design,  
721 construction, alteration, repair, improvement, and code inspection standards;

722 (iv) notify the division before commencing the new construction or existing facility  
723 modification;

724 (v) coordinate with the division regarding the review of design plans and management  
725 of the new construction or existing facility modification project; and

726 (vi) at least 90 days before the beginning of any demolition of a building or facility on  
727 the fair park land, notify the division and the State Historic Preservation Office of the proposed  
728 demolition.

729 (3) The general public liability insurance described in Subsection (1)(e) shall:

730 (a) insure against any claim for personal injury, death, or property damage that occurs  
731 on fair park land; and

732 (b) be a blanket policy that covers all activities of the authority.

733 (4) Upon 24 hours notice to the board, the division may enter the fair park land to  
734 inspect any facility on fair park land and make any repairs that the division determines  
735 necessary.

736 (5) (a) A debt or obligation contracted by the authority is a debt or obligation of the  
737 authority and not of the state.

738 (b) The state is not liable and assumes no responsibility for any debt or obligation of



739 the authority.

740 (6) The powers and responsibilities of the authority under this section with regard to  
 741 the issuance of bonds for capital development projects on fair park land are subject to the  
 742 powers and responsibilities of the Utah Fairpark Area Investment and Restoration District,  
 743 created in Section [11-70-201](#).

744 Section 8. Section **11-68-403** is amended to read:

745 **11-68-403. Enterprise fund -- Creation -- Revenue -- Uses.**

746 (1) (a) There is created an enterprise fund entitled the Utah State Fair Fund.

747 (b) The executive director shall administer the fund under the direction of the board.

748 (2) The fund consists of money generated from the following revenue sources:

749 (a) ~~[lease payments from person or entities leasing any part of the fair park land or any~~  
 750 ~~other facilities owned by the authority]~~ money the authority receives under Section [11-70-203](#);

751 (b) money the authority receives under a lease agreement for the lease of any part of  
 752 fair park land if the lease agreement:

753 (i) is entered into before May 1, 2024; or

754 (ii) (A) is entered into on or after May 1, 2024: and

755 (B) relates to agricultural and related exhibit facilities on fair park land;

756 ~~[(b)]~~ (c) revenue received from any expositions or other events wholly or partially  
 757 sponsored by the authority;

758 ~~[(c)]~~ (d) aid or contributions of money, property, labor, or other things of value from  
 759 any source, including any grants or appropriations from any department, agency, or  
 760 instrumentality of the United States or the state;

761 ~~[(d)]~~ (e) appropriations made to the fund by the Legislature; and

762 ~~[(e) revenue received under a privilege tax or a tax on personal property; and]~~

763 (f) any other income obtained by the authority.

764 (3) (a) The fund shall earn interest.

765 (b) All interest earned on fund money shall be deposited into the fund.

766 (4) The executive director may use fund money to operate, maintain, and support the  
 767 Utah State Fair, the fair park land, and other expositions sponsored by the authority.

768 Section 9. Section **11-68-502** is amended to read:

769 **11-68-502. Sources from which bonds may be made payable -- Authority powers**

770 regarding bonds.

771 (1) The principal and interest on bonds issued by the authority may be made payable  
772 from:

773 (a) the income and revenues of the development projects financed with the proceeds of  
774 the bonds;

775 (b) the income and revenues of certain designated development projects whether or not  
776 they were financed in whole or in part with the proceeds of the bonds;

777 (c) the income, revenues, proceeds, and funds the authority derives from or holds in  
778 connection with the authority undertaking and carrying out development;

779 [~~(d) privilege tax and property tax revenue under Section 11-68-402;~~]

780 [~~(e)~~] (d) revenue from a special event tax under Title 59, Chapter 12, Part 23, Fair Park  
781 Special Event Tax;

782 [~~(f)~~] (e) authority revenues generally;

783 [~~(g)~~] (f) a contribution, loan, grant, or other financial assistance from the federal  
784 government or a public entity in aid of the development; or

785 [~~(h)~~] (g) funds derived from any combination of the sources listed in Subsections (1)(a)  
786 through [~~(g)~~] (f).

787 (2) (a) In connection with the issuance of authority bonds, the authority may:

788 (i) pledge all or any part of the authority's gross or net rents, fees, or revenues to which  
789 the authority's right then exists or may thereafter come into existence; and

790 (ii) make the covenants and take the action that may be necessary, convenient, or  
791 desirable to secure the authority's bonds, or, except as otherwise provided in this chapter, that  
792 will tend to make the bonds more marketable, even though such covenants or actions are not  
793 specifically enumerated in this chapter.

794 (b) The authority may not use all or any portion of the fair park land as collateral for  
795 any bonds or encumber the fair park land by mortgage, deed of trust, or otherwise as collateral  
796 for any bonds.

797 Section 10. Section 11-70-101 is enacted to read:

798 **CHAPTER 70. UTAH FAIRPARK AREA INVESTMENT AND RESTORATION**  
799 **DISTRICT**

800 **Part 1. General Provisions**

801 11-70-101. Definitions.

802 As used in this chapter:

803 (1) "Base taxable value" means the taxable value of land within the fairpark district  
804 boundary as of January 1, 2024, as determined under Subsection [11-70-206\(8\)](#).

805 (2) "Board" means the fairpark district's governing body, created in Section [11-70-301](#).

806 (3) "Designated parcel" means a parcel of land specified in a designation resolution.

807 (4) "Designation resolution" means a resolution adopted by the board that designates a  
808 transition date for the parcel specified in the resolution.

809 (5) "Development" means:

810 (a) the demolition, construction, reconstruction, modification, expansion, or  
811 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,  
812 recreational amenity, or other facility, including public infrastructure and improvements; and

813 (b) the planning of, arranging for, or participation in any of the activities listed in  
814 Subsection (5)(a).

815 (6) "Development project" means a project for the development of land within a  
816 project area.

817 (7) "Enhanced property tax revenue":

818 (a) means the amount of money that is equal to the difference between:

819 (i) the amount of property tax revenues generated in a tax year by all taxing entities  
820 from a privately owned land within a project area, using the current assessed value of the  
821 property; and

822 (ii) the amount of property tax revenues that would be generated in the same tax year  
823 by all taxing entities from that same area using the base taxable value of the property; and

824 (b) does not include property tax revenue from:

825 (i) a county additional property tax or multicounty assessing and collecting levy  
826 imposed in accordance with Section [59-2-1602](#);

827 (ii) a judgment levy imposed by a taxing entity under Section [59-2-1328](#) or [59-2-1330](#);

828 or

829 (iii) a levy imposed by a taxing entity under Section [11-14-310](#) to pay for a general  
830 obligation bond.

831 (8) "Facilities division" means the Division of Facilities Construction and

832 Management, created in Section [63A-5b-301](#).

833 (9) "Fair park authority" means the State Fair Park Authority created in Section  
834 [11-68-201](#).

835 (10) "Fairpark district" means the Utah Fairpark Area Investment and Restoration  
836 District, created in Section [11-70-201](#).

837 (11) "Fairpark district boundary" means a line or set of lines that:

838 (a) defines the geographic boundary of the fairpark district, consisting of the interior  
839 space within each polygon described by the line or set of lines; and

840 (b) is delineated in the electronic shapefile that is the electronic component of H.B.  
841 562, Utah Fairpark Area Investment and Restoration District, 2024 General Session.

842 (12) "Fairpark district funds" means money the fairpark district receives from any  
843 source, including money the fairpark district receives under:

844 (a) Sections [10-1-304](#) and [11-70-205](#);

845 (b) Section [10-1-403](#);

846 (c) Section [11-70-203](#);

847 (d) Section [11-70-204](#);

848 (e) Sections [59-12-352](#) and [59-12-354](#);

849 (f) Section [59-12-401](#);

850 (g) Section [59-12-402](#);

851 (h) Section [59-12-1201](#); and

852 (i) Section [59-28-103](#).

853 (13) "Fair park land" means the same as that term is defined in Section [11-68-101](#).

854 (14) "Franchise agreement" means a legally binding and valid agreement under which:

855 (a) a franchise is confirmed for a major league sports team that before January 1, 2024  
856 had not been located in the state; and

857 (b) the major league sports team agrees to play home games in a stadium to be  
858 constructed within the fairpark district boundary.

859 (15) "Franchise agreement date" means the date that a franchise agreement is fully  
860 executed and in effect.

861 (16) "Host municipality" means the municipality whose boundary includes the land  
862 within the fairpark district boundary.

863 (17) "Major league sports team" means a team:

864 (a) consisting of professional athletes;

865 (b) that is part of a professional sports league; and

866 (c) that is engaged in the business of presenting live sporting events before primarily a  
867 paying audience.

868 (18) "Other state land" means:

869 (a) land within the fairpark district boundary, other than fair park land, that is owned by  
870 the state on January 1, 2024; and

871 (b) land acquired by the fairpark district or the state on or after May 1, 2024. within the  
872 fairpark district boundary.

873 (19) "Payment period" means a period of up to 35 years, as specified in a designation  
874 resolution, beginning on the transition date, during which a privilege tax under Section  
875 11-70-203 or enhanced property tax revenue under Section 11-70-401 is to be paid.

876 (20) "Post-designation parcel" means a parcel within a project area after the transition  
877 date for that parcel.

878 (21) "Pre-designation parcel" means a parcel within a project area before the transition  
879 date for that parcel.

880 (22) "Professional sports league" means a group of major league sports teams that have  
881 formed a league:

882 (a) for the major league sports teams to compete against one another; and

883 (b) in which the combined average annual payroll for the major league sports teams in  
884 the league on the franchise agreement date is not less than \$100,000,000.

885 (23) "Project area" means land described in a project area plan or draft project area  
886 plan, where the development project set forth in the project area plan or draft project area plan  
887 takes place or is proposed to take place.

888 (24) "Project area budget" means a multiyear projection of annual or cumulative  
889 revenues and expenses and other fiscal matters pertaining to the project area.

890 (25) "Project area plan" means a written plan that, after its effective date, guides and  
891 controls the development within a project area.

892 (26) "Property tax" includes each levy on an ad valorem basis on tangible or intangible  
893 personal or real property.

894 (27) "Public entity" means:  
895 (a) the state, including each department, division, or other agency of the state; or  
896 (b) a county, city, town, school district, special district, special service district,  
897 interlocal cooperation entity, community reinvestment agency, or other political subdivision of  
898 the state, including the fairpark district.

899 (28) (a) "Public infrastructure and improvements" means infrastructure, improvements,  
900 facilities, or buildings that:

901 (i) (A) benefit the public and are owned by a public entity or a utility; or  
902 (B) benefit the public and are publicly maintained or operated by a public entity; or  
903 (ii) (A) are privately owned;  
904 (B) benefit the public;  
905 (C) as determined by the board, provide a substantial benefit to the development and  
906 operation of a project area; and  
907 (D) are built according to applicable design and safety standards.

908 (b) "Public infrastructure and improvements" includes:  
909 (i) facilities, lines, or systems that provide:  
910 (A) water, chilled water, or steam; or  
911 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,  
912 microgrids, or telecommunications service;  
913 (ii) streets, roads, curbs, gutters, sidewalks, walkways, solid waste facilities, parking  
914 facilities, rail lines, intermodal facilities, multimodal facilities, and public transportation  
915 facilities;  
916 (iii) a qualified stadium;  
917 (iv) public trails and pathways associated with and rehabilitation of and improvements  
918 to the Jordan River; and  
919 (v) agricultural and related exhibit facilities on fair park land.

920 (29) "Qualified owner" means an owner of at least 65 contiguous acres of privately  
921 owned land within a project area or the owner's affiliate.

922 (30) (a) "Qualified stadium" means a stadium:  
923 (i) within the fairpark district boundary;  
924 (ii) with a minimum capacity of 30,000 spectators; and

925 (iii) that will primarily be used as the home of a major league sports team.

926 (b) "Qualified stadium" includes parking structures or facilities, lighting facilities,  
927 plazas, and open space associated with a stadium described in Subsection (30)(a).

928 (31) "Shapefile" means the digital vector storage format for storing geometric location  
929 and associated attribute information.

930 (32) "State fair purposes" means the purposes for the use of fair park land related to the  
931 fair park authority's management, supervision, and control over a state fair and related events  
932 and activities.

933 (33) "State-owned land" means:

934 (a) fair park land; and

935 (b) other state land.

936 (34) "Taxable value" means the value of property as shown on the last equalized  
937 assessment roll.

938 (35) "Taxing entity" means the same as that term is defined in Section [59-2-102](#),  
939 excluding a public infrastructure district that the fairpark district creates under Title 17D,  
940 Chapter 4, Public Infrastructure District Act.

941 (36) "Transition date" means the date indicated in a designation resolution after which  
942 the parcel that is the subject of the designation resolution becomes a post-designation parcel.

943 Section 11. Section **11-70-102** is enacted to read:

944 **11-70-102. Severability.**

945 If a court determines that any provision of this chapter, or the application of any  
946 provision of this chapter, is invalid, the remainder of this chapter shall be given effect without  
947 the invalid provision or application.

948 Section 12. Section **11-70-103** is enacted to read:

949 **11-70-103. Nonlapsing funds.**

950 Money the fairpark district receives from legislative appropriations is nonlapsing.

951 Section 13. Section **11-70-104** is enacted to read:

952 **11-70-104. Loan approval committee -- Approval of infrastructure loans.**

953 (1) As used in this section:

954 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).

955 (b) "Fairpark district development fund" means the same as that term is defined in

956 Section 63A-3-401.5.

957 (c) "Infrastructure loan" means the same as that term is defined in Section

958 63A-3-401.5.

959 (d) "Infrastructure project" means the same as that term is defined in Section

960 63A-3-401.5.

961 (e) "Loan approval committee" means a committee established under Subsection (2).

962 (2) (a) The fairpark district shall establish a loan committee consisting of:

963 (i) two individuals with expertise in public finance or infrastructure development,

964 appointed by the governor;

965 (ii) one individual with expertise in public finance or infrastructure development,

966 appointed by the president of the Senate;

967 (iii) one individual with expertise in public finance or infrastructure development,

968 appointed by the speaker of the House of Representatives; and

969 (iv) one individual with expertise in public finance or infrastructure development,

970 appointed jointly by the president of the Senate and the speaker of the House of

971 Representatives.

972 (b) A board member may not be appointed to or serve as a member of the loan

973 committee.

974 (3) (a) The loan committee may recommend for board approval an infrastructure loan

975 from the fairpark district development fund to a borrower for an infrastructure project

976 undertaken by the borrower.

977 (b) An infrastructure loan from the fairpark district development fund may not be made

978 unless:

979 (i) the infrastructure loan is recommended by the loan committee; and

980 (ii) the board approves the infrastructure loan.

981 (4) (a) If the loan committee recommends an infrastructure loan, the loan committee

982 shall recommend the terms of an infrastructure loan in accordance with Section 63A-3-404.

983 (b) The board shall require the terms of an infrastructure loan secured by enhanced

984 property tax revenue to include a requirement that money from the infrastructure loan be used

985 only for an infrastructure project within the project area that generates the enhanced property

986 tax revenue.



987 (5) The board may establish policies and guidelines with respect to prioritizing requests  
988 for infrastructure loans and approving infrastructure loans.

989 (6) Within 60 days after the execution of an infrastructure loan, the board shall report  
990 the infrastructure loan, including the loan amount, terms, interest rate, and security, to:

991 (a) the Executive Appropriations Committee; and

992 (b) the State Finance Review Commission created in Section [63C-25-201](#).

993 (7) (a) Salaries and expenses of committee members who are legislators shall be paid  
994 in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator  
995 Compensation.

996 (b) A committee member who is not a legislator may not receive compensation or  
997 benefits for the member's service on the committee, but may receive per diem and  
998 reimbursement for travel expenses incurred as a committee member at the rates established by  
999 the Division of Finance under:

1000 (i) Sections [63A-3-106](#) and [63A-3-107](#); and

1001 (ii) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and  
1002 [63A-3-107](#).

1003 Section 14. Section **11-70-201** is enacted to read:

1004 **Part 2. Creation and Powers of Utah Fairpark Area Investment and Restoration District**

1005 **11-70-201. Creation of Utah Fairpark Area Investment and Restoration District --**

1006 **Status and purposes.**

1007 (1) Under the authority of Utah Constitution, Article XI, Section 8, there is created the  
1008 Utah Fairpark Area Investment and Restoration District.

1009 (2) The fairpark district is:

1010 (a) an independent, nonprofit, separate body corporate and politic, with perpetual  
1011 succession;

1012 (b) a political subdivision of the state; and

1013 (c) a public corporation, as defined in Section [63E-1-102](#).

1014 (3) (a) The purpose of the fairpark district is to fulfill the statewide public purpose of  
1015 encouraging and facilitating development within the fairpark district boundary to provide  
1016 economic and other benefits to the area within the fairpark district boundary, surrounding  
1017 areas, the region, and the state, including:

1018 (i) the development and construction of a qualified stadium and related facilities for a  
1019 major league sports team;

1020 (ii) the development and construction of infrastructure to support a qualified stadium,  
1021 associated uses, and recreational uses on land within the fairpark district boundary;

1022 (iii) the improvement and restoration of areas along the Jordan River within the  
1023 fairpark district boundary for aesthetic and recreational purposes;

1024 (iv) coordinating with and supporting the fair park authority in the fair park authority's  
1025 use of fair park land; and

1026 (v) other development on land within the fairpark district boundary.

1027 (b) The duties and responsibilities of the fairpark district under this chapter are matters  
1028 of regional and statewide concern, importance, interest, and impact.

1029 (c) The fairpark district is the mechanism the state chooses to focus resources and  
1030 efforts on behalf of the state, to oversee and manage development activities within the fairpark  
1031 district boundary, and to ensure that the regional and statewide interests, concerns, and  
1032 purposes described in this Subsection (3) are properly addressed from more of a statewide  
1033 perspective than any municipality can provide.

1034 Section 15. Section **11-70-202** is enacted to read:

1035 **11-70-202. Fairpark district powers and duties.**

1036 (1) The fairpark district may:

1037 (a) facilitate and bring about the development of land within the fairpark district  
1038 boundary, including the development of a qualified stadium to house a major league sports  
1039 team;

1040 (b) enter into a lease agreement with a major league sports team to lease a qualified  
1041 stadium to a major league sports team and receive lease payments on behalf of the state;

1042 (c) facilitate and provide funding for the development of land in a project area,  
1043 including the development of public infrastructure and improvements and other infrastructure  
1044 and improvements on or related to land in a project area;

1045 (d) engage in marketing and business recruitment activities and efforts to encourage  
1046 and facilitate development of land within the fairpark district boundary;

1047 (e) as the fairpark district considers necessary or advisable to carry out any of the  
1048 fairpark district's duties or responsibilities under this chapter;

- 1049           (i) buy, obtain an option upon, or otherwise acquire any interest in real or personal  
1050 property;
- 1051           (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or  
1052 personal property; or
- 1053           (iii) enter into a lease agreement on real or personal property, as lessee or lessor;
- 1054           (f) sue and be sued;
- 1055           (g) enter into contracts generally;
- 1056           (h) exercise powers and perform functions under a contract, as authorized in the  
1057 contract;
- 1058           (i) receive and spend enhanced property tax revenue, as provided in this chapter;
- 1059           (j) accept financial or other assistance from any public or private source for the fairpark  
1060 district's activities, powers, and duties, and expend any funds so received for any of the  
1061 purposes of this chapter;
- 1062           (k) borrow money, contract with, or accept financial or other assistance from the  
1063 federal government, a public entity, or any other source for any of the purposes of this chapter  
1064 and comply with any conditions of the loan, contract, or assistance;
- 1065           (l) issue bonds to finance the undertaking of any development objectives of the fairpark  
1066 district, including bonds under Chapter 17, Utah Industrial Facilities and Development Act,  
1067 bonds under Chapter 42, Assessment Area Act, and bonds under Chapter 42a, Commercial  
1068 Property Assessed Clean Energy Act;
- 1069           (m) hire employees, including independent contractors;
- 1070           (n) transact other business and exercise all other powers provided for in this chapter;
- 1071           (o) engage one or more consultants to advise or assist the fairpark district in the  
1072 performance of the fairpark district's duties and responsibilities;
- 1073           (p) enter into an agreement with a private contractor to provide a municipal service  
1074 within a project area that is not being provided by a municipality or other governmental service  
1075 provider;
- 1076           (q) finance, develop, own, lease, operate, or otherwise control public infrastructure and  
1077 improvements in a project area; and
- 1078           (r) exercise powers and perform functions that the fairpark district is authorized by  
1079 statute to exercise or perform.

1080 (2) (a) The fairpark district is responsible for and has jurisdiction over any  
1081 development that occurs on fair park land, including the funding of that development.

1082 (b) The fairpark district shall consult and coordinate with the fair park authority with  
1083 respect to any development activities anticipated for or that occur on fair park land.

1084 (c) Any development of fair park land shall be subject to and compatible with the use  
1085 of fair park land for state fair purposes and related and other activities under the jurisdiction of  
1086 the fair park authority.

1087 (3) With respect to state land other than fair park land, the fairpark district and the  
1088 facilities division shall consult with each other and with agencies occupying the land with  
1089 respect to any potential change of use or development of the land.

1090 (4) Beginning April 1, 2025, the fairpark district shall:

1091 (a) be the repository of the official delineation of the fairpark district boundary,  
1092 identical to the fairpark district boundary as delineated in the shapefile that is the electronic  
1093 component of H.B. 562, Utah Fairpark Area Investment and Restoration District, 2024 General  
1094 Session, subject to:

1095 (i) any later changes to the boundary enacted by the Legislature; and

1096 (ii) any additions of land to the fairpark district boundary under Subsection (5); and

1097 (b) maintain an accurate digital file of the boundary that is easily accessible by the  
1098 public.

1099 (5) The fairpark district boundary may be expanded to include land outside the fairpark  
1100 district boundary if:

1101 (a) the land is owned by a qualified owner;

1102 (b) the qualified owner consents to including the land within the fairpark district  
1103 boundary; and

1104 (c) the land is:

1105 (i) contiguous to the fairpark district boundary; or

1106 (ii) within 200 feet of the fairpark district boundary.

1107 Section 16. Section **11-70-203** is enacted to read:

1108 **11-70-203. Privilege tax on state-owned land.**

1109 (1) (a) Subject to Subsection (1)(b), the possession or beneficial use of property on  
1110 state-owned land is subject to Title 59, Chapter 4, Privilege Tax.

1111 (b) Subsection (1)(a) does not apply to a qualified stadium during the construction of  
1112 the qualified stadium and before title to the stadium is conveyed to the fairpark district as  
1113 required in an agreement under Subsection 11-70-502(3).

1114 (2) (a) As provided in Subsection (2)(b):

1115 (i) for revenue from a privilege tax under Subsection (1) on a designated parcel that is  
1116 part of the fair park land:

1117 (A) 75% of the revenue shall be paid to the fairpark district during the payment period;  
1118 and

1119 (B) 25% of the revenue shall be paid to the fair park authority during the payment  
1120 period; and

1121 (ii) for revenue from a privilege tax under Subsection (1) on a designated parcel that is  
1122 part of other state land, 95% of the revenue shall be paid to the fairpark district during the  
1123 payment period.

1124 (b) The treasurer of the county in which the fair park land is located shall, in the  
1125 manner and at the time provided in Section 59-2-1365, pay and distribute to the fairpark district  
1126 and the fair park authority, as applicable, the revenue described in Subsection (2)(a).

1127 (3) (a) The fairpark district shall use 20% of the money the fairpark district is paid  
1128 under Subsection (2)(a)(ii) for affordable housing, as defined in Section 17C-1-102, within the  
1129 host municipality.

1130 (b) The fairpark district and host municipality shall coordinate and work together to  
1131 identify how, when, and where the money described in Subsection (3)(a) is spent.

1132 Section 17. Section **11-70-204** is enacted to read:

1133 **11-70-204. Fairpark district accommodations tax.**

1134 (1) As used in this section:

1135 (a) (i) "Accommodations and services" means an accommodation or service described  
1136 in Subsection 59-12-103(1)(i).

1137 (ii) "Accommodations and services" does not include an accommodation or service for  
1138 which amounts paid or charged are not part of a rental room rate.

1139 (b) "Accommodations tax" means a tax imposed as provided in this section.

1140 (2) By resolution, the fairpark district board may impose an accommodations tax on a  
1141 provider for amounts paid or charged for accommodations and services, if the place of

1142 accommodation is located within the fairpark district boundary.

1143 (3) The maximum rate of an accommodations tax is 15% of the amounts paid to or  
1144 charged by the provider for accommodations and services.

1145 (4) A provider may recover an amount equal to the accommodations tax from  
1146 customers, if the provider includes the amount as a separate billing line item.

1147 (5) If the fairpark district imposes an accommodations tax, neither the fairpark district  
1148 nor a public entity may impose, on the amounts paid or charged for accommodations and  
1149 services, any other tax described in:

1150 (a) Title 59, Chapter 12, Sales and Use Tax Act; or

1151 (b) Title 59, Chapter 28, State Transient Room Tax Act.

1152 (6) Except as provided in Subsection (7) or (8), an accommodations tax shall be  
1153 administered, collected, and enforced in accordance with:

1154 (a) the same procedures used to administer, collect, and enforce the tax under:

1155 (i) Title 59, Chapter 12, Part 1, Tax Collection; or

1156 (ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and

1157 (b) Title 59, Chapter 1, General Taxation Policies.

1158 (7) The location of a transaction shall be determined in accordance with Sections  
1159 [59-12-211](#) through [59-12-215](#).

1160 (8) (a) An accommodations tax is not subject to Section [59-12-107.1](#) or [59-12-123](#) or  
1161 Subsections [59-12-205](#)(2) through (5).

1162 (b) The exemptions described in Sections [59-12-104](#), [59-12-104.1](#), and [59-12-104.6](#) do  
1163 not apply to an accommodations tax.

1164 (9) The State Tax Commission shall:

1165 (a) except as provided in Subsection (9)(b), distribute the revenue collected from an  
1166 accommodations tax to the fairpark district; and

1167 (b) retain and deposit an administrative charge in accordance with Section [59-1-306](#)  
1168 from revenue the commission collects from an accommodations tax.

1169 (10) (a) If the fairpark district imposes, repeals, or changes the rate of an  
1170 accommodations tax, the implementation, repeal, or change takes effect:

1171 (i) on the first day of a calendar quarter; and

1172 (ii) after a 90-day period beginning on the date the State Tax Commission receives the

1173 notice described in Subsection (10)(b) from the fairpark district.

1174 (b) The notice required in Subsection (10)(a)(ii) shall state:

1175 (i) that the fairpark district will impose, repeal, or change the rate of an  
1176 accommodations tax;

1177 (ii) the effective date of the implementation, repeal, or change of the accommodations  
1178 tax; and

1179 (iii) the rate of the accommodations tax.

1180 (11) In addition to the uses permitted under Section 11-70-207, the fairpark district  
1181 may allocate revenue from an accommodations tax to a county in which a place of  
1182 accommodation that is subject to the accommodations tax is located, if:

1183 (a) the county had a transient room tax described in Section 59-12-301 in effect at the  
1184 time the fairpark district board imposed an accommodations tax; and

1185 (b) the revenue replaces revenue that the county received from a county transient room  
1186 tax described in Section 59-12-301 for the county's general operations and administrative  
1187 expenses.

1188 Section 18. Section 11-70-205 is enacted to read:

1189 **11-70-205. Energy sales and use tax.**

1190 (1) As provided in Subsection 10-1-304(1)(d), the fairpark district may by resolution  
1191 levy an energy sales and use tax, under Title 10, Chapter 1, Part 3, Municipal Energy Sales and  
1192 Use Tax Act, on an energy supplier, as defined in Section 10-1-303, that supplies energy to a  
1193 facility on land within the fairpark district boundary.

1194 (2) An energy sales and use tax under this section is subject to the maximum rate under  
1195 Subsection 10-1-304(1)(a)(ii), except that delivered value does not include the amount of a tax  
1196 paid under this section.

1197 (3) (a) An energy supplier may recover from the energy supplier's customers an amount  
1198 equal to the energy sales and use tax, if the energy supplier includes the amount as a separate  
1199 billing line item.

1200 (b) An energy sales and use tax levied under this section is in addition to the rate  
1201 approved by the Public Service Commission and charged to the customer.

1202 (4) (a) An energy sales and use tax under this section is payable by the energy supplier  
1203 to the fairpark district on a monthly basis as described by the resolution levying the tax.

1204 (b) A resolution levying an energy sales and use tax shall allow the energy supplier to  
1205 retain 1% of the tax remittance each month to offset the energy supplier's costs of collecting  
1206 and remitting the tax.

1207 (5) Beginning July 1, 2024, a municipality may not levy an energy sales and use tax on  
1208 an energy supplier for energy that the energy supplier supplies to a facility located on land  
1209 within the fairpark district boundary.

1210 Section 19. Section **11-70-206** is enacted to read:

1211 **11-70-206. Applicability of other law -- Cooperation of state and local**  
1212 **governments -- Municipal services -- Services from state agencies -- Procurement policy.**

1213 (1) With respect to the use or development of state-owned land, the fairpark district is  
1214 not subject to:

1215 (a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; or

1216 (b) the jurisdiction of a special district under Title 17B, Limited Purpose Local  
1217 Government Entities - Special Districts, or a special service district under Title 17D, Chapter 1,  
1218 Special Service District Act, except to the extent that:

1219 (i) some or all of the state land is, on January 1, 2024, included within the boundary of  
1220 a special district or special service district; and

1221 (ii) the fairpark district elects to receive service from the special district or special  
1222 service district for the state land that is included within the boundary of the special district or  
1223 special service district, respectively.

1224 (2) The fairpark district has and may exercise all powers relating to the regulation of  
1225 land uses on state-owned land.

1226 (3) (a) Subject to Subsection (3)(b), the fairpark district has and may exercise all  
1227 powers relating to the regulation of land uses on privately owned land within the fairpark  
1228 district boundary.

1229 (b) Privately owned land within the fairpark district boundary is subject to a host  
1230 municipality's land use authority under Title 10, Chapter 9a, Municipal Land Use,  
1231 Development, and Management Act, if the owner of the privately owned land and the host  
1232 municipality enter into an agreement no later than December 31, 2024 subjecting the privately  
1233 owned land to land use regulations of the host municipality.

1234 (c) In making land use decisions affecting land within the fairpark district boundary



1235 that is subject to a host municipality's land use authority under this Subsection (3), the  
1236 legislative body of the host municipality shall consider input from the board.

1237 (4) A department, division, or other agency of the state and a political subdivision of  
1238 the state shall cooperate with the fairpark district to the fullest extent possible to provide  
1239 whatever support, information, or other assistance the board requests that is reasonably  
1240 necessary to help the fairpark district fulfill its duties and responsibilities under this chapter.

1241 (5) (a) A host municipality shall provide the same municipal services to the area of the  
1242 municipality that is within the fairpark district boundary as the municipality provides to other  
1243 areas of the municipality with similar zoning and a similar development level.

1244 (b) The level and quality of municipal services that a host municipality provides within  
1245 the fairpark district boundary shall be fairly and reasonably consistent with the level and quality  
1246 of municipal services that the municipality provides to other areas of the municipality with  
1247 similar zoning and a similar development level.

1248 (c) No later than December 31, 2024, the fairpark district and host municipality shall  
1249 enter into an agreement providing for the fairpark district to reimburse the host municipality for  
1250 services the host municipality provides to a project area.

1251 (6) (a) The fairpark district may request and, upon request, shall receive:

1252 (i) fuel dispensing and motor pool services provided by the Division of Fleet

1253 Operations;

1254 (ii) surplus property services provided by the Division of Purchasing and General

1255 Services;

1256 (iii) information technology services provided by the Division of Technology Services;

1257 (iv) archive services provided by the Division of Archives and Records Service;

1258 (v) financial services provided by the Division of Finance;

1259 (vi) human resources services provided by the Division of Human Resource

1260 Management;

1261 (vii) legal services provided by the Office of the Attorney General; and

1262 (viii) banking services provided by the Office of the State Treasurer.

1263 (b) Nothing in Subsection (6)(a) may be construed to relieve the fairpark district of the  
1264 obligation to pay the applicable fee for the service provided.

1265 (7) (a) To govern fairpark district procurements, the board shall adopt a procurement

1266 policy that the board determines to be substantially consistent with applicable provisions of  
1267 Title 63G, Chapter 6a, Utah Procurement Code.

1268 (b) The board may delegate to the executive director the responsibility to adopt a  
1269 procurement policy.

1270 (c) The board's determination under Subsection (7)(a) of substantial consistency is final  
1271 and conclusive.

1272 (8) No later than December 31, 2024, the board and the assessor of the county in which  
1273 the fairpark district is located shall together determine the base taxable value of privately  
1274 owned property within the fairpark district boundary.

1275 Section 20. Section **11-70-207** is enacted to read:

1276 **11-70-207. Use of fairpark district funds.**

1277 (1) (a) Subject to Subsection (2), the fairpark district may use fairpark district funds for  
1278 any purpose authorized under this chapter, including to pay for:

1279 (i) the development and construction of a qualified stadium;

1280 (ii) administrative, overhead, legal, consulting, and other operating expenses of the  
1281 fairpark district;

1282 (iii) all or part of the development of land within a project area, including:

1283 (A) financing or refinancing; and

1284 (B) assisting the ongoing operation of a development or facility within the project area;

1285 (iv) the cost of the installation of public infrastructure and improvements outside a  
1286 project area if the board determines by resolution that the infrastructure and improvements are  
1287 of benefit to the project area;

1288 (v) the principal and interest on bonds issued by the fairpark district;

1289 (vi) the payment of an infrastructure loan, as defined in Section [11-70-104](#), according  
1290 to the terms of the infrastructure loan; and

1291 (vii) the costs of promoting, facilitating, and implementing other development of land  
1292 within the fairpark district boundary.

1293 (b) The determination of the board under Subsection (1)(a)(iv) regarding benefit to the  
1294 project area is final.

1295 (2) The fairpark district may use money it receives under Subsection

1296 [59-12-1201\(1\)\(a\)\(ii\)](#) and Section [59-28-103](#) only for the development and construction of a

1297 qualified stadium.

1298 (3) The fairpark district may share enhanced property tax revenue with a taxing entity  
1299 that levies a property tax on land within the project area from which the enhanced property tax  
1300 revenue is generated.

1301 Section 21. Section **11-70-301** is enacted to read:

1302 **Part 3. Fairpark District Board and Executive Director**

1303 **11-70-301. Fairpark district board.**

1304 (1) The fairpark district shall be governed by a board.

1305 (2) The board shall manage and conduct the business and affairs of the fairpark district  
1306 and shall determine all questions of fairpark district policy.

1307 (3) All powers of the fairpark district are exercised through the board or, as provided in  
1308 Section [11-70-305](#), the executive director.

1309 (4) The board may by resolution delegate powers to the executive director or other  
1310 fairpark district staff.

1311 (5) The board may not designate a transition date that is later than May 1, 2027.

1312 Section 22. Section **11-70-302** is enacted to read:

1313 **11-70-302. Number of board members -- Appointment -- Term -- Vacancies.**

1314 (1) The fairpark district's board consists of five voting members, as provided in  
1315 Subsection (2).

1316 (2) (a) The governor shall appoint two individuals as board members, one of whom  
1317 shall be a member of the fair park authority board.

1318 (b) The president of the Senate shall appoint as a board member one individual with  
1319 relevant business expertise.

1320 (c) The speaker of the House of Representatives shall appoint as a board member one  
1321 individual with relevant business expertise.

1322 (d) The Salt Lake City council shall appoint as a board member one member of the Salt  
1323 Lake City council whose district includes fairpark land.

1324 (3) An individual required under Subsection (2) to appoint a board member shall  
1325 appoint each initial board member the individual is required to appoint no later than June 1,  
1326 2024.

1327 (4) The term of a board member appointed under Subsection (2) is six years, except

1328 that the initial term of the members appointed under Subsection (2)(a) is three years.

1329 (5) Each board member serves until a successor is duly appointed and qualified.

1330 (6) An appointed board member may serve multiple terms if duly appointed under  
1331 Subsection (2) to serve each term.

1332 (7) (a) A vacancy in the board shall be filled in the same manner under this section as  
1333 the appointment of the member whose vacancy is being filled.

1334 (b) An individual appointed to fill a vacancy shall serve the remaining unexpired term  
1335 of the member whose vacancy the individual is filling.

1336 (8) A member of the board appointed under Subsection (2)(a), (b), or (c) serves at the  
1337 pleasure of and may be removed and replaced at any time, with or without cause, by the  
1338 individual who appointed the member.

1339 (9) A majority of the voting members of the board may appoint no more than two  
1340 individuals to serve as nonvoting board advisory members, to serve as the board determines.

1341 Section 23. Section **11-70-303** is enacted to read:

1342 **11-70-303. Board quorum -- Chair and officers -- Compensation.**

1343 (1) A majority of voting members constitutes a quorum, and the action of a majority of  
1344 voting members constitutes action of the board.

1345 (2) Upon a vote of a majority of all voting board members, the board may appoint a  
1346 board chair and any other officer of the board.

1347 (3) (a) A board member who is not a legislator may not receive compensation or  
1348 benefits for the member's service on the board, but may receive per diem and reimbursement  
1349 for travel expenses incurred as a board member as allowed in:

1350 (i) Sections [63A-3-106](#) and [63A-3-107](#); and

1351 (ii) rules made by the Division of Finance according to Sections [63A-3-106](#) and  
1352 [63A-3-107](#).

1353 (b) Compensation and expenses of a board member who is a legislator are governed by  
1354 Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

1355 Section 24. Section **11-70-304** is enacted to read:

1356 **11-70-304. Limitations on board members and executive director.**

1357 (1) As used in this section:

1358 (a) "Direct financial benefit":

1359 (i) means any form of financial benefit that accrues to an individual directly, including:  
1360 (A) compensation, commission, or any other form of a payment or increase of money;  
1361 and  
1362 (B) an increase in the value of a business or property; and  
1363 (ii) does not include a financial benefit that accrues to the public generally.  
1364 (b) "Family member" means a parent, spouse, sibling, child, or grandchild.  
1365 (2) An individual may not serve as a member of the board or as executive director if:  
1366 (a) the individual owns real property, other than a personal residence in which the  
1367 individual resides, within the fairpark district boundary, whether or not the ownership interest  
1368 is a recorded interest;  
1369 (b) a family member of the individual owns an interest in real property, other than a  
1370 personal residence in which the family member resides, located within the fairpark district  
1371 boundary; or  
1372 (c) the individual or a family member of the individual owns an interest in, is directly  
1373 affiliated with, or is an employee or officer of a private firm, private company, or other private  
1374 entity that the individual reasonably believes is likely to:  
1375 (i) participate in or receive a direct financial benefit from the development of land  
1376 within the fairpark district boundary; or  
1377 (ii) acquire an interest in or locate a facility within the fairpark district boundary.  
1378 (3) Before taking office as a board member or accepting employment as executive  
1379 director, an individual shall submit to the fairpark district a statement verifying that the  
1380 individual's service as a board member or employment as executive director does not violate  
1381 Subsection (2).  
1382 (4) (a) An individual may not, at any time during the individual's service as a board  
1383 member or employment with the fairpark district, acquire, or take any action to initiate,  
1384 negotiate, or otherwise arrange for the acquisition of, an interest in real property located within  
1385 the fairpark district boundary, if:  
1386 (i) the acquisition is in the individual's personal capacity or in the individual's capacity  
1387 as an employee or officer of a private firm, private company, or other private entity; and  
1388 (ii) the acquisition will enable the individual to receive a direct financial benefit as a  
1389 result of the development of land within the fairpark district boundary.

1390 (b) Subsection (4)(a) does not apply to an individual's acquisition of, or action to  
1391 initiate, negotiate, or otherwise arrange for the acquisition of, an interest in real property that is  
1392 a personal residence in which the individual will reside upon acquisition of the real property.

1393 (5) (a) A board member or an employee of the fairpark district may not receive a direct  
1394 financial benefit from development within the fairpark district boundary.

1395 (b) For purposes of Subsection (5)(a), a direct financial benefit does not include:

1396 (i) expense reimbursements;

1397 (ii) per diem pay for board member service, if applicable; or

1398 (iii) an employee's compensation or benefits from employment with the fairpark  
1399 district.

1400 (6) Nothing in this section may be construed to affect the application or effect of any  
1401 other code provision applicable to a board member or employee relating to ethics or conflicts  
1402 of interest.

1403 Section 25. Section **11-70-305** is enacted to read:

1404 **11-70-305. Executive director.**

1405 (1) (a) The board may hire an executive director to be the chief executive officer of the  
1406 fairpark district.

1407 (b) The board shall oversee an executive director hired by the board.

1408 (2) The role of an executive director hired by the board is to:

1409 (a) manage and oversee the day-to-day operations of the fairpark district;

1410 (b) fulfill the executive and administrative duties and responsibilities of the fairpark  
1411 district; and

1412 (c) perform other functions or duties, as directed by the board.

1413 (3) An executive director shall have the education, experience, and training necessary  
1414 to perform the executive director's duties in a way that maximizes the potential for the fairpark  
1415 district to successfully fulfill the fairpark district's duties and responsibilities under this chapter.

1416 (4) An executive director is an at-will employee who serves at the pleasure of the board  
1417 and may be removed by the board at any time.

1418 (5) The board shall establish the compensation and benefits of an executive director.

1419 Section 26. Section **11-70-401** is enacted to read:

1420 **Part 4. Enhanced Property Tax Revenue**

1421 **11-70-401. Enhanced property tax revenue to be paid to fairpark district.**

1422 (1) During the payment period, the fairpark district shall be paid up to 100% of  
1423 enhanced property tax revenue:

1424 (a) generated from designated parcels of privately owned land within a project area;  
1425 and

1426 (b) as the board specifies in a designation resolution adopted in consultation with a  
1427 qualified owner.

1428 (2) For purposes of the payment of enhanced property tax revenue under this section, a  
1429 payment period shall begin January 1 of the year specified in the designation resolution.

1430 (3) (a) For purposes of this section, the fairpark district may designate an improved  
1431 portion of a parcel in a project area as a separate parcel.

1432 (b) A fairpark district designation of an improved portion of a parcel as a separate  
1433 parcel under Subsection (3)(a) does not constitute a subdivision, as defined in Section  
1434 10-9a-103 or Section 17-27a-103.

1435 (c) A county recorder shall assign a separate tax identification number to the improved  
1436 portion of a parcel designated by the authority as a separate parcel under Subsection (3)(a).

1437 Section 27. Section **11-70-402** is enacted to read:

1438 **11-70-402. Distribution of enhanced property tax revenue.**

1439 A county that collects property tax on property within the county in which the fairpark  
1440 district is located shall, in the manner and at the time provided in Section 59-2-1365, pay and  
1441 distribute to the fairpark district the amount of enhanced property tax revenue that the fairpark  
1442 district is entitled to collect under this chapter.

1443 Section 28. Section **11-70-403** is enacted to read:

1444 **11-70-403. Limits on enhanced property tax revenue.**

1445 (1) Except as provided in Subsection 17C-1-407(4), a community reinvestment agency  
1446 may not be paid any tax increment, as defined in Section 17C-1-102, generated within a project  
1447 area of the fairpark district.

1448 (2) The fairpark district may not use enhanced property tax revenue collected from one  
1449 project area for a development project within another project area.

1450 Section 29. Section **11-70-501** is enacted to read:

1451 **Part 5. Project Area Plan and Budget**

1452            **11-70-501. Preparation of project area plan -- Required contents of project area**  
1453 **plan.**

1454            (1) As provided in this section, the fairpark district may adopt a project area plan for  
1455 the development of some or all of the land within the fairpark district boundary.

1456            (2) In consultation with the fair park authority board, the fairpark district may adopt a  
1457 project area plan for the development of some or all of the fair park land.

1458            (3) With the consent of a qualified owner, the fairpark district may adopt a project area  
1459 plan for the development of the qualified owner's land, including the development and  
1460 construction of a qualified stadium.

1461            (4) (a) To adopt a project area plan, the board shall:

1462            (i) prepare a draft project area plan;

1463            (ii) give notice as required under Subsection [11-70-503\(2\)](#);

1464            (iii) hold at least one public meeting, as required under Subsection [11-70-503\(1\)](#); and

1465            (iv) after holding at least one public meeting and subject to Subsection (4)(b), adopt the  
1466 draft project area plan as the project area plan.

1467            (b) Before adopting a draft project area plan as the project area plan, the board may  
1468 make modifications to the draft project area plan that the board considers necessary or  
1469 appropriate.

1470            (5) A project area plan and draft project area plan shall contain:

1471            (a) a legal description of the boundary of the project area;

1472            (b) the fairpark district's purposes and intent with respect to the project area; and

1473            (c) the board's findings and determination that:

1474            (i) there is a need for the proposed development project to effectuate a public purpose;

1475            (ii) there is a public benefit that will result from the proposed development project; and

1476            (iii) it is economically sound and feasible to adopt and carry out the project area plan.

1477            Section 30. Section **11-70-502** is enacted to read:

1478            **11-70-502. Qualified stadium under project area plan.**

1479            (1) A project area plan may provide for the development and construction of a  
1480 qualified stadium on land that, until conveyed to the fairpark district as provided in Subsection  
1481 (3)(b), is owned by a qualified owner.

1482            (2) A project area plan under Subsection (1) shall include a requirement that the



1483 qualified owner and fairpark district enter an agreement relating to the development,  
1484 construction, operation, and ownership of a qualified stadium.

1485 (3) An agreement under Subsection (2) shall:

1486 (a) limit the amount of funding for the qualified stadium provided by the fairpark  
1487 district to the lesser of:

1488 (i) half the actual cost of developing and constructing the qualified stadium; or

1489 (ii) \$900,000,000;

1490 (b) require the qualified owner to convey to the fairpark district, as soon as practicable  
1491 after the franchise agreement date, title to the property on which the qualified stadium will be  
1492 constructed;

1493 (c) require the qualified owner to repay to the fairpark district the full amount of the  
1494 funding for the qualified stadium provided by the fairpark district if the major league sports  
1495 team leaves the qualified stadium before 30 years after the franchise agreement date;

1496 (d) provide for the fairpark district to possess full ownership rights to the qualified  
1497 stadium;

1498 (e) provide for the qualified owner to sell and control sponsorship rights relating to the  
1499 qualified stadium;

1500 (f) provide for the fairpark district to lease the qualified stadium to the major league  
1501 sports team for lease payments of \$150,000 per month for 360 months;

1502 (g) require the qualified owner to operate and maintain the qualified stadium and to pay  
1503 for all operation and maintenance costs; and

1504 (h) require the qualified owner to cooperate and coordinate with the fairpark district to  
1505 allow events other than events of the major league sports team to occur at the qualified stadium  
1506 if those other events do not interfere with the use of the qualified stadium for events of the  
1507 major league sports team.

1508 (4) The fairpark district shall pay to the Division of Finance, for deposit into the  
1509 General Fund, all lease payments the fairpark district receives under a lease agreement for the  
1510 qualified stadium.

1511 Section 31. Section **11-70-503** is enacted to read:

1512 **11-70-503. Public meeting to consider and discuss draft project area plan -- Notice**  
1513 **-- Adoption of plan.**

1514 (1) The board shall hold at least one public meeting to consider and discuss a draft  
1515 project area plan.

1516 (2) Before holding a public meeting under Subsection (1), the board shall give notice  
1517 of the public meeting:

1518 (a) to each taxing entity, at least 10 days before the public meeting; and

1519 (b) for the project area, as a class A notice under Section [63G-30-102](#), for at least 10  
1520 days before the public meeting.

1521 (3) Following consideration and discussion at a public meeting under Subsection (1),  
1522 and any modification of the project area plan under Subsection [11-70-501](#)(4)(b), the board may  
1523 adopt the draft project area plan or modified draft project area plan as the project area plan.

1524 Section 32. Section **11-70-504** is enacted to read:

1525 **11-70-504. Notice of project area plan adoption -- Effective date of plan -- Time**  
1526 **for challenging a project area plan or project area.**

1527 (1) Upon the board's adoption of a project area plan, the board shall provide notice as  
1528 provided in Subsection (2) by publishing or causing to be published legal notice:

1529 (a) for the project area, as a class A notice under Section [63G-30-102](#), for at least 30  
1530 days; and

1531 (b) as required by Section [45-1-101](#).

1532 (2) (a) A notice under Subsection (1) shall include:

1533 (i) the board resolution adopting the project area plan or a summary of the resolution;

1534 and

1535 (ii) a statement that the project area plan is available for general public inspection and  
1536 the hours for inspection.

1537 (b) The statement required under Subsection (2)(a)(ii) may be included within the  
1538 board resolution adopting the project area plan or within the summary of the resolution.

1539 (3) The project area plan shall become effective on the date designated in the board  
1540 resolution.

1541 (4) The fairpark district shall make the adopted project area plan available to the  
1542 general public at the fairpark district's offices during normal business hours.

1543 (5) Within 10 days after the day on which a project area plan is adopted that establishes  
1544 a project area, or after an amendment to a project area plan is adopted under which the

1545 boundary of a project area is modified, the fairpark district shall send notice of the  
1546 establishment or modification of the project area and an accurate map or plat of the project area  
1547 to:

- 1548 (a) the State Tax Commission;  
1549 (b) the Utah Geospatial Resource Center created in Section [63A-16-505](#); and  
1550 (c) the assessor, auditor, and recorder of each county where the project area is located.  
1551 (6) A legal action or other challenge to a project area plan or a project area described in  
1552 a project area plan is barred unless brought within 30 days after the effective date of the project  
1553 area plan.

1554 Section 33. Section **11-70-505** is enacted to read:

1555 **11-70-505. Amendment to a project area plan.**

- 1556 (1) The fairpark district may amend a project area plan by following the same  
1557 procedure under this part as applies to the adoption of a project area plan.  
1558 (2) The provisions of this part apply to the fairpark district's adoption of an amendment  
1559 to a project area plan to the same extent as they apply to the adoption of a project area plan.

1560 Section 34. Section **11-70-506** is enacted to read:

1561 **11-70-506. Project area budget.**

- 1562 (1) Before the fairpark district may use the enhanced property tax revenue from a  
1563 project area, the board shall prepare and adopt a project area budget.  
1564 (2) A project area budget shall include:  
1565 (a) the base taxable value of property in the project area;  
1566 (b) the projected enhanced property tax revenue expected to be generated within the  
1567 project area;  
1568 (c) the amount of the enhanced property tax revenue expected to be used to implement  
1569 the project area plan, including the estimated amount of the enhanced property tax revenue to  
1570 be used for:  
1571 (i) land acquisition;  
1572 (ii) public infrastructure and improvements; and  
1573 (iv) loans, grants, or other incentives to private and public entities;  
1574 (d) the enhanced property tax revenue expected to be used to cover the cost of  
1575 administering the project area plan;

1576 (e) the amount of enhanced property tax revenue expected to be shared with other  
1577 taxing entities; and

1578 (f) for property that the fairpark district owns or leases and expects to sell or sublease,  
1579 the expected total cost of the property to the fairpark district and the expected selling price or  
1580 lease payments.

1581 (3) The board may amend an adopted project area budget as and when the board  
1582 considers it appropriate.

1583 Section 35. Section **11-70-601** is enacted to read:

1584 **Part 6. Fairpark District Bonds**

1585 **11-70-601. Resolution authorizing issuance of fairpark district bonds --**

1586 **Characteristics of bonds -- Notice.**

1587 (1) In issuing bonds under this part, the fairpark district shall comply with applicable  
1588 requirements and provisions of Title 63C, Chapter 25, State Finance Review Commission.

1589 (2) (a) As provided in the fairpark district resolution authorizing the issuance of bonds  
1590 under this part or the trust indenture under which the bonds are issued, bonds issued under this  
1591 part may be issued in one or more series and may be sold at public or private sale and in the  
1592 manner provided in the resolution or indenture.

1593 (b) Bonds issued under this part shall bear the date, be payable at the time, bear interest  
1594 at the rate, be in the denomination and in the form, carry the conversion or registration  
1595 privileges, have the rank or priority, be executed in the manner, be subject to the terms of  
1596 redemption or tender, with or without premium, be payable in the medium of payment and at  
1597 the place, and have other characteristics as provided in the fairpark district resolution  
1598 authorizing their issuance or the trust indenture under which they are issued.

1599 (3) Upon the board's adoption of a resolution providing for the issuance of bonds, the  
1600 board may provide for the publication of the resolution:

1601 (a) for the area within the fairpark district's boundaries, as a class A notice under  
1602 Section [63G-30-102](#), for at least 30 days; and

1603 (b) as required in Section [45-1-101](#).

1604 (4) In lieu of publishing the entire resolution, the board may publish notice of bonds  
1605 that contains the information described in Subsection [11-14-316\(2\)](#).

1606 (5) For a period of 30 days after the publication, any person in interest may contest:

1607 (a) the legality of the resolution or proceeding;

1608 (b) any bonds that may be authorized by the resolution or proceeding; or

1609 (c) any provisions made for the security and payment of the bonds.

1610 (6) (a) A person may contest the matters set forth in Subsection (5) by filing a verified  
1611 written complaint, within 30 days of the publication under Subsection (5), in the district court  
1612 of the county in which the person resides.

1613 (b) A person may not contest the matters set forth in Subsection (5), or the regularity,  
1614 formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for  
1615 contesting provided in Subsection (6)(a).

1616 (7) No later than 60 days after the closing day of any bonds, the fairpark district shall  
1617 report the bonds issuance, including the amount of the bonds, terms, interest rate, and security,  
1618 to:

1619 (a) the Executive Appropriations Committee; and

1620 (b) the State Finance Review Commission created in Section [63C-25-201](#).

1621 Section 36. Section **11-70-602** is enacted to read:

1622 **11-70-602. Sources from which bonds may be made payable -- Fairpark district**  
1623 **powers regarding bonds.**

1624 (1) Subject to Subsection [11-70-207](#)(2), the principal and interest on bonds issued by  
1625 the fairpark district may be made payable from:

1626 (a) the income and revenues of the projects financed with the proceeds of the bonds;

1627 (b) the income and revenues of certain designated projects whether or not they were  
1628 financed in whole or in part with the proceeds of the bonds;

1629 (c) the income, proceeds, revenues, property, and funds the fairpark district derives  
1630 from or holds in connection with its undertaking and carrying out development of land within  
1631 the fairpark district boundary;

1632 (d) enhanced property tax revenue;

1633 (e) fairpark district revenues generally;

1634 (f) a contribution, loan, grant, or other financial assistance from the federal government  
1635 or a public entity in aid of the fairpark district; or

1636 (g) funds derived from any combination of the methods listed in Subsections (1)(a)  
1637 through (f).

1638           (2) In connection with the issuance of fairpark district bonds, the fairpark district may:  
1639           (a) as the board determines in the board's reasonable discretion, pledge all or any part  
1640 of the fairpark district's gross or net rents, fees, or revenues to which the fairpark district's right  
1641 then exists or may thereafter come into existence;

1642           (b) encumber by mortgage, deed of trust, or otherwise all or any part of the fairpark  
1643 district's real or personal property, then owned or thereafter acquired; and

1644           (c) make the covenants and take the action that may be necessary, convenient, or  
1645 desirable to secure its bonds, or, except as otherwise provided in this chapter, that will tend to  
1646 make the bonds more marketable, even though such covenants or actions are not specifically  
1647 enumerated in this chapter.

1648           Section 37. Section **11-70-603** is enacted to read:

1649           **11-70-603. Purchase of fairpark district bonds.**

1650           (1) Any person, firm, corporation, association, political subdivision of the state, or  
1651 other entity or public or private officer may purchase bonds issued by the fairpark district under  
1652 this part with funds owned or controlled by the purchaser.

1653           (2) Nothing in this section may be construed to relieve a purchaser of fairpark district  
1654 bonds of any duty to exercise reasonable care in selecting securities.

1655           Section 38. Section **11-70-604** is enacted to read:

1656           **11-70-604. Those executing bonds not personally liable -- Limitation of**  
1657 **obligations under bonds -- Negotiability.**

1658           (1) A member of the board or other person executing a fairpark district bond is not  
1659 liable personally on the bond.

1660           (2) (a) A bond issued by the fairpark district is not a general obligation or liability of  
1661 the state or any of its political subdivisions and does not constitute a charge against their  
1662 general credit or taxing powers.

1663           (b) A bond issued by the fairpark district is not payable out of any funds or properties  
1664 other than those of the fairpark district.

1665           (c) The state and its political subdivisions are not and may not be held liable on a bond  
1666 issued by the fairpark district.

1667           (d) A bond issued by the fairpark district does not constitute indebtedness within the  
1668 meaning of any constitutional or statutory debt limitation.

1669 (3) A bond issued by the fairpark district under this part is fully negotiable.

1670 Section 39. Section **11-70-605** is enacted to read:

1671 **11-70-605. Bonds exempt from taxes -- Fairpark district may purchase its own**  
1672 **bonds.**

1673 (1) A bond issued by the fairpark district under this part is issued for an essential  
1674 public and governmental purpose and is, together with interest on the bond and income from it,  
1675 exempt from all state taxes except the corporate franchise tax.

1676 (2) The fairpark district may purchase its own bonds at a price that its board  
1677 determines.

1678 (3) Nothing in this section may be construed to limit the right of an obligee to pursue a  
1679 remedy for the enforcement of a pledge or lien given under this part by the fairpark district on  
1680 its rents, fees, grants, properties, or revenues.

1681 Section 40. Section **11-70-701** is enacted to read:

1682 **Part 7. Fairpark District Budget and Other Financial Matters**

1683 **11-70-701. Annual fairpark district budget -- Fiscal year -- Public hearing and**  
1684 **notice required -- Auditor forms.**

1685 (1) The fairpark district shall prepare and the board adopt an annual budget of revenues  
1686 and expenditures for the fairpark district for each fiscal year.

1687 (2) Each annual fairpark district budget shall be adopted before June 22.

1688 (3) The fairpark district's fiscal year shall be the period from July 1 to the following  
1689 June 30.

1690 (4) (a) Before adopting an annual budget, the fairpark district board shall hold a public  
1691 hearing on the annual budget.

1692 (b) The fairpark district shall provide notice of the public hearing on the annual budget  
1693 by publishing notice as a class A notice under Section [63G-30-102](#) for at least one week before  
1694 the public hearing.

1695 (c) The fairpark district shall make the annual budget available for public inspection at  
1696 least three days before the date of the public hearing.

1697 (5) The state auditor shall prescribe the budget forms and the categories to be contained  
1698 in each fairpark district budget, including:

1699 (a) revenues and expenditures for the budget year; and

1700 (b) administrative costs, including legal fees, rent, supplies, and other materials, and  
1701 salaries of fairpark district personnel.

1702 Section 41. Section **11-70-702** is enacted to read:

1703 **11-70-702. Amending the fairpark district annual budget.**

1704 (1) The fairpark district board may by resolution amend an annual fairpark district  
1705 budget.

1706 (2) An amendment of the annual fairpark district budget that would increase the total  
1707 expenditures may be made only after public hearing by notice published as required for initial  
1708 adoption of the annual budget.

1709 (3) The fairpark district may not make expenditures in excess of the total expenditures  
1710 established in the annual budget as it is adopted or amended.

1711 Section 42. Section **11-70-703** is enacted to read:

1712 **11-70-703. Audit requirements.**

1713 The fairpark district shall comply with the audit requirements of Title 51, Chapter 2a,  
1714 Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local  
1715 Entities Act.

1716 Section 43. Section **11-70-704** is enacted to read:

1717 **11-70-704. Fairpark district chief financial officer is a public treasurer -- Certain**  
1718 **fairpark district funds are public funds.**

1719 (1) The fairpark district's chief financial officer:

1720 (a) is a public treasurer, as defined in Section [51-7-3](#); and

1721 (b) shall invest the fairpark district funds specified in Subsection (2) as provided in that  
1722 subsection.

1723 (2) Notwithstanding Subsection [63E-2-110\(2\)\(a\)](#), appropriations that the fairpark  
1724 district receives from the state:

1725 (a) are public funds; and

1726 (b) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.

1727 Section 44. Section **11-70-801** is enacted to read:

1728 **Part 8. Fairpark District Dissolution**

1729 **11-70-801. Dissolution of fairpark district -- Restrictions -- Notice of dissolution --**  
1730 **Disposition of fairpark district property -- Fairpark district records -- Dissolution**



1731 **expenses.**

1732 (1) The fairpark district may not be dissolved unless the fairpark district has no  
1733 outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally  
1734 binding contractual obligations with persons or entities other than the state.

1735 (2) Upon the dissolution of the fairpark district:

1736 (a) the Governor's Office of Economic Opportunity shall publish a notice of  
1737 dissolution:

1738 (i) for the county in which the dissolved fairpark district is located, as a class A notice  
1739 under Section [63G-30-102](#), for at least seven days; and

1740 (ii) as required in Section [45-1-101](#); and

1741 (b) all title to property owned by the fairpark district vests in the state.

1742 (3) The books, documents, records, papers, and seal of each dissolved fairpark district  
1743 shall be deposited for safekeeping and reference with the state auditor.

1744 (4) The fairpark district shall pay all expenses of the deactivation and dissolution.

1745 Section 45. Section **17C-1-407** is amended to read:

1746 **17C-1-407. Limitations on tax increment.**

1747 (1) (a) If the development of retail sales of goods is the primary objective of an urban  
1748 renewal project area, tax increment from the urban renewal project area may not be paid to or  
1749 used by an agency unless the agency makes a development impediment determination under  
1750 Chapter 2, Part 3, Development Impediment Determination in Urban Renewal Project Areas.

1751 (b) Except as provided in Section [11-41-103](#), development of retail sales of goods does  
1752 not disqualify an agency from receiving tax increment.

1753 (c) After July 1, 2005, an agency may not receive or use tax increment generated from  
1754 the value of property within an economic development project area that is attributable to the  
1755 development of retail sales of goods, unless the tax increment was previously pledged to pay  
1756 for bonds or other contractual obligations of the agency.

1757 (2) (a) For the purpose of this Subsection (2):

1758 (i) "Final tax rate" means the rate used to determine the amount of taxes a taxing entity  
1759 levies as described in the notice to a taxpayer under Subsection [59-2-1317\(2\)](#).

1760 (ii) "Increased tax revenue" means tax revenue attributable to a tax rate increase.

1761 (iii) "Tax rate increase" means the amount calculated by subtracting a taxing entity's

1762 certified rate, as defined in Section 59-2-924, from the taxing entity's final tax rate.

1763 (b) Except as provided in Subsection (2)(c), for a year in which a taxing entity imposes  
1764 a final tax rate higher than the certified tax rate, a county shall not pay an agency any portion of  
1765 a taxing entity's increased tax revenue.

1766 (c) Notwithstanding Subsection (2)(b), a county may pay all or a portion of a taxing  
1767 entity's increased tax revenue to an agency if, at the time of the project area budget approval,  
1768 the taxing entity committee or each taxing entity that is a party to an agreement under Section  
1769 17C-4-201 or 17C-5-204 consents to pay the agency the increased tax revenue.

1770 (d) If the taxing entity committee or each tax entity that is a party to an agreement  
1771 under Section 17C-4-201 or 17C-5-204 does not consent to payment of the increased tax  
1772 revenue to the agency under Subsection (2)(c), the county shall distribute to the taxing entity  
1773 the increased tax revenue in the same manner as other property tax revenue.

1774 (e) Notwithstanding any other provision of this section, if, before tax year 2013,  
1775 increased tax revenue is paid to an agency without the consent of the taxing entity committee or  
1776 each taxing entity that is a party to an agreement under Section 17C-4-201 or 17C-5-204, and  
1777 notwithstanding the law at the time that the tax revenue was collected or increased:

1778 (i) the State Tax Commission, the county as the collector of the taxes, a taxing entity,  
1779 or any other person or entity may not recover, directly or indirectly, the increased tax revenue  
1780 from the agency by adjustment of a tax rate used to calculate tax increment or otherwise;

1781 (ii) the county is not liable to a taxing entity or any other person or entity for the  
1782 increased tax revenue that was paid to the agency; and

1783 (iii) tax increment, including the increased tax revenue, shall continue to be paid to the  
1784 agency subject to the same number of tax years, percentage of tax increment, and cumulative  
1785 dollar amount of tax increment as approved in the project area budget and previously paid to  
1786 the agency.

1787 (f) An adjustment may not be made to incremental value under Section 59-2-924 for  
1788 increased tax revenue not paid to an agency under this section.

1789 (3) Except as the taxing entity committee otherwise agrees, an agency may not receive  
1790 tax increment under an urban renewal or economic development project area budget adopted  
1791 on or after March 30, 2009:

1792 (a) that exceeds the percentage of tax increment or cumulative dollar amount of tax

1793 increment specified in the project area budget; or

1794 (b) for more tax years than specified in the project area budget.

1795 (4) Beginning May 1, 2024, an agency may not be paid tax increment from an area that  
1796 is within the fairpark district boundary, as defined in Section 11-70-101, unless and only to the  
1797 extent that the tax increment revenue from that area is pledged to pay for a bond issued before  
1798 January 1, 2024.

1799 Section 46. Section 17D-4-102 is amended to read:

1800 **17D-4-102. Definitions.**

1801 As used in this chapter:

1802 (1) "Board" means the board of trustees of a public infrastructure district.

1803 (2) "Creating entity" means the county, municipality, or development authority that  
1804 approves the creation of a public infrastructure district.

1805 (3) "Development authority" means:

1806 (a) the Utah Inland Port Authority created in Section 11-58-201;

1807 (b) the Point of the Mountain State Land Authority created in Section 11-59-201; ~~or~~

1808 (c) the Utah Fairpark Area Investment and Restoration District created in Section  
1809 11-70-201; or

1810 ~~(d)~~ (d) the military installation development authority created in Section 63H-1-201.

1811 (4) "District applicant" means the person proposing the creation of a public  
1812 infrastructure district.

1813 (5) "Division" means a division of a public infrastructure district:

1814 (a) that is relatively equal in number of eligible voters or potential eligible voters to all  
1815 other divisions within the public infrastructure district, taking into account existing or potential  
1816 developments which, when completed, would increase or decrease the population within the  
1817 public infrastructure district; and

1818 (b) which a member of the board represents.

1819 (6) "Governing document" means the document governing a public infrastructure

1820 district to which the creating entity agrees before the creation of the public infrastructure

1821 district, as amended from time to time, and subject to the limitations of Title 17B, Chapter 1,  
1822 Provisions Applicable to All Special Districts, and this chapter.

1823 (7) (a) "Limited tax bond" means a bond:

- 1824 (i) that is directly payable from and secured by ad valorem property taxes that are  
1825 levied:
- 1826 (A) by a public infrastructure district that issues the bond; and  
1827 (B) on taxable property within the district;
- 1828 (ii) that is a general obligation of the public infrastructure district; and  
1829 (iii) for which the ad valorem property tax levy for repayment of the bond does not  
1830 exceed the property tax levy rate limit established under Section [17D-4-303](#) for any fiscal year,  
1831 except as provided in Subsection [17D-4-301](#)(8).
- 1832 (b) "Limited tax bond" does not include:  
1833 (i) a short-term bond;  
1834 (ii) a tax and revenue anticipation bond; or  
1835 (iii) a special assessment bond.
- 1836 (8) "Public infrastructure and improvements" means:  
1837 (a) the same as that term is defined in Section [11-58-102](#), for a public infrastructure  
1838 district created by the Utah Inland Port Authority created in Section [11-58-201](#); ~~and~~  
1839 (b) the same as that term is defined in Section [11-70-101](#), for a public infrastructure  
1840 district created by the Utah Fairpark Area Investment and Restoration District created in  
1841 Section [11-70-201](#); and
- 1842 ~~(b)~~ (c) the same as that term is defined in Section [63H-1-102](#), for a public  
1843 infrastructure district created by the military installation development authority created in  
1844 Section [63H-1-201](#).
- 1845 Section 47. Section [53F-9-207](#) is enacted to read:  
1846 **[53F-9-207. Funding for At-risk Student Account.](#)**
- 1847 (1) As used in this section, "account" means the Funding for At-risk Student Account  
1848 created in this section.
- 1849 (2) There is created within the Income Tax Fund a restricted account known as the  
1850 "Funding for At-risk Student Account."
- 1851 (3) The account shall be funded by:
- 1852 (a) amounts deposited into the account in accordance with Subsection [59-10-544](#)(3);  
1853 and
- 1854 (b) other legislative appropriations.

1855 (4) The account shall earn interest.

1856 (5) Interest earned on the account shall be deposited into the account.

1857 (6) (a) The Legislature shall appropriate money in the account to the state board to be  
1858 used for the purposes described in Subsection [53F-2-314](#)(3).

1859 (b) Money appropriated to the state board under Subsection (6)(a) is in addition to  
1860 money allocated according to the weighted pupil unit calculation described in Subsection  
1861 [53F-2-314](#)(2).

1862 Section 48. Section **59-2-924** is amended to read:

1863 **59-2-924. Definitions -- Report of valuation of property to county auditor and**  
1864 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**  
1865 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**  
1866 **commission.**

1867 (1) As used in this section:

1868 (a) (i) "Ad valorem property tax revenue" means revenue collected in accordance with  
1869 this chapter.

1870 (ii) "Ad valorem property tax revenue" does not include:

1871 (A) interest;

1872 (B) penalties;

1873 (C) collections from redemptions; or

1874 (D) revenue received by a taxing entity from personal property that is semiconductor  
1875 manufacturing equipment assessed by a county assessor in accordance with Part 3, County  
1876 Assessment.

1877 (b) "Adjusted tax increment" means the same as that term is defined in Section  
1878 [17C-1-102](#).

1879 (c) (i) "Aggregate taxable value of all property taxed" means:

1880 (A) the aggregate taxable value of all real property a county assessor assesses in  
1881 accordance with Part 3, County Assessment, for the current year;

1882 (B) the aggregate taxable value of all real and personal property the commission  
1883 assesses in accordance with Part 2, Assessment of Property, for the current year; and

1884 (C) the aggregate year end taxable value of all personal property a county assessor  
1885 assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls

1886 of the taxing entity.

1887 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year  
1888 end taxable value of personal property that is:

1889 (A) semiconductor manufacturing equipment assessed by a county assessor in  
1890 accordance with Part 3, County Assessment; and

1891 (B) contained on the prior year's tax rolls of the taxing entity.

1892 (d) "Base taxable value" means:

1893 (i) for an authority created under Section 11-58-201, the same as that term is defined in  
1894 Section 11-58-102;

1895 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
1896 the same as that term is defined in Section 11-59-207;

1897 (iii) for an agency created under Section 17C-1-201.5, the same as that term is defined  
1898 in Section 17C-1-102;

1899 (iv) for an authority created under Section 63H-1-201, the same as that term is defined  
1900 in Section 63H-1-102;

1901 (v) for a host local government, the same as that term is defined in Section 63N-2-502;  
1902 or

1903 (vi) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,  
1904 Part 6, Housing and Transit Reinvestment Zone Act, a property's taxable value as shown upon  
1905 the assessment roll last equalized during the base year, as that term is defined in Section  
1906 63N-3-602.

1907 (e) "Centrally assessed benchmark value" means an amount equal to the highest year  
1908 end taxable value of real and personal property the commission assesses in accordance with  
1909 Part 2, Assessment of Property, for a previous calendar year that begins on or after January 1,  
1910 2015, adjusted for taxable value attributable to:

1911 (i) an annexation to a taxing entity;

1912 (ii) an incorrect allocation of taxable value of real or personal property the commission  
1913 assesses in accordance with Part 2, Assessment of Property; or

1914 (iii) a change in value as a result of a change in the method of apportioning the value  
1915 prescribed by the Legislature, a court, or the commission in an administrative rule or  
1916 administrative order.

- 1917 (f) (i) "Centrally assessed new growth" means the greater of:  
1918 (A) zero; or  
1919 (B) the amount calculated by subtracting the centrally assessed benchmark value  
1920 adjusted for prior year end incremental value from the taxable value of real and personal  
1921 property the commission assesses in accordance with Part 2, Assessment of Property, for the  
1922 current year, adjusted for current year incremental value.
- 1923 (ii) "Centrally assessed new growth" does not include a change in value as a result of a  
1924 change in the method of apportioning the value prescribed by the Legislature, a court, or the  
1925 commission in an administrative rule or administrative order.
- 1926 (g) "Certified tax rate" means a tax rate that will provide the same ad valorem property  
1927 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 1928 (h) "Community reinvestment agency" means the same as that term is defined in  
1929 Section [17C-1-102](#).
- 1930 (i) "Eligible new growth" means the greater of:  
1931 (i) zero; or  
1932 (ii) the sum of:  
1933 (A) locally assessed new growth;  
1934 (B) centrally assessed new growth; and  
1935 (C) project area new growth or hotel property new growth.
- 1936 (j) "Host local government" means the same as that term is defined in Section  
1937 [63N-2-502](#).
- 1938 (k) "Hotel property" means the same as that term is defined in Section [63N-2-502](#).
- 1939 (l) "Hotel property new growth" means an amount equal to the incremental value that  
1940 is no longer provided to a host local government as incremental property tax revenue.
- 1941 (m) "Incremental property tax revenue" means the same as that term is defined in  
1942 Section [63N-2-502](#).
- 1943 (n) "Incremental value" means:  
1944 (i) for an authority created under Section [11-58-201](#), the amount calculated by  
1945 multiplying:  
1946 (A) the difference between the taxable value and the base taxable value of the property  
1947 that is located within a project area and on which property tax differential is collected; and

1948 (B) the number that represents the percentage of the property tax differential that is  
1949 paid to the authority;

1950 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
1951 an amount calculated by multiplying:

1952 (A) the difference between the current assessed value of the property and the base  
1953 taxable value; and

1954 (B) the number that represents the percentage of the property tax augmentation, as  
1955 defined in Section 11-59-207, that is paid to the Point of the Mountain State Land Authority;

1956 (iii) for an agency created under Section 17C-1-201.5, the amount calculated by  
1957 multiplying:

1958 (A) the difference between the taxable value and the base taxable value of the property  
1959 located within a project area and on which tax increment is collected; and

1960 (B) the number that represents the adjusted tax increment from that project area that is  
1961 paid to the agency;

1962 (iv) for an authority created under Section 63H-1-201, the amount calculated by  
1963 multiplying:

1964 (A) the difference between the taxable value and the base taxable value of the property  
1965 located within a project area and on which property tax allocation is collected; and

1966 (B) the number that represents the percentage of the property tax allocation from that  
1967 project area that is paid to the authority;

1968 (v) for a housing and transit reinvestment zone created pursuant to Title 63N, Chapter  
1969 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount calculated by multiplying:

1970 (A) the difference between the taxable value and the base taxable value of the property  
1971 that is located within a housing and transit reinvestment zone and on which tax increment is  
1972 collected; and

1973 (B) the number that represents the percentage of the tax increment that is paid to the  
1974 housing and transit reinvestment zone; or

1975 (vi) for a host local government, an amount calculated by multiplying:

1976 (A) the difference between the taxable value and the base taxable value of the hotel  
1977 property on which incremental property tax revenue is collected; and

1978 (B) the number that represents the percentage of the incremental property tax revenue



1979 from that hotel property that is paid to the host local government[; or].  
 1980 [(vii) for the State Fair Park Authority created in Section 11-68-201, the taxable value  
 1981 of:]  
 1982 [(A) fair park land, as defined in Section 11-68-101, that is subject to a privilege tax  
 1983 under Section 11-68-402; or]  
 1984 [(B) personal property located on property that is subject to the privilege tax described  
 1985 in Subsection (1)(n)(vii)(A).]  
 1986 (o) (i) "Locally assessed new growth" means the greater of:  
 1987 (A) zero; or  
 1988 (B) the amount calculated by subtracting the year end taxable value of real property the  
 1989 county assessor assesses in accordance with Part 3, County Assessment, for the previous year,  
 1990 adjusted for prior year end incremental value from the taxable value of real property the county  
 1991 assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted  
 1992 for current year incremental value.  
 1993 (ii) "Locally assessed new growth" does not include a change in:  
 1994 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal, or  
 1995 another adjustment;  
 1996 (B) assessed value based on whether a property is allowed a residential exemption for a  
 1997 primary residence under Section 59-2-103;  
 1998 (C) assessed value based on whether a property is assessed under Part 5, Farmland  
 1999 Assessment Act; or  
 2000 (D) assessed value based on whether a property is assessed under Part 17, Urban  
 2001 Farming Assessment Act.  
 2002 (p) "Project area" means:  
 2003 (i) for an authority created under Section 11-58-201, the same as that term is defined in  
 2004 Section 11-58-102;  
 2005 (ii) for an agency created under Section 17C-1-201.5, the same as that term is defined  
 2006 in Section 17C-1-102; or  
 2007 (iii) for an authority created under Section 63H-1-201, the same as that term is defined  
 2008 in Section 63H-1-102.  
 2009 (q) "Project area new growth" means:

- 2010 (i) for an authority created under Section 11-58-201, an amount equal to the  
2011 incremental value that is no longer provided to an authority as property tax differential;
- 2012 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
2013 an amount equal to the incremental value that is no longer provided to the Point of the  
2014 Mountain State Land Authority as property tax augmentation, as defined in Section 11-59-207;
- 2015 (iii) for an agency created under Section 17C-1-201.5, an amount equal to the  
2016 incremental value that is no longer provided to an agency as tax increment;
- 2017 (iv) for an authority created under Section 63H-1-201, an amount equal to the  
2018 incremental value that is no longer provided to an authority as property tax allocation; or
- 2019 (v) for a housing and transit reinvestment zone created under Title 63N, Chapter 3, Part  
2020 6, Housing and Transit Reinvestment Zone Act, an amount equal to the incremental value that  
2021 is no longer provided to a housing and transit reinvestment zone as tax increment.
- 2022 (r) "Project area incremental revenue" means the same as that term is defined in  
2023 Section 17C-1-1001.
- 2024 (s) "Property tax allocation" means the same as that term is defined in Section  
2025 63H-1-102.
- 2026 (t) "Property tax differential" means the same as that term is defined in Section  
2027 11-58-102.
- 2028 (u) "Qualifying exempt revenue" means revenue received:
- 2029 (i) for the previous calendar year;
- 2030 (ii) by a taxing entity;
- 2031 (iii) from tangible personal property contained on the prior year's tax rolls that is  
2032 exempt from property tax under Subsection 59-2-1115(2)(b) for a calendar year beginning on  
2033 January 1, 2022; and
- 2034 (iv) on the aggregate 2021 year end taxable value of the tangible personal property that  
2035 exceeds \$15,300.
- 2036 (v) "Tax increment" means:
- 2037 (i) for a project created under Section 17C-1-201.5, the same as that term is defined in  
2038 Section 17C-1-102; or
- 2039 (ii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,  
2040 Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is defined in Section

2041 63N-3-602.

2042 (2) Before June 1 of each year, the county assessor of each county shall deliver to the  
2043 county auditor and the commission the following statements:

2044 (a) a statement containing the aggregate valuation of all taxable real property a county  
2045 assessor assesses in accordance with Part 3, County Assessment, for each taxing entity; and

2046 (b) a statement containing the taxable value of all personal property a county assessor  
2047 assesses in accordance with Part 3, County Assessment, from the prior year end values.

2048 (3) The county auditor shall, on or before June 8, transmit to the governing body of  
2049 each taxing entity:

2050 (a) the statements described in Subsections (2)(a) and (b);

2051 (b) an estimate of the revenue from personal property;

2052 (c) the certified tax rate; and

2053 (d) all forms necessary to submit a tax levy request.

2054 (4) (a) Except as otherwise provided in this section, the certified tax rate shall be  
2055 calculated by dividing the ad valorem property tax revenue that a taxing entity budgeted for the  
2056 prior year minus the qualifying exempt revenue by the amount calculated under Subsection  
2057 (4)(b).

2058 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall  
2059 calculate an amount as follows:

2060 (i) calculate for the taxing entity the difference between:

2061 (A) the aggregate taxable value of all property taxed; and

2062 (B) any adjustments for current year incremental value;

2063 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount  
2064 determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the  
2065 average of the percentage net change in the value of taxable property for the equalization  
2066 period for the three calendar years immediately preceding the current calendar year;

2067 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product  
2068 of:

2069 (A) the amount calculated under Subsection (4)(b)(ii); and

2070 (B) the percentage of property taxes collected for the five calendar years immediately  
2071 preceding the current calendar year; and

2072 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount  
2073 determined by:

2074 (A) multiplying the percentage of property taxes collected for the five calendar years  
2075 immediately preceding the current calendar year by eligible new growth; and

2076 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the amount  
2077 calculated under Subsection (4)(b)(iii).

2078 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be  
2079 calculated as follows:

2080 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified  
2081 tax rate is zero;

2082 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:

2083 (i) in a county of the first, second, or third class, the levy imposed for municipal-type  
2084 services under Sections 17-34-1 and 17-36-9; and

2085 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county  
2086 purposes and such other levies imposed solely for the municipal-type services identified in  
2087 Section 17-34-1 and Subsection 17-36-3(23);

2088 (c) for a community reinvestment agency that received all or a portion of a taxing  
2089 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1, Part 10,  
2090 Agency Taxing Authority, the certified tax rate is calculated as described in Subsection (4)  
2091 except that the commission shall treat the total revenue transferred to the community  
2092 reinvestment agency as ad valorem property tax revenue that the taxing entity budgeted for the  
2093 prior year; and

2094 (d) for debt service voted on by the public, the certified tax rate is the actual levy  
2095 imposed by that section, except that a certified tax rate for the following levies shall be  
2096 calculated in accordance with Section 59-2-913 and this section:

2097 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and

2098 (ii) a levy to pay for the costs of state legislative mandates or judicial or administrative  
2099 orders under Section 59-2-1602.

2100 (6) (a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be  
2101 imposed at a rate that is sufficient to generate only the revenue required to satisfy one or more  
2102 eligible judgments.

2103 (b) The ad valorem property tax revenue generated by a judgment levy described in  
2104 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax  
2105 rate.

2106 (7) (a) For the purpose of calculating the certified tax rate, the county auditor shall use:

2107 (i) the taxable value of real property:

2108 (A) the county assessor assesses in accordance with Part 3, County Assessment; and

2109 (B) contained on the assessment roll;

2110 (ii) the year end taxable value of personal property:

2111 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

2112 (B) contained on the prior year's assessment roll; and

2113 (iii) the taxable value of real and personal property the commission assesses in  
2114 accordance with Part 2, Assessment of Property.

2115 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new  
2116 growth.

2117 (8) (a) On or before June 30, a taxing entity shall annually adopt a tentative budget.

2118 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall  
2119 notify the county auditor of:

2120 (i) the taxing entity's intent to exceed the certified tax rate; and

2121 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.

2122 (c) The county auditor shall notify property owners of any intent to levy a tax rate that  
2123 exceeds the certified tax rate in accordance with Sections [59-2-919](#) and [59-2-919.1](#).

2124 (9) (a) Subject to Subsection (9)(d), the commission shall provide notice, through  
2125 electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim  
2126 Committee if:

2127 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end  
2128 taxable value of the real and personal property the commission assesses in accordance with  
2129 Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental  
2130 value; and

2131 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year end  
2132 taxable value of the real and personal property of a taxpayer the commission assesses in  
2133 accordance with Part 2, Assessment of Property, for the previous year.

2134 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by  
2135 subtracting the taxable value of real and personal property the commission assesses in  
2136 accordance with Part 2, Assessment of Property, for the current year, adjusted for current year  
2137 incremental value, from the year end taxable value of the real and personal property the  
2138 commission assesses in accordance with Part 2, Assessment of Property, for the previous year,  
2139 adjusted for prior year end incremental value.

2140 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by  
2141 subtracting the total taxable value of real and personal property of a taxpayer the commission  
2142 assesses in accordance with Part 2, Assessment of Property, for the current year, from the total  
2143 year end taxable value of the real and personal property of a taxpayer the commission assesses  
2144 in accordance with Part 2, Assessment of Property, for the previous year.

2145 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet  
2146 the requirement under Subsection (9)(a)(ii).

2147 Section 49. Section **59-4-101** is amended to read:

2148 **59-4-101. Tax basis -- Exceptions -- Assessment and collection -- Designation of**  
2149 **person to receive notice.**

2150 (1) (a) Except as provided in Subsections (1)(b), (1)(c), and (3), a tax is imposed on the  
2151 possession or other beneficial use enjoyed by any person of any real or personal property that is  
2152 exempt for any reason from taxation, if that property is used in connection with a business  
2153 conducted for profit.

2154 (b) Any interest remaining in the state in state lands after subtracting amounts paid or  
2155 due in part payment of the purchase price as provided in Subsection [59-2-1103\(2\)\(b\)\(i\)](#) under a  
2156 contract of sale is subject to taxation under this chapter regardless of whether the property is  
2157 used in connection with a business conducted for profit.

2158 (c) The tax imposed under Subsection (1)(a) does not apply to property exempt from  
2159 taxation under Section [59-2-1114](#).

2160 (2) (a) The tax imposed under this chapter is the same amount that the ad valorem  
2161 property tax would be if the possessor or user were the owner of the property.

2162 (b) The amount of any payments that are made in lieu of taxes is credited against the  
2163 tax imposed on the beneficial use of property owned by the federal government.

2164 (3) A tax is not imposed under this chapter on the following:

2165 (a) the use of property that is a concession in, or relative to, the use of a public airport,  
2166 park, fairground, or similar property that is available as a matter of right to the use of the  
2167 general public;

2168 (b) the use or possession of property by a religious, educational, or charitable  
2169 organization;

2170 (c) the use or possession of property if the revenue generated by the possessor or user  
2171 of the property through its possession or use of the property inures only to the benefit of a  
2172 religious, educational, or charitable organization and not to the benefit of any other person;

2173 (d) the possession or other beneficial use of public land occupied under the terms of an  
2174 agricultural lease or permit issued by the United States or this state;

2175 (e) the use or possession of any lease, permit, or easement unless the lease, permit, or  
2176 easement entitles the lessee or permittee to exclusive possession of the premises to which the  
2177 lease, permit, or easement relates;

2178 (f) the use or possession of property by a public agency, as defined in Section  
2179 [11-13-103](#), to the extent that the ownership interest of the public agency in that property is  
2180 subject to a fee in lieu of ad valorem property tax under Section [11-13-302](#); or

2181 (g) the possession or beneficial use of public property as a tollway by a private entity  
2182 through a tollway development agreement as defined in Section [72-6-202](#).

2183 (4) For purposes of Subsection (3)(e):

2184 (a) every lessee, permittee, or other holder of a right to remove or extract the mineral  
2185 covered by the holder's lease, right permit, or easement, except from brines of the Great Salt  
2186 Lake, is considered to be in possession of the premises, regardless of whether another party has  
2187 a similar right to remove or extract another mineral from the same property; and

2188 (b) a lessee, permittee, or holder of an easement still has exclusive possession of the  
2189 premises if the owner has the right to enter the premises, approve leasehold improvements, or  
2190 inspect the premises.

2191 (5) A tax imposed under this chapter is assessed to the possessors or users of the  
2192 property on the same forms, and collected and, subject to [~~Subsection [11-68-402](#)(2)~~] Section  
2193 [11-70-203](#), distributed at the same time and in the same manner, as taxes assessed owners,  
2194 possessors, or other claimants of property that is subject to ad valorem property taxation. The  
2195 tax is not a lien against the property, and no tax-exempt property may be attached, encumbered,

2196 sold, or otherwise affected for the collection of the tax.

2197 (6) (a) (i) Except as provided in Subsection (6)(a)(ii), if a governmental entity is  
2198 required under this chapter to send information or notice to a person, the governmental entity  
2199 shall send the information or notice to:

2200 (A) the person required under the applicable provision of this chapter; and

2201 (B) each person designated in accordance with Subsection (6)(b) by the person  
2202 described in Subsection (6)(a)(i)(A).

2203 (ii) If a governmental entity is required under Section 59-2-919.1 or 59-2-1317 to send  
2204 information or notice to a person, the governmental entity shall send the information or notice  
2205 to:

2206 (A) the person required under the applicable section; or

2207 (B) one person designated in accordance with Subsection (6)(b) by the person  
2208 described in Subsection (6)(a)(ii)(A).

2209 (b) (i) A person to whom a governmental entity is required under this chapter to send  
2210 information or notice may designate a person to receive the information or notice in accordance  
2211 with Subsection (6)(a).

2212 (ii) To make a designation described in Subsection (6)(b)(i), the person shall submit a  
2213 written request to the governmental entity on a form prescribed by the commission.

2214 (c) A person who makes a designation described in Subsection (6)(b) may revoke the  
2215 designation by submitting a written request to the governmental entity on a form prescribed by  
2216 the commission.

2217 (7) Sections 59-2-301.1 through 59-2-301.7 apply for purposes of assessing a tax under  
2218 this chapter.

2219 Section 50. Section 59-10-544 is amended to read:

2220 **59-10-544. General powers and duties of the commission -- Deposit, distribution,**  
2221 **or credit of revenues -- Refund reverts to state under certain circumstances.**

2222 (1) (a) The commission shall administer and enforce a tax imposed under this chapter  
2223 for which purpose it may divide the state into districts in each of which a branch office of the  
2224 commission may be maintained.

2225 (b) A county may not be divided in forming a district.

2226 (2) (a) The commission shall deposit at least quarterly all revenue collected or received



2227 by the commission under this chapter with the state treasurer.

2228 (b) Subject to Sections [59-10-529](#) and [59-10-531](#), the commission shall distribute and  
2229 credit, at least quarterly and based on a pro rata share of Income Tax Fund and Uniform School  
2230 Fund appropriations for the current fiscal year, the revenue described in Subsection (2)(a) to:

2231 (i) the Income Tax Fund; and

2232 (ii) the Uniform School Fund in accordance with Section [53F-9-201.1](#).

2233 (c) The commission may credit to or draw from the Income Tax Fund and the Uniform  
2234 School Fund:

2235 (i) annually to adjust for differences between estimates and actual amounts; or

2236 (ii) in the proportion described in Subsection (2)(b) to issue a refund.

2237 (d) If a refund the commission makes is not claimed within two years from the date the  
2238 commission issues the refund:

2239 (i) the refund reverts to the state to be credited to the Income Tax Fund; and

2240 (ii) no further claim may be made on the commission for the amount of the refund.

2241 (3) (a) As used in this Subsection (3):

2242 (i) "Fairpark district area" means the area within the fairpark district boundary, as  
2243 defined in Section [11-70-101](#).

2244 (ii) "Nonresident professional athlete" means a nonresident individual who:

2245 (A) is a professional athlete; and

2246 (B) earns income that is taxable under Section [59-10-116](#) while engaged in  
2247 professional sports competition within the fairpark district area.

2248 (b) Notwithstanding any other provision of this section, the commission shall deposit  
2249 into the Funding for At-risk Student Account, created in Section [53F-9-207](#), all income tax  
2250 revenue generated from nonresident professional athletes.

2251 Section 51. Section **59-12-104** is amended to read:

2252 **59-12-104. Exemptions.**

2253 Exemptions from the taxes imposed by this chapter are as follows:

2254 (1) sales of aviation fuel, motor fuel, and special fuel subject to a Utah state excise tax  
2255 under Chapter 13, Motor and Special Fuel Tax Act;

2256 (2) subject to Section [59-12-104.6](#), sales to the state, its institutions, and its political  
2257 subdivisions; however, this exemption does not apply to sales of:

- 2258 (a) construction materials except:
- 2259 (i) construction materials purchased by or on behalf of institutions of the public
- 2260 education system as defined in Utah Constitution, Article X, Section 2, provided the
- 2261 construction materials are clearly identified and segregated and installed or converted to real
- 2262 property which is owned by institutions of the public education system; and
- 2263 (ii) construction materials purchased by the state, its institutions, or its political
- 2264 subdivisions which are installed or converted to real property by employees of the state, its
- 2265 institutions, or its political subdivisions; or
- 2266 (b) tangible personal property in connection with the construction, operation,
- 2267 maintenance, repair, or replacement of a project, as defined in Section 11-13-103, or facilities
- 2268 providing additional project capacity, as defined in Section 11-13-103;
- 2269 (3) (a) sales of an item described in Subsection (3)(b) from a vending machine if:
- 2270 (i) the proceeds of each sale do not exceed \$1; and
- 2271 (ii) the seller or operator of the vending machine reports an amount equal to 150% of
- 2272 the cost of the item described in Subsection (3)(b) as goods consumed; and
- 2273 (b) Subsection (3)(a) applies to:
- 2274 (i) food and food ingredients; or
- 2275 (ii) prepared food;
- 2276 (4) (a) sales of the following to a commercial airline carrier for in-flight consumption:
- 2277 (i) alcoholic beverages;
- 2278 (ii) food and food ingredients; or
- 2279 (iii) prepared food;
- 2280 (b) sales of tangible personal property or a product transferred electronically:
- 2281 (i) to a passenger;
- 2282 (ii) by a commercial airline carrier; and
- 2283 (iii) during a flight for in-flight consumption or in-flight use by the passenger; or
- 2284 (c) services related to Subsection (4)(a) or (b);
- 2285 (5) sales of parts and equipment for installation in an aircraft operated by a common
- 2286 carrier in interstate or foreign commerce;
- 2287 (6) sales of commercials, motion picture films, prerecorded audio program tapes or
- 2288 records, and prerecorded video tapes by a producer, distributor, or studio to a motion picture

2289 exhibitor, distributor, or commercial television or radio broadcaster;

2290 (7) (a) except as provided in Subsection (85) and subject to Subsection (7)(b), sales of  
2291 cleaning or washing of tangible personal property if the cleaning or washing of the tangible  
2292 personal property is not assisted cleaning or washing of tangible personal property;

2293 (b) if a seller that sells at the same business location assisted cleaning or washing of  
2294 tangible personal property and cleaning or washing of tangible personal property that is not  
2295 assisted cleaning or washing of tangible personal property, the exemption described in  
2296 Subsection (7)(a) applies if the seller separately accounts for the sales of the assisted cleaning  
2297 or washing of the tangible personal property; and

2298 (c) for purposes of Subsection (7)(b) and in accordance with Title 63G, Chapter 3,  
2299 Utah Administrative Rulemaking Act, the commission may make rules:

2300 (i) governing the circumstances under which sales are at the same business location;  
2301 and

2302 (ii) establishing the procedures and requirements for a seller to separately account for  
2303 sales of assisted cleaning or washing of tangible personal property;

2304 (8) sales made to or by religious or charitable institutions in the conduct of their regular  
2305 religious or charitable functions and activities, if the requirements of Section [59-12-104.1](#) are  
2306 fulfilled;

2307 (9) sales of a vehicle of a type required to be registered under the motor vehicle laws of  
2308 this state if:

2309 (a) the sale is not from the vehicle's lessor to the vehicle's lessee;

2310 (b) the vehicle is not registered in this state; and

2311 (c) (i) the vehicle is not used in this state; or

2312 (ii) the vehicle is used in this state:

2313 (A) if the vehicle is not used to conduct business, for a time period that does not  
2314 exceed the longer of:

2315 (I) 30 days in any calendar year; or

2316 (II) the time period necessary to transport the vehicle to the borders of this state; or

2317 (B) if the vehicle is used to conduct business, for the time period necessary to transport  
2318 the vehicle to the borders of this state;

2319 (10) (a) amounts paid for an item described in Subsection (10)(b) if:

- 2320 (i) the item is intended for human use; and
- 2321 (ii) (A) a prescription was issued for the item; or
- 2322 (B) the item was purchased by a hospital or other medical facility; and
- 2323 (b) (i) Subsection (10)(a) applies to:
- 2324 (A) a drug;
- 2325 (B) a syringe; or
- 2326 (C) a stoma supply; and
- 2327 (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2328 commission may by rule define the terms:
- 2329 (A) "syringe"; or
- 2330 (B) "stoma supply";
- 2331 (11) purchases or leases exempt under Section [19-12-201](#);
- 2332 (12) (a) sales of an item described in Subsection (12)(c) served by:
- 2333 (i) the following if the item described in Subsection (12)(c) is not available to the
- 2334 general public:
- 2335 (A) a church; or
- 2336 (B) a charitable institution; or
- 2337 (ii) an institution of higher education if:
- 2338 (A) the item described in Subsection (12)(c) is not available to the general public; or
- 2339 (B) the item described in Subsection (12)(c) is prepaid as part of a student meal plan
- 2340 offered by the institution of higher education; or
- 2341 (b) sales of an item described in Subsection (12)(c) provided for a patient by:
- 2342 (i) a medical facility; or
- 2343 (ii) a nursing facility; and
- 2344 (c) Subsections (12)(a) and (b) apply to:
- 2345 (i) food and food ingredients;
- 2346 (ii) prepared food; or
- 2347 (iii) alcoholic beverages;
- 2348 (13) (a) except as provided in Subsection (13)(b), the sale of tangible personal property
- 2349 or a product transferred electronically by a person:
- 2350 (i) regardless of the number of transactions involving the sale of that tangible personal

2351 property or product transferred electronically by that person; and  
2352 (ii) not regularly engaged in the business of selling that type of tangible personal  
2353 property or product transferred electronically;  
2354 (b) this Subsection (13) does not apply if:  
2355 (i) the sale is one of a series of sales of a character to indicate that the person is  
2356 regularly engaged in the business of selling that type of tangible personal property or product  
2357 transferred electronically;  
2358 (ii) the person holds that person out as regularly engaged in the business of selling that  
2359 type of tangible personal property or product transferred electronically;  
2360 (iii) the person sells an item of tangible personal property or product transferred  
2361 electronically that the person purchased as a sale that is exempt under Subsection (25); or  
2362 (iv) the sale is of a vehicle or vessel required to be titled or registered under the laws of  
2363 this state in which case the tax is based upon:  
2364 (A) the bill of sale, lease agreement, or other written evidence of value of the vehicle or  
2365 vessel being sold; or  
2366 (B) in the absence of a bill of sale, lease agreement, or other written evidence of value,  
2367 the fair market value of the vehicle or vessel being sold at the time of the sale as determined by  
2368 the commission; and  
2369 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2370 commission shall make rules establishing the circumstances under which:  
2371 (i) a person is regularly engaged in the business of selling a type of tangible personal  
2372 property or product transferred electronically;  
2373 (ii) a sale of tangible personal property or a product transferred electronically is one of  
2374 a series of sales of a character to indicate that a person is regularly engaged in the business of  
2375 selling that type of tangible personal property or product transferred electronically; or  
2376 (iii) a person holds that person out as regularly engaged in the business of selling a type  
2377 of tangible personal property or product transferred electronically;  
2378 (14) amounts paid or charged for a purchase or lease of machinery, equipment, normal  
2379 operating repair or replacement parts, or materials, except for office equipment or office  
2380 supplies, by:  
2381 (a) a manufacturing facility that:

2382 (i) is located in the state; and  
2383 (ii) uses or consumes the machinery, equipment, normal operating repair or  
2384 replacement parts, or materials:  
2385 (A) in the manufacturing process to manufacture an item sold as tangible personal  
2386 property, as the commission may define that phrase in accordance with Title 63G, Chapter 3,  
2387 Utah Administrative Rulemaking Act; or  
2388 (B) for a scrap recycler, to process an item sold as tangible personal property, as the  
2389 commission may define that phrase in accordance with Title 63G, Chapter 3, Utah  
2390 Administrative Rulemaking Act;  
2391 (b) an establishment, as the commission defines that term in accordance with Title  
2392 63G, Chapter 3, Utah Administrative Rulemaking Act, that:  
2393 (i) is described in NAICS Subsector 212, Mining (except Oil and Gas), or NAICS  
2394 Code 213113, Support Activities for Coal Mining, 213114, Support Activities for Metal  
2395 Mining, or 213115, Support Activities for Nonmetallic Minerals (except Fuels) Mining, of the  
2396 2002 North American Industry Classification System of the federal Executive Office of the  
2397 President, Office of Management and Budget;  
2398 (ii) is located in the state; and  
2399 (iii) uses or consumes the machinery, equipment, normal operating repair or  
2400 replacement parts, or materials in:  
2401 (A) the production process to produce an item sold as tangible personal property, as the  
2402 commission may define that phrase in accordance with Title 63G, Chapter 3, Utah  
2403 Administrative Rulemaking Act;  
2404 (B) research and development, as the commission may define that phrase in accordance  
2405 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;  
2406 (C) transporting, storing, or managing tailings, overburden, or similar waste materials  
2407 produced from mining;  
2408 (D) developing or maintaining a road, tunnel, excavation, or similar feature used in  
2409 mining; or  
2410 (E) preventing, controlling, or reducing dust or other pollutants from mining; or  
2411 (c) an establishment, as the commission defines that term in accordance with Title  
2412 63G, Chapter 3, Utah Administrative Rulemaking Act, that:

2413 (i) is described in NAICS Code 518112, Web Search Portals, of the 2002 North  
2414 American Industry Classification System of the federal Executive Office of the President,  
2415 Office of Management and Budget;

2416 (ii) is located in the state; and

2417 (iii) uses or consumes the machinery, equipment, normal operating repair or  
2418 replacement parts, or materials in the operation of the web search portal;

2419 (15) (a) sales of the following if the requirements of Subsection (15)(b) are met:

2420 (i) tooling;

2421 (ii) special tooling;

2422 (iii) support equipment;

2423 (iv) special test equipment; or

2424 (v) parts used in the repairs or renovations of tooling or equipment described in

2425 Subsections (15)(a)(i) through (iv); and

2426 (b) sales of tooling, equipment, or parts described in Subsection (15)(a) are exempt if:

2427 (i) the tooling, equipment, or parts are used or consumed exclusively in the

2428 performance of any aerospace or electronics industry contract with the United States

2429 government or any subcontract under that contract; and

2430 (ii) under the terms of the contract or subcontract described in Subsection (15)(b)(i),

2431 title to the tooling, equipment, or parts is vested in the United States government as evidenced

2432 by:

2433 (A) a government identification tag placed on the tooling, equipment, or parts; or

2434 (B) listing on a government-approved property record if placing a government

2435 identification tag on the tooling, equipment, or parts is impractical;

2436 (16) sales of newspapers or newspaper subscriptions;

2437 (17) (a) except as provided in Subsection (17)(b), tangible personal property or a

2438 product transferred electronically traded in as full or part payment of the purchase price, except

2439 that for purposes of calculating sales or use tax upon vehicles not sold by a vehicle dealer,

2440 trade-ins are limited to other vehicles only, and the tax is based upon:

2441 (i) the bill of sale or other written evidence of value of the vehicle being sold and the

2442 vehicle being traded in; or

2443 (ii) in the absence of a bill of sale or other written evidence of value, the then existing

2444 fair market value of the vehicle being sold and the vehicle being traded in, as determined by the  
2445 commission; and

2446 (b) Subsection (17)(a) does not apply to the following items of tangible personal  
2447 property or products transferred electronically traded in as full or part payment of the purchase  
2448 price:

2449 (i) money;

2450 (ii) electricity;

2451 (iii) water;

2452 (iv) gas; or

2453 (v) steam;

2454 (18) (a) (i) except as provided in Subsection (18)(b), sales of tangible personal property  
2455 or a product transferred electronically used or consumed primarily and directly in farming  
2456 operations, regardless of whether the tangible personal property or product transferred  
2457 electronically:

2458 (A) becomes part of real estate; or

2459 (B) is installed by a farmer, contractor, or subcontractor; or

2460 (ii) sales of parts used in the repairs or renovations of tangible personal property or a  
2461 product transferred electronically if the tangible personal property or product transferred  
2462 electronically is exempt under Subsection (18)(a)(i); and

2463 (b) amounts paid or charged for the following are subject to the taxes imposed by this  
2464 chapter:

2465 (i) (A) subject to Subsection (18)(b)(i)(B), machinery, equipment, materials, or  
2466 supplies if used in a manner that is incidental to farming; and

2467 (B) tangible personal property that is considered to be used in a manner that is  
2468 incidental to farming includes:

2469 (I) hand tools; or

2470 (II) maintenance and janitorial equipment and supplies;

2471 (ii) (A) subject to Subsection (18)(b)(ii)(B), tangible personal property or a product  
2472 transferred electronically if the tangible personal property or product transferred electronically  
2473 is used in an activity other than farming; and

2474 (B) tangible personal property or a product transferred electronically that is considered



2475 to be used in an activity other than farming includes:

2476 (I) office equipment and supplies; or

2477 (II) equipment and supplies used in:

2478 (Aa) the sale or distribution of farm products;

2479 (Bb) research; or

2480 (Cc) transportation; or

2481 (iii) a vehicle required to be registered by the laws of this state during the period

2482 ending two years after the date of the vehicle's purchase;

2483 (19) sales of hay;

2484 (20) exclusive sale during the harvest season of seasonal crops, seedling plants, or

2485 garden, farm, or other agricultural produce if the seasonal crops are, seedling plants are, or

2486 garden, farm, or other agricultural produce is sold by:

2487 (a) the producer of the seasonal crops, seedling plants, or garden, farm, or other

2488 agricultural produce;

2489 (b) an employee of the producer described in Subsection (20)(a); or

2490 (c) a member of the immediate family of the producer described in Subsection (20)(a);

2491 (21) purchases made using a coupon as defined in 7 U.S.C. Sec. 2012 that is issued

2492 under the Food Stamp Program, 7 U.S.C. Sec. 2011 et seq.;

2493 (22) sales of nonreturnable containers, nonreturnable labels, nonreturnable bags,

2494 nonreturnable shipping cases, and nonreturnable casings to a manufacturer, processor,

2495 wholesaler, or retailer for use in packaging tangible personal property to be sold by that

2496 manufacturer, processor, wholesaler, or retailer;

2497 (23) a product stored in the state for resale;

2498 (24) (a) purchases of a product if:

2499 (i) the product is:

2500 (A) purchased outside of this state;

2501 (B) brought into this state:

2502 (I) at any time after the purchase described in Subsection (24)(a)(i)(A); and

2503 (II) by a nonresident person who is not living or working in this state at the time of the

2504 purchase;

2505 (C) used for the personal use or enjoyment of the nonresident person described in

2506 Subsection (24)(a)(i)(B)(II) while that nonresident person is within the state; and  
2507 (D) not used in conducting business in this state; and  
2508 (ii) for:  
2509 (A) a product other than a boat described in Subsection (24)(a)(ii)(B), the first use of  
2510 the product for a purpose for which the product is designed occurs outside of this state;  
2511 (B) a boat, the boat is registered outside of this state; or  
2512 (C) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered  
2513 outside of this state;  
2514 (b) the exemption provided for in Subsection (24)(a) does not apply to:  
2515 (i) a lease or rental of a product; or  
2516 (ii) a sale of a vehicle exempt under Subsection (33); and  
2517 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for  
2518 purposes of Subsection (24)(a), the commission may by rule define what constitutes the  
2519 following:  
2520 (i) conducting business in this state if that phrase has the same meaning in this  
2521 Subsection (24) as in Subsection (63);  
2522 (ii) the first use of a product if that phrase has the same meaning in this Subsection (24)  
2523 as in Subsection (63); or  
2524 (iii) a purpose for which a product is designed if that phrase has the same meaning in  
2525 this Subsection (24) as in Subsection (63);  
2526 (25) a product purchased for resale in the regular course of business, either in its  
2527 original form or as an ingredient or component part of a manufactured or compounded product;  
2528 (26) a product upon which a sales or use tax was paid to some other state, or one of its  
2529 subdivisions, except that the state shall be paid any difference between the tax paid and the tax  
2530 imposed by this part and Part 2, Local Sales and Use Tax Act, and no adjustment is allowed if  
2531 the tax paid was greater than the tax imposed by this part and Part 2, Local Sales and Use Tax  
2532 Act;  
2533 (27) any sale of a service described in Subsections 59-12-103(1)(b), (c), and (d) to a  
2534 person for use in compounding a service taxable under the subsections;  
2535 (28) purchases made in accordance with the special supplemental nutrition program for  
2536 women, infants, and children established in 42 U.S.C. Sec. 1786;

- 2537 (29) sales or leases of rolls, rollers, refractory brick, electric motors, or other  
2538 replacement parts used in the furnaces, mills, or ovens of a steel mill described in SIC Code  
2539 3312 of the 1987 Standard Industrial Classification Manual of the federal Executive Office of  
2540 the President, Office of Management and Budget;
- 2541 (30) sales of a boat of a type required to be registered under Title 73, Chapter 18, State  
2542 Boating Act, a boat trailer, or an outboard motor if the boat, boat trailer, or outboard motor is:
- 2543 (a) not registered in this state; and  
2544 (b) (i) not used in this state; or  
2545 (ii) used in this state:
- 2546 (A) if the boat, boat trailer, or outboard motor is not used to conduct business, for a  
2547 time period that does not exceed the longer of:
- 2548 (I) 30 days in any calendar year; or  
2549 (II) the time period necessary to transport the boat, boat trailer, or outboard motor to  
2550 the borders of this state; or
- 2551 (B) if the boat, boat trailer, or outboard motor is used to conduct business, for the time  
2552 period necessary to transport the boat, boat trailer, or outboard motor to the borders of this  
2553 state;
- 2554 (31) sales of aircraft manufactured in Utah;
- 2555 (32) amounts paid for the purchase of telecommunications service for purposes of  
2556 providing telecommunications service;
- 2557 (33) sales, leases, or uses of the following:
- 2558 (a) a vehicle by an authorized carrier; or  
2559 (b) tangible personal property that is installed on a vehicle:
- 2560 (i) sold or leased to or used by an authorized carrier; and  
2561 (ii) before the vehicle is placed in service for the first time;
- 2562 (34) (a) 45% of the sales price of any new manufactured home; and  
2563 (b) 100% of the sales price of any used manufactured home;
- 2564 (35) sales relating to schools and fundraising sales;
- 2565 (36) sales or rentals of durable medical equipment if:
- 2566 (a) a person presents a prescription for the durable medical equipment; and  
2567 (b) the durable medical equipment is used for home use only;

2568 (37) (a) sales to a ski resort of electricity to operate a passenger ropeway as defined in  
2569 Section 72-11-102; and

2570 (b) the commission shall by rule determine the method for calculating sales exempt  
2571 under Subsection (37)(a) that are not separately metered and accounted for in utility billings;

2572 (38) sales to a ski resort of:

2573 (a) snowmaking equipment;

2574 (b) ski slope grooming equipment;

2575 (c) passenger ropeways as defined in Section 72-11-102; or

2576 (d) parts used in the repairs or renovations of equipment or passenger ropeways  
2577 described in Subsections (38)(a) through (c);

2578 (39) subject to Subsection 59-12-103(2)(j), sales of natural gas, electricity, heat, coal,  
2579 fuel oil, or other fuels for industrial use;

2580 (40) (a) subject to Subsection (40)(b), sales or rentals of the right to use or operate for  
2581 amusement, entertainment, or recreation an unassisted amusement device as defined in Section  
2582 59-12-102;

2583 (b) if a seller that sells or rents at the same business location the right to use or operate  
2584 for amusement, entertainment, or recreation one or more unassisted amusement devices and  
2585 one or more assisted amusement devices, the exemption described in Subsection (40)(a)  
2586 applies if the seller separately accounts for the sales or rentals of the right to use or operate for  
2587 amusement, entertainment, or recreation for the assisted amusement devices; and

2588 (c) for purposes of Subsection (40)(b) and in accordance with Title 63G, Chapter 3,  
2589 Utah Administrative Rulemaking Act, the commission may make rules:

2590 (i) governing the circumstances under which sales are at the same business location;  
2591 and

2592 (ii) establishing the procedures and requirements for a seller to separately account for  
2593 the sales or rentals of the right to use or operate for amusement, entertainment, or recreation for  
2594 assisted amusement devices;

2595 (41) (a) sales of photocopies by:

2596 (i) a governmental entity; or

2597 (ii) an entity within the state system of public education, including:

2598 (A) a school; or

- 2599 (B) the State Board of Education; or
- 2600 (b) sales of publications by a governmental entity;
- 2601 (42) amounts paid for admission to an athletic event at an institution of higher
- 2602 education that is subject to the provisions of Title IX of the Education Amendments of 1972,
- 2603 20 U.S.C. Sec. 1681 et seq.;
- 2604 (43) (a) sales made to or by:
- 2605 (i) an area agency on aging; or
- 2606 (ii) a senior citizen center owned by a county, city, or town; or
- 2607 (b) sales made by a senior citizen center that contracts with an area agency on aging;
- 2608 (44) sales or leases of semiconductor fabricating, processing, research, or development
- 2609 materials regardless of whether the semiconductor fabricating, processing, research, or
- 2610 development materials:
- 2611 (a) actually come into contact with a semiconductor; or
- 2612 (b) ultimately become incorporated into real property;
- 2613 (45) an amount paid by or charged to a purchaser for accommodations and services
- 2614 described in Subsection 59-12-103(1)(i) to the extent the amount is exempt under Section
- 2615 59-12-104.2;
- 2616 (46) the lease or use of a vehicle issued a temporary sports event registration certificate
- 2617 in accordance with Section 41-3-306 for the event period specified on the temporary sports
- 2618 event registration certificate;
- 2619 (47) (a) sales or uses of electricity, if the sales or uses are made under a retail tariff
- 2620 adopted by the Public Service Commission only for purchase of electricity produced from a
- 2621 new alternative energy source built after January 1, 2016, as designated in the tariff by the
- 2622 Public Service Commission; and
- 2623 (b) for a residential use customer only, the exemption under Subsection (47)(a) applies
- 2624 only to the portion of the tariff rate a customer pays under the tariff described in Subsection
- 2625 (47)(a) that exceeds the tariff rate under the tariff described in Subsection (47)(a) that the
- 2626 customer would have paid absent the tariff;
- 2627 (48) sales or rentals of mobility enhancing equipment if a person presents a
- 2628 prescription for the mobility enhancing equipment;
- 2629 (49) sales of water in a:

- 2630 (a) pipe;
- 2631 (b) conduit;
- 2632 (c) ditch; or
- 2633 (d) reservoir;
- 2634 (50) sales of currency or coins that constitute legal tender of a state, the United States,
- 2635 or a foreign nation;
- 2636 (51) (a) sales of an item described in Subsection (51)(b) if the item:
  - 2637 (i) does not constitute legal tender of a state, the United States, or a foreign nation; and
  - 2638 (ii) has a gold, silver, or platinum content of 50% or more; and
- 2639 (b) Subsection (51)(a) applies to a gold, silver, or platinum:
  - 2640 (i) ingot;
  - 2641 (ii) bar;
  - 2642 (iii) medallion; or
  - 2643 (iv) decorative coin;
- 2644 (52) amounts paid on a sale-leaseback transaction;
- 2645 (53) sales of a prosthetic device:
  - 2646 (a) for use on or in a human; and
  - 2647 (b) (i) for which a prescription is required; or
  - 2648 (ii) if the prosthetic device is purchased by a hospital or other medical facility;
- 2649 (54) (a) except as provided in Subsection (54)(b), purchases, leases, or rentals of
- 2650 machinery or equipment by an establishment described in Subsection (54)(c) if the machinery
- 2651 or equipment is primarily used in the production or postproduction of the following media for
- 2652 commercial distribution:
  - 2653 (i) a motion picture;
  - 2654 (ii) a television program;
  - 2655 (iii) a movie made for television;
  - 2656 (iv) a music video;
  - 2657 (v) a commercial;
  - 2658 (vi) a documentary; or
  - 2659 (vii) a medium similar to Subsections (54)(a)(i) through (vi) as determined by the
  - 2660 commission by administrative rule made in accordance with Subsection (54)(d); or

2661 (b) purchases, leases, or rentals of machinery or equipment by an establishment  
2662 described in Subsection (54)(c) that is used for the production or postproduction of the  
2663 following are subject to the taxes imposed by this chapter:

- 2664 (i) a live musical performance;
- 2665 (ii) a live news program; or
- 2666 (iii) a live sporting event;

2667 (c) the following establishments listed in the 1997 North American Industry  
2668 Classification System of the federal Executive Office of the President, Office of Management  
2669 and Budget, apply to Subsections (54)(a) and (b):

- 2670 (i) NAICS Code 512110; or
- 2671 (ii) NAICS Code 51219; and

2672 (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2673 commission may by rule:

- 2674 (i) prescribe what constitutes a medium similar to Subsections (54)(a)(i) through (vi);

2675 or

- 2676 (ii) define:
  - 2677 (A) "commercial distribution";
  - 2678 (B) "live musical performance";
  - 2679 (C) "live news program"; or
  - 2680 (D) "live sporting event";

2681 (55) (a) leases of seven or more years or purchases made on or after July 1, 2004, but  
2682 on or before June 30, 2027, of tangible personal property that:

- 2683 (i) is leased or purchased for or by a facility that:
  - 2684 (A) is an alternative energy electricity production facility;
  - 2685 (B) is located in the state; and
  - 2686 (C) (I) becomes operational on or after July 1, 2004; or
  - 2687 (II) has its generation capacity increased by one or more megawatts on or after July 1,  
2688 2004, as a result of the use of the tangible personal property;
- 2689 (ii) has an economic life of five or more years; and
- 2690 (iii) is used to make the facility or the increase in capacity of the facility described in  
2691 Subsection (55)(a)(i) operational up to the point of interconnection with an existing

2692 transmission grid including:

2693 (A) a wind turbine;

2694 (B) generating equipment;

2695 (C) a control and monitoring system;

2696 (D) a power line;

2697 (E) substation equipment;

2698 (F) lighting;

2699 (G) fencing;

2700 (H) pipes; or

2701 (I) other equipment used for locating a power line or pole; and

2702 (b) this Subsection (55) does not apply to:

2703 (i) tangible personal property used in construction of:

2704 (A) a new alternative energy electricity production facility; or

2705 (B) the increase in the capacity of an alternative energy electricity production facility;

2706 (ii) contracted services required for construction and routine maintenance activities;

2707 and

2708 (iii) unless the tangible personal property is used or acquired for an increase in capacity

2709 of the facility described in Subsection (55)(a)(i)(C)(II), tangible personal property used or

2710 acquired after:

2711 (A) the alternative energy electricity production facility described in Subsection

2712 (55)(a)(i) is operational as described in Subsection (55)(a)(iii); or

2713 (B) the increased capacity described in Subsection (55)(a)(i) is operational as described

2714 in Subsection (55)(a)(iii);

2715 (56) (a) leases of seven or more years or purchases made on or after July 1, 2004, but

2716 on or before June 30, 2027, of tangible personal property that:

2717 (i) is leased or purchased for or by a facility that:

2718 (A) is a waste energy production facility;

2719 (B) is located in the state; and

2720 (C) (I) becomes operational on or after July 1, 2004; or

2721 (II) has its generation capacity increased by one or more megawatts on or after July 1,

2722 2004, as a result of the use of the tangible personal property;



- 2723 (ii) has an economic life of five or more years; and
- 2724 (iii) is used to make the facility or the increase in capacity of the facility described in
- 2725 Subsection (56)(a)(i) operational up to the point of interconnection with an existing
- 2726 transmission grid including:
  - 2727 (A) generating equipment;
  - 2728 (B) a control and monitoring system;
  - 2729 (C) a power line;
  - 2730 (D) substation equipment;
  - 2731 (E) lighting;
  - 2732 (F) fencing;
  - 2733 (G) pipes; or
  - 2734 (H) other equipment used for locating a power line or pole; and
- 2735 (b) this Subsection (56) does not apply to:
  - 2736 (i) tangible personal property used in construction of:
    - 2737 (A) a new waste energy facility; or
    - 2738 (B) the increase in the capacity of a waste energy facility;
  - 2739 (ii) contracted services required for construction and routine maintenance activities;
- 2740 and
  - 2741 (iii) unless the tangible personal property is used or acquired for an increase in capacity
  - 2742 described in Subsection (56)(a)(i)(C)(II), tangible personal property used or acquired after:
    - 2743 (A) the waste energy facility described in Subsection (56)(a)(i) is operational as
    - 2744 described in Subsection (56)(a)(iii); or
    - 2745 (B) the increased capacity described in Subsection (56)(a)(i) is operational as described
    - 2746 in Subsection (56)(a)(iii);
- 2747 (57) (a) leases of five or more years or purchases made on or after July 1, 2004, but on
- 2748 or before June 30, 2027, of tangible personal property that:
  - 2749 (i) is leased or purchased for or by a facility that:
    - 2750 (A) is located in the state;
    - 2751 (B) produces fuel from alternative energy, including:
      - 2752 (I) methanol; or
      - 2753 (II) ethanol; and

2754 (C) (I) becomes operational on or after July 1, 2004; or  
2755 (II) has its capacity to produce fuel increase by 25% or more on or after July 1, 2004, as  
2756 a result of the installation of the tangible personal property;  
2757 (ii) has an economic life of five or more years; and  
2758 (iii) is installed on the facility described in Subsection (57)(a)(i);  
2759 (b) this Subsection (57) does not apply to:  
2760 (i) tangible personal property used in construction of:  
2761 (A) a new facility described in Subsection (57)(a)(i); or  
2762 (B) the increase in capacity of the facility described in Subsection (57)(a)(i); or  
2763 (ii) contracted services required for construction and routine maintenance activities;  
2764 and  
2765 (iii) unless the tangible personal property is used or acquired for an increase in capacity  
2766 described in Subsection (57)(a)(i)(C)(II), tangible personal property used or acquired after:  
2767 (A) the facility described in Subsection (57)(a)(i) is operational; or  
2768 (B) the increased capacity described in Subsection (57)(a)(i) is operational;  
2769 (58) (a) subject to Subsection (58)(b), sales of tangible personal property or a product  
2770 transferred electronically to a person within this state if that tangible personal property or  
2771 product transferred electronically is subsequently shipped outside the state and incorporated  
2772 pursuant to contract into and becomes a part of real property located outside of this state; and  
2773 (b) the exemption under Subsection (58)(a) is not allowed to the extent that the other  
2774 state or political entity to which the tangible personal property is shipped imposes a sales, use,  
2775 gross receipts, or other similar transaction excise tax on the transaction against which the other  
2776 state or political entity allows a credit for sales and use taxes imposed by this chapter;  
2777 (59) purchases:  
2778 (a) of one or more of the following items in printed or electronic format:  
2779 (i) a list containing information that includes one or more:  
2780 (A) names; or  
2781 (B) addresses; or  
2782 (ii) a database containing information that includes one or more:  
2783 (A) names; or  
2784 (B) addresses; and

2785 (b) used to send direct mail;

2786 (60) redemptions or repurchases of a product by a person if that product was:

2787 (a) delivered to a pawnbroker as part of a pawn transaction; and

2788 (b) redeemed or repurchased within the time period established in a written agreement

2789 between the person and the pawnbroker for redeeming or repurchasing the product;

2790 (61) (a) purchases or leases of an item described in Subsection (61)(b) if the item:

2791 (i) is purchased or leased by, or on behalf of, a telecommunications service provider;

2792 and

2793 (ii) has a useful economic life of one or more years; and

2794 (b) the following apply to Subsection (61)(a):

2795 (i) telecommunications enabling or facilitating equipment, machinery, or software;

2796 (ii) telecommunications equipment, machinery, or software required for 911 service;

2797 (iii) telecommunications maintenance or repair equipment, machinery, or software;

2798 (iv) telecommunications switching or routing equipment, machinery, or software; or

2799 (v) telecommunications transmission equipment, machinery, or software;

2800 (62) (a) beginning on July 1, 2006, and ending on June 30, 2027, purchases of tangible

2801 personal property or a product transferred electronically that are used in the research and

2802 development of alternative energy technology; and

2803 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

2804 commission may, for purposes of Subsection (62)(a), make rules defining what constitutes

2805 purchases of tangible personal property or a product transferred electronically that are used in

2806 the research and development of alternative energy technology;

2807 (63) (a) purchases of tangible personal property or a product transferred electronically

2808 if:

2809 (i) the tangible personal property or product transferred electronically is:

2810 (A) purchased outside of this state;

2811 (B) brought into this state at any time after the purchase described in Subsection

2812 (63)(a)(i)(A); and

2813 (C) used in conducting business in this state; and

2814 (ii) for:

2815 (A) tangible personal property or a product transferred electronically other than the

2816 tangible personal property described in Subsection (63)(a)(ii)(B), the first use of the property  
2817 for a purpose for which the property is designed occurs outside of this state; or  
2818 (B) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered  
2819 outside of this state and not required to be registered in this state under Section 41-1a-202 or  
2820 73-18-9 based on residency;  
2821 (b) the exemption provided for in Subsection (63)(a) does not apply to:  
2822 (i) a lease or rental of tangible personal property or a product transferred electronically;  
2823 or  
2824 (ii) a sale of a vehicle exempt under Subsection (33); and  
2825 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for  
2826 purposes of Subsection (63)(a), the commission may by rule define what constitutes the  
2827 following:  
2828 (i) conducting business in this state if that phrase has the same meaning in this  
2829 Subsection (63) as in Subsection (24);  
2830 (ii) the first use of tangible personal property or a product transferred electronically if  
2831 that phrase has the same meaning in this Subsection (63) as in Subsection (24); or  
2832 (iii) a purpose for which tangible personal property or a product transferred  
2833 electronically is designed if that phrase has the same meaning in this Subsection (63) as in  
2834 Subsection (24);  
2835 (64) sales of disposable home medical equipment or supplies if:  
2836 (a) a person presents a prescription for the disposable home medical equipment or  
2837 supplies;  
2838 (b) the disposable home medical equipment or supplies are used exclusively by the  
2839 person to whom the prescription described in Subsection (64)(a) is issued; and  
2840 (c) the disposable home medical equipment and supplies are listed as eligible for  
2841 payment under:  
2842 (i) Title XVIII, federal Social Security Act; or  
2843 (ii) the state plan for medical assistance under Title XIX, federal Social Security Act;  
2844 (65) sales:  
2845 (a) to a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit  
2846 District Act; or

- 2847 (b) of tangible personal property to a subcontractor of a public transit district, if the  
2848 tangible personal property is:
- 2849 (i) clearly identified; and
  - 2850 (ii) installed or converted to real property owned by the public transit district;
- 2851 (66) sales of construction materials:
- 2852 (a) purchased on or after July 1, 2010;
  - 2853 (b) purchased by, on behalf of, or for the benefit of an international airport:
    - 2854 (i) located within a county of the first class; and
    - 2855 (ii) that has a United States customs office on its premises; and
  - 2856 (c) if the construction materials are:
    - 2857 (i) clearly identified;
    - 2858 (ii) segregated; and
    - 2859 (iii) installed or converted to real property:
      - 2860 (A) owned or operated by the international airport described in Subsection (66)(b); and
      - 2861 (B) located at the international airport described in Subsection (66)(b);
- 2862 (67) sales of construction materials:
- 2863 (a) purchased on or after July 1, 2008;
  - 2864 (b) purchased by, on behalf of, or for the benefit of a new airport:
    - 2865 (i) located within a county of the second class; and
    - 2866 (ii) that is owned or operated by a city in which an airline as defined in Section  
2867 [59-2-102](#) is headquartered; and
  - 2868 (c) if the construction materials are:
    - 2869 (i) clearly identified;
    - 2870 (ii) segregated; and
    - 2871 (iii) installed or converted to real property:
      - 2872 (A) owned or operated by the new airport described in Subsection (67)(b);
      - 2873 (B) located at the new airport described in Subsection (67)(b); and
      - 2874 (C) as part of the construction of the new airport described in Subsection (67)(b);
- 2875 (68) except for the tax imposed by Subsection [59-12-103\(2\)\(d\)](#), sales of fuel to a  
2876 common carrier that is a railroad for use in a locomotive engine;
- 2877 (69) purchases and sales described in Section [63H-4-111](#);

2878 (70) (a) sales of tangible personal property to an aircraft maintenance, repair, and  
2879 overhaul provider for use in the maintenance, repair, overhaul, or refurbishment in this state of  
2880 a fixed wing turbine powered aircraft if that fixed wing turbine powered aircraft's registration  
2881 lists a state or country other than this state as the location of registry of the fixed wing turbine  
2882 powered aircraft; or

2883 (b) sales of tangible personal property by an aircraft maintenance, repair, and overhaul  
2884 provider in connection with the maintenance, repair, overhaul, or refurbishment in this state of  
2885 a fixed wing turbine powered aircraft if that fixed wing turbine powered aircraft's registration  
2886 lists a state or country other than this state as the location of registry of the fixed wing turbine  
2887 powered aircraft;

2888 (71) subject to Section 59-12-104.4, sales of a textbook for a higher education course:

2889 (a) to a person admitted to an institution of higher education; and

2890 (b) by a seller, other than a bookstore owned by an institution of higher education, if  
2891 51% or more of that seller's sales revenue for the previous calendar quarter are sales of a  
2892 textbook for a higher education course;

2893 (72) a license fee or tax a municipality imposes in accordance with Subsection  
2894 10-1-203(5) on a purchaser from a business for which the municipality provides an enhanced  
2895 level of municipal services;

2896 (73) amounts paid or charged for construction materials used in the construction of a  
2897 new or expanding life science research and development facility in the state, if the construction  
2898 materials are:

2899 (a) clearly identified;

2900 (b) segregated; and

2901 (c) installed or converted to real property;

2902 (74) amounts paid or charged for:

2903 (a) a purchase or lease of machinery and equipment that:

2904 (i) are used in performing qualified research:

2905 (A) as defined in Section 41(d), Internal Revenue Code; and

2906 (B) in the state; and

2907 (ii) have an economic life of three or more years; and

2908 (b) normal operating repair or replacement parts:

- 2909 (i) for the machinery and equipment described in Subsection (74)(a); and
- 2910 (ii) that have an economic life of three or more years;
- 2911 (75) a sale or lease of tangible personal property used in the preparation of prepared
- 2912 food if:
- 2913 (a) for a sale:
- 2914 (i) the ownership of the seller and the ownership of the purchaser are identical; and
- 2915 (ii) the seller or the purchaser paid a tax under this chapter on the purchase of that
- 2916 tangible personal property prior to making the sale; or
- 2917 (b) for a lease:
- 2918 (i) the ownership of the lessor and the ownership of the lessee are identical; and
- 2919 (ii) the lessor or the lessee paid a tax under this chapter on the purchase of that tangible
- 2920 personal property prior to making the lease;
- 2921 (76) (a) purchases of machinery or equipment if:
- 2922 (i) the purchaser is an establishment described in NAICS Subsector 713, Amusement,
- 2923 Gambling, and Recreation Industries, of the 2012 North American Industry Classification
- 2924 System of the federal Executive Office of the President, Office of Management and Budget;
- 2925 (ii) the machinery or equipment:
- 2926 (A) has an economic life of three or more years; and
- 2927 (B) is used by one or more persons who pay admission or user fees described in
- 2928 Subsection 59-12-103(1)(f) to the purchaser of the machinery and equipment; and
- 2929 (iii) 51% or more of the purchaser's sales revenue for the previous calendar quarter is:
- 2930 (A) amounts paid or charged as admission or user fees described in Subsection
- 2931 59-12-103(1)(f); and
- 2932 (B) subject to taxation under this chapter; and
- 2933 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2934 commission may make rules for verifying that 51% of a purchaser's sales revenue for the
- 2935 previous calendar quarter is:
- 2936 (i) amounts paid or charged as admission or user fees described in Subsection
- 2937 59-12-103(1)(f); and
- 2938 (ii) subject to taxation under this chapter;
- 2939 (77) purchases of a short-term lodging consumable by a business that provides

2940 accommodations and services described in Subsection [59-12-103\(1\)\(i\)](#);

2941 (78) amounts paid or charged to access a database:

2942 (a) if the primary purpose for accessing the database is to view or retrieve information

2943 from the database; and

2944 (b) not including amounts paid or charged for a:

2945 (i) digital audio work;

2946 (ii) digital audio-visual work; or

2947 (iii) digital book;

2948 (79) amounts paid or charged for a purchase or lease made by an electronic financial

2949 payment service, of:

2950 (a) machinery and equipment that:

2951 (i) are used in the operation of the electronic financial payment service; and

2952 (ii) have an economic life of three or more years; and

2953 (b) normal operating repair or replacement parts that:

2954 (i) are used in the operation of the electronic financial payment service; and

2955 (ii) have an economic life of three or more years;

2956 (80) sales of a fuel cell as defined in Section [54-15-102](#);

2957 (81) amounts paid or charged for a purchase or lease of tangible personal property or a

2958 product transferred electronically if the tangible personal property or product transferred

2959 electronically:

2960 (a) is stored, used, or consumed in the state; and

2961 (b) is temporarily brought into the state from another state:

2962 (i) during a disaster period as defined in Section [53-2a-1202](#);

2963 (ii) by an out-of-state business as defined in Section [53-2a-1202](#);

2964 (iii) for a declared state disaster or emergency as defined in Section [53-2a-1202](#); and

2965 (iv) for disaster- or emergency-related work as defined in Section [53-2a-1202](#);

2966 (82) sales of goods and services at a morale, welfare, and recreation facility, as defined

2967 in Section [39A-7-102](#), made pursuant to Title 39A, Chapter 7, Morale, Welfare, and Recreation

2968 Program;

2969 (83) amounts paid or charged for a purchase or lease of molten magnesium;

2970 (84) amounts paid or charged for a purchase or lease made by a qualifying data center



2971 or an occupant of a qualifying data center of machinery, equipment, or normal operating repair  
2972 or replacement parts, if the machinery, equipment, or normal operating repair or replacement  
2973 parts:

2974 (a) are used in:

2975 (i) the operation of the qualifying data center; or

2976 (ii) the occupant's operations in the qualifying data center; and

2977 (b) have an economic life of one or more years;

2978 (85) sales of cleaning or washing of a vehicle, except for cleaning or washing of a

2979 vehicle that includes cleaning or washing of the interior of the vehicle;

2980 (86) amounts paid or charged for a purchase or lease of machinery, equipment, normal  
2981 operating repair or replacement parts, catalysts, chemicals, reagents, solutions, or supplies used  
2982 or consumed:

2983 (a) by a refiner who owns, leases, operates, controls, or supervises a refinery as defined  
2984 in Section 79-6-701 located in the state;

2985 (b) if the machinery, equipment, normal operating repair or replacement parts,  
2986 catalysts, chemicals, reagents, solutions, or supplies are used or consumed in:

2987 (i) the production process to produce gasoline or diesel fuel, or at which blendstock is  
2988 added to gasoline or diesel fuel;

2989 (ii) research and development;

2990 (iii) transporting, storing, or managing raw materials, work in process, finished  
2991 products, and waste materials produced from refining gasoline or diesel fuel, or adding  
2992 blendstock to gasoline or diesel fuel;

2993 (iv) developing or maintaining a road, tunnel, excavation, or similar feature used in  
2994 refining; or

2995 (v) preventing, controlling, or reducing pollutants from refining; and

2996 (c) if the person holds a valid refiner tax exemption certification as defined in Section  
2997 79-6-701;

2998 (87) amounts paid to or charged by a proprietor for accommodations and services, as  
2999 defined in Section 63H-1-205, if the proprietor is subject to the MIDA accommodations tax  
3000 imposed under Section 63H-1-205;

3001 (88) amounts paid or charged for a purchase or lease of machinery, equipment, normal

3002 operating repair or replacement parts, or materials, except for office equipment or office  
3003 supplies, by an establishment, as the commission defines that term in accordance with Title  
3004 63G, Chapter 3, Utah Administrative Rulemaking Act, that:

3005 (a) is described in NAICS Code 621511, Medical Laboratories, of the 2017 North  
3006 American Industry Classification System of the federal Executive Office of the President,  
3007 Office of Management and Budget;

3008 (b) is located in this state; and

3009 (c) uses the machinery, equipment, normal operating repair or replacement parts, or  
3010 materials in the operation of the establishment;

3011 (89) amounts paid or charged for an item exempt under Section [59-12-104.10](#);

3012 (90) sales of a note, leaf, foil, or film, if the item:

3013 (a) is used as currency;

3014 (b) does not constitute legal tender of a state, the United States, or a foreign nation; and

3015 (c) has a gold, silver, or platinum metallic content of 50% or more, exclusive of any  
3016 transparent polymer holder, coating, or encasement;

3017 (91) amounts paid or charged for admission to an indoor skydiving, rock climbing, or  
3018 surfing facility, if a trained instructor:

3019 (a) is present with the participant, in person or by video, for the duration of the activity;  
3020 and

3021 (b) actively instructs the participant, including providing observation or feedback;

3022 (92) amounts paid or charged in connection with the construction, operation,  
3023 maintenance, repair, or replacement of facilities owned by or constructed for:

3024 (a) a distribution electrical cooperative, as defined in Section [54-2-1](#); or

3025 (b) a wholesale electrical cooperative, as defined in Section [54-2-1](#);

3026 (93) amounts paid by the service provider for tangible personal property, other than  
3027 machinery, equipment, parts, office supplies, electricity, gas, heat, steam, or other fuels, that:

3028 (a) is consumed in the performance of a service that is subject to tax under Subsection  
3029 [59-12-103\(1\)\(b\)](#), (f), (g), (h), (i), or (j);

3030 (b) has to be consumed for the service provider to provide the service described in  
3031 Subsection (93)(a); and

3032 (c) will be consumed in the performance of the service described in Subsection (93)(a),

3033 to one or more customers, to the point that the tangible personal property disappears or cannot  
3034 be used for any other purpose;

3035 (94) sales of rail rolling stock manufactured in Utah; [~~and~~]

3036 (95) amounts paid or charged for sales of sand, gravel, rock aggregate, cement  
3037 products, or construction materials between establishments, as the commission defines that  
3038 term in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if:

3039 (a) the establishments are related directly or indirectly through 100% common  
3040 ownership or control; and

3041 (b) each establishment is described in one of the following subsectors of the 2022  
3042 North American Industry Classification System of the federal Executive Office of the  
3043 President, Office of Management and Budget:

3044 (i) NAICS Subsector 237, Heavy and Civil Engineering Construction; or

3045 (ii) NAICS Subsector 327, Nonmetallic Mineral Product Manufacturing[-]; and

3046 (96) sales of construction materials used for the construction of a qualified stadium, as  
3047 defined in Section 11-70-101.

3048 Section 52. Section **59-12-352** is amended to read:

3049 **59-12-352. Authority to impose a transient room tax -- Purposes for which**  
3050 **revenues may be used.**

3051 (1) (a) Except as provided in Subsection (5), the governing body of a municipality may  
3052 impose a tax of not to exceed 1% on charges for the accommodations and services described in  
3053 Subsection 59-12-103(1)(i).

3054 (b) Subject to Section 63H-1-203, the military installation development authority  
3055 created in Section 63H-1-201 may impose a tax under this section for accommodations and  
3056 services described in Subsection 59-12-103(1)(i) within a project area described in a project  
3057 area plan adopted by the authority under Title 63H, Chapter 1, Military Installation  
3058 Development Authority Act, as though the authority were a municipality.

3059 (c) The Utah Fairpark Area Investment and Restoration District, created in Section  
3060 11-70-201, may impose a tax under this section for accommodations and services described in  
3061 Subsection 59-12-103(1)(i) within a project area described in a project area plan adopted by the  
3062 Utah Fairpark Area Investment and Restoration District to the same extent and in the same  
3063 manner as a municipality may impose a tax under this section.

3064 (2) Subject to the limitations of Subsection (1), a governing body of a municipality  
3065 may, by ordinance, increase or decrease the tax under this part.

3066 (3) A governing body of a municipality shall regulate the tax under this part by  
3067 ordinance.

3068 (4) A municipality may use revenues generated by the tax under this part for general  
3069 fund purposes.

3070 (5) (a) A municipality may not impose a tax under this section for accommodations and  
3071 services described in Subsection 59-12-103(1)(i) within a project area described in a project  
3072 area plan adopted by:

3073 (i) the military installation development authority under Title 63H, Chapter 1, Military  
3074 Installation Development Authority Act[-]; or

3075 (ii) the Utah Fairpark Area Investment and Restoration District under Title 11, Chapter  
3076 70, Utah Fairpark Area Investment and Restoration District.

3077 (b) Subsection (5)(a) does not apply to the military installation development authority's  
3078 imposition of a tax under this section.

3079 (6) (a) As used in this Subsection (6):

3080 (i) "Authority" means the Point of the Mountain State Land Authority, created in  
3081 Section 11-59-201.

3082 (ii) "Authority board" means the board referred to in Section 11-59-301.

3083 (b) The authority may, by a resolution adopted by the authority board, impose a tax of  
3084 not to exceed 5% on charges for the accommodations and services described in Subsection  
3085 59-12-103(1)(i) for transactions that occur on point of the mountain state land, as defined in  
3086 Section 11-59-102.

3087 (c) The authority board, by resolution, shall regulate the tax under this Subsection (6).

3088 (d) The authority shall use all revenue from a tax imposed under this Subsection (6) to  
3089 provide affordable housing, consistent with the manner that a community reinvestment agency  
3090 uses funds for affordable housing under Section 17C-1-412.

3091 (e) A tax under this Subsection (6) is in addition to any other tax that may be imposed  
3092 under this part.

3093 Section 53. Section 59-12-354 is amended to read:

3094 **59-12-354. Collection of tax -- Administrative charge.**

3095 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part  
3096 shall be administered, collected, and enforced in accordance with:

3097 (a) the same procedures used to administer, collect, and enforce the tax under:

3098 (i) Part 1, Tax Collection; or

3099 (ii) Part 2, Local Sales and Use Tax Act; and

3100 (b) Chapter 1, General Taxation Policies.

3101 (2) (a) The location of a transaction shall be determined in accordance with Sections  
3102 [59-12-211](#) through [59-12-215](#).

3103 (b) ~~[The]~~ Except as provided in Subsection (2)(c), the commission[:]

3104 ~~[(i) except as provided in Subsection (2)(b)(ii);]~~ shall distribute the revenue collected  
3105 from the tax to:

3106 ~~[(A)]~~ (i) (A) the municipality within which the revenue was collected, for a tax  
3107 imposed under this part by a municipality; ~~[and]~~ or

3108 (B) the Utah Fairpark Area Investment and Restoration District, for a tax imposed  
3109 under this part by the Utah Fairpark Area Investment and Restoration District; and

3110 ~~[(B)]~~ (ii) the Point of the Mountain State Land Authority, for a tax imposed under  
3111 Subsection [59-12-352\(6\)](#); ~~and~~].

3112 ~~[(i)]~~ (c) The commission shall retain and deposit an administrative charge in  
3113 accordance with Section [59-1-306](#) from the revenue the commission collects from a tax under  
3114 this part.

3115 (3) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or  
3116 Subsections [59-12-205\(2\)](#) through (5).

3117 Section 54. Section **59-12-401** is amended to read:

3118 **59-12-401. Resort communities tax authority for cities, towns, and military**  
3119 **installation development authority -- Base -- Rate -- Collection fees.**

3120 (1) (a) In addition to other sales and use taxes, a city or town in which the transient  
3121 room capacity as defined in Section [59-12-405](#) is greater than or equal to 66% of the  
3122 municipality's permanent census population may impose a sales and use tax of up to 1.1% on  
3123 the transactions described in Subsection [59-12-103\(1\)](#) located within the city or town.

3124 (b) Notwithstanding Subsection (1)(a), a city or town may not impose a tax under this  
3125 section on:

3126 (i) (A) the sale of[:] a motor vehicle, an aircraft, a watercraft, a modular home, a  
3127 manufactured home, or a mobile home;

3128 [~~(A) a motor vehicle;~~]

3129 [~~(B) an aircraft;~~]

3130 [~~(C) a watercraft;~~]

3131 [~~(D) a modular home;~~]

3132 [~~(E) a manufactured home; or]~~

3133 [~~(F) a mobile home;~~]

3134 [(ii)] (B) the sales and uses described in Section 59-12-104 to the extent the sales and  
3135 uses are exempt from taxation under Section 59-12-104; and

3136 [(iii)] (C) except as provided in Subsection (1)(d), amounts paid or charged for food  
3137 and food ingredients[:]; or

3138 (ii) transactions that occur in a fairpark district project area, as defined in Subsection  
3139 (4), if the fairpark district, as defined in Subsection (4), has imposed a tax under Subsection  
3140 (4).

3141 (c) For purposes of this Subsection (1), the location of a transaction shall be  
3142 determined in accordance with Sections 59-12-211 through 59-12-215.

3143 (d) A city or town imposing a tax under this section shall impose the tax on the  
3144 purchase price or the sales price for amounts paid or charged for food and food ingredients if  
3145 the food and food ingredients are sold as part of a bundled transaction attributable to food and  
3146 food ingredients and tangible personal property other than food and food ingredients.

3147 (2) (a) An amount equal to the total of any costs incurred by the state in connection  
3148 with the implementation of Subsection (1) which exceed, in any year, the revenues received by  
3149 the state from its collection fees received in connection with the implementation of Subsection  
3150 (1) shall be paid over to the state General Fund by the cities and towns which impose the tax  
3151 provided for in Subsection (1).

3152 (b) Amounts paid under Subsection (2)(a) shall be allocated proportionally among  
3153 those cities and towns according to the amount of revenue the respective cities and towns  
3154 generate in that year through imposition of that tax.

3155 (3) (a) Subject to Section 63H-1-203, the military installation development authority  
3156 created in Section 63H-1-201 may impose a tax under this section on the transactions described

3157 in Subsection [59-12-103](#)(1) located within a project area described in a project area plan  
3158 adopted by the authority under Title 63H, Chapter 1, Military Installation Development  
3159 Authority Act, as though the authority were a city or a town.

3160 (b) For purposes of calculating the permanent census population within a project area,  
3161 the board, as defined in Section [63H-1-102](#), shall:

3162 (i) use the actual number of permanent residents within the project area as determined  
3163 by the board;

3164 (ii) include in the calculation of transient room capacity the number, as determined by  
3165 the board, of approved high-occupancy lodging units, recreational lodging units, special  
3166 lodging units, and standard lodging units, even if the units are not constructed;

3167 (iii) adopt a resolution verifying the population number; and

3168 (iv) provide the commission any information required in Section [59-12-405](#).

3169 (c) Notwithstanding Subsection (1)(a), a board as defined in Section [63H-1-102](#) may  
3170 impose the sales and use tax under this section if there are no permanent residents.

3171 (4) (a) As used in this Subsection (4):

3172 (i) "Fairpark district" means the Utah Fairpark Area Investment and Restoration  
3173 District, created in Section [11-70-201](#).

3174 (ii) "Fairpark district board" means the board of the fairpark district.

3175 (iii) "Fairpark district project area" means a project area as defined in Section  
3176 [11-70-101](#).

3177 (b) The fairpark district, by resolution of the fairpark district board, may impose a tax  
3178 under this section on transactions described in Subsection [59-12-103](#)(1) located within a  
3179 fairpark district project area, as though the fairpark district were a city or town.

3180 (c) For purposes of calculating the permanent census population within a fairpark  
3181 district project area, the fairpark district board shall:

3182 (i) use the actual number of permanent residents within the fairpark district project area  
3183 as determined by the fairpark district board;

3184 (ii) include in the calculation of transient room capacity the number, as determined by  
3185 the fairpark district board, of approved high-occupancy lodging units, recreational lodging  
3186 units, special lodging units, and standard lodging units, even if the units are not constructed;

3187 (iii) adopt a resolution verifying the population number; and

3188 (iv) provide the commission any information required in Section 59-12-405.  
 3189 (d) Notwithstanding Subsection (1)(a), the fairpark district may impose the sales and  
 3190 use tax under this section if there are no permanent residents within the fairpark district project  
 3191 area.

3192 Section 55. Section 59-12-402 is amended to read:

3193 **59-12-402. Additional resort communities sales and use tax -- Base -- Rate --**  
 3194 **Collection fees -- Resolution and voter approval requirements -- Election requirements --**  
 3195 **Notice requirements -- Ordinance requirements -- Prohibition of military installation**  
 3196 **development authority imposition of tax.**

3197 (1) (a) Subject to Subsections (2) through (6), the governing body of a municipality in  
 3198 which the transient room capacity as defined in Section 59-12-405 is greater than or equal to  
 3199 66% of the municipality's permanent census population may, in addition to the sales tax  
 3200 authorized under Section 59-12-401, impose an additional resort communities sales tax in an  
 3201 amount that is less than or equal to .5% on the transactions described in Subsection  
 3202 59-12-103(1) located within the municipality.

3203 (b) Notwithstanding Subsection (1)(a), the governing body of a municipality may not  
 3204 impose a tax under this section on:

3205 (i) (A) the sale of[?] a motor vehicle, an aircraft, a watercraft, a modular home, a  
 3206 manufactured home, or a mobile home;

3207 [~~(A) a motor vehicle;~~]

3208 [~~(B) an aircraft;~~]

3209 [~~(C) a watercraft;~~]

3210 [~~(D) a modular home;~~]

3211 [~~(E) a manufactured home; or~~]

3212 [~~(F) a mobile home;~~]

3213 [(ii)] (B) the sales and uses described in Section 59-12-104 to the extent the sales and  
 3214 uses are exempt from taxation under Section 59-12-104; and

3215 [(iii)] (C) except as provided in Subsection (1)(d), amounts paid or charged for food  
 3216 and food ingredients[?]; or

3217 (ii) transactions that occur in a fairpark district project area, as defined in Subsection  
 3218 59-12-401(4), if the Utah Fairpark Area Investment and Restoration District, created in Section



3219 [11-70-201](#), has imposed a tax under Subsection (8).

3220 (c) For purposes of this Subsection (1), the location of a transaction shall be  
3221 determined in accordance with Sections [59-12-211](#) through [59-12-215](#).

3222 (d) A municipality imposing a tax under this section shall impose the tax on the  
3223 purchase price or sales price for amounts paid or charged for food and food ingredients if the  
3224 food and food ingredients are sold as part of a bundled transaction attributable to food and food  
3225 ingredients and tangible personal property other than food and food ingredients.

3226 (2) (a) An amount equal to the total of any costs incurred by the state in connection  
3227 with the implementation of Subsection (1) which exceed, in any year, the revenues received by  
3228 the state from its collection fees received in connection with the implementation of Subsection  
3229 (1) shall be paid over to the state General Fund by the cities and towns which impose the tax  
3230 provided for in Subsection (1).

3231 (b) Amounts paid under Subsection (2)(a) shall be allocated proportionally among  
3232 those cities and towns according to the amount of revenue the respective cities and towns  
3233 generate in that year through imposition of that tax.

3234 (3) To impose an additional resort communities sales tax under this section, the  
3235 governing body of the municipality shall:

3236 (a) pass a resolution approving the tax; and

3237 (b) except as provided in Subsection (6), obtain voter approval for the tax as provided  
3238 in Subsection (4).

3239 (4) To obtain voter approval for an additional resort communities sales tax under  
3240 Subsection (3)(b), a municipality shall:

3241 (a) hold the additional resort communities sales tax election during:

3242 (i) a regular general election; or

3243 (ii) a municipal general election; and

3244 (b) post notice of the election for the municipality, as a class A notice under Section  
3245 [63G-30-102](#), for at least 15 days before the day on which the election is held.

3246 (5) An ordinance approving an additional resort communities sales tax under this  
3247 section shall provide an effective date for the tax as provided in Section [59-12-403](#).

3248 (6) (a) Except as provided in Subsection (6)(b), a municipality is not subject to the  
3249 voter approval requirements of Subsection (3)(b) if, on or before January 1, 1996, the

3250 municipality imposed a license fee or tax on businesses based on gross receipts pursuant to  
3251 Section [10-1-203](#).

3252 (b) The exception from the voter approval requirements in Subsection (6)(a) does not  
3253 apply to a municipality that, on or before January 1, 1996, imposed a license fee or tax on only  
3254 one class of businesses based on gross receipts pursuant to Section [10-1-203](#).

3255 (7) A military installation development authority authorized to impose a resort  
3256 communities tax under Section [59-12-401](#) may not impose an additional resort communities  
3257 sales tax under this section.

3258 (8) The Utah Fairpark Area Investment and Restoration District, created in Section  
3259 [11-70-201](#), may impose an additional resort communities tax under this section on transactions  
3260 that occur within a fairpark district project area, as defined in Subsection [59-12-401](#)(4).

3261 Section 56. Section [59-12-1201](#) is amended to read:

3262 **[59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,](#)**  
3263 **[collection, and enforcement of tax -- Administrative charge -- Deposits.](#)**

3264 (1) (a) (i) Except as provided in Subsections (3) and (4), there is imposed a tax of 2.5%  
3265 on all short-term leases and rentals of motor vehicles not exceeding 30 days.

3266 (ii) (A) In addition to the tax imposed under Subsection (1)(a)(i), beginning the first  
3267 day of the calendar quarter that begins 90 days after the board of the Utah Fairpark Area  
3268 Investment and Restoration District, created in Section [11-70-201](#), delivers to the commission  
3269 the certificate described in Subsection (1)(a)(ii)(B), there is imposed a tax of 1.5% on all  
3270 short-term leases and rentals of motor vehicles not exceeding 30 days.

3271 (B) After the franchise agreement date, as defined in Section [11-70-101](#), the board of  
3272 the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#), shall  
3273 deliver to the commission a certificate verifying the execution of a franchise agreement, as  
3274 defined in Section [11-70-101](#), and providing the franchise agreement date, as defined in  
3275 Section [11-70-101](#).

3276 (C) A tax under this Subsection (1)(a)(ii) is imposed only if the franchise agreement  
3277 date, as defined in Section [11-70-101](#), is on or before June 30, 2032.

3278 (b) The tax imposed in this section is in addition to all other state, county, or municipal  
3279 fees and taxes imposed on rentals of motor vehicles.

3280 (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax

3281 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

3282 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall  
3283 take effect on the first day of the first billing period:

3284 (A) that begins after the effective date of the tax rate increase; and

3285 (B) if the billing period for the transaction begins before the effective date of a tax rate  
3286 increase imposed under Subsection (1).

3287 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax  
3288 rate decrease shall take effect on the first day of the last billing period:

3289 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
3290 and

3291 (B) if the billing period for the transaction begins before the effective date of the repeal  
3292 of the tax or the tax rate decrease imposed under Subsection (1).

3293 (3) Beginning on July 1, 2023, a tax imposed under Subsection (1) applies at the same  
3294 rate to car sharing, except for:

3295 (a) car sharing for the purpose of temporarily replacing a person's motor vehicle that is  
3296 being repaired pursuant to a repair or an insurance agreement; and

3297 (b) car sharing for more than 30 days.

3298 (4) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

3299 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

3300 (b) the motor vehicle is rented as a personal household goods moving van; or

3301 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily  
3302 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an  
3303 insurance agreement.

3304 (5) (a) (i) The tax authorized under this section shall be administered, collected, and  
3305 enforced in accordance with:

3306 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,  
3307 Tax Collection; and

3308 (B) Chapter 1, General Taxation Policies.

3309 (ii) Notwithstanding Subsection (5)(a)(i), a tax under this part is not subject to  
3310 [59-12-103](#)(4) through (9) or Section [59-12-107.1](#) or [59-12-123](#).

3311 (b) The commission shall retain and deposit an administrative charge in accordance

3312 with Section [59-1-306](#) from the revenues the commission collects from a tax under this part.

3313 (c) Except as provided under [~~Subsection (5)(b)~~] Subsections (5)(b) and (d), all  
3314 revenue received by the commission under this section shall be deposited daily with the state  
3315 treasurer and credited monthly to the Marda Dillree Corridor Preservation Fund under Section  
3316 [72-2-117](#).

3317 (d) All revenue received by the commission under Subsection (1)(a)(ii) shall be paid to  
3318 the Utah Fairpark Area Investment and Restoration District, created in Section [11-70-201](#).

3319 Section 57. Section **59-28-103** is amended to read:

3320 **59-28-103. Imposition -- Rate -- Revenue distribution.**

3321 (1) As used in this section:

3322 (a) "Fairpark district board" means the board of the Utah Fairpark Area Investment and  
3323 Restoration District, created in Section [11-70-201](#).

3324 (b) "Franchise agreement" means the same as that term is defined in Section  
3325 [11-70-101](#).

3326 (c) "Franchise agreement date" means the same as that term is defined in Section  
3327 [11-70-101](#).

3328 (d) "Transition date" means the first day of the calendar quarter that begins at least 90  
3329 days after the fairpark district board delivers to the commission the certificate described in  
3330 Subsection (2)(b)(ii).

3331 (2) (a) Subject to the other provisions of this chapter, the state shall impose a tax on the  
3332 transactions described in Subsection [59-12-103\(1\)\(i\)](#) at a rate of .32%.

3333 [~~(2) The tax imposed under this chapter is in addition to any other taxes imposed on the~~  
3334 ~~transactions described in Subsection [59-12-103\(1\)\(i\)](#).]~~

3335 [~~(3)(a)(i)~~] (b) (i) (A) Subject to Subsection [~~(3)(a)(ii)~~] (2)(b)(i)(B), the commission  
3336 shall deposit 6% of the revenue the state collects from the tax under this chapter into the  
3337 Hospitality and Tourism Management Education Account created in Section [53F-9-501](#) to fund  
3338 the Hospitality and Tourism Management Career and Technical Education Pilot Program  
3339 created in Section [53E-3-515](#).

3340 [~~(ii)~~] (B) The commission may not deposit more than \$300,000 into the Hospitality and  
3341 Tourism Management Education Account under Subsection [~~(3)(a)(i)~~] (2)(b)(i)(A) in a fiscal  
3342 year.

3343            ~~(b)~~ (ii) Except for the amount deposited into the Hospitality and Tourism  
3344 Management Education Account under Subsection ~~(3)(a)~~ (2)(b)(i)(A) and the administrative  
3345 charge retained under Subsection 59-28-104(4), the commission shall deposit any revenue the  
3346 state collects from the tax under ~~this chapter~~ Subsection (2)(a) into the Outdoor Recreation  
3347 Infrastructure Account created in Section 79-8-106 to fund the Outdoor Recreational  
3348 Infrastructure Grant Program created in Section 79-8-401 and the Recreation Restoration  
3349 Infrastructure Grant Program created in Section 79-8-202.

3350            (c) The tax imposed under Subsection (2)(a) is in addition to the taxes imposed under  
3351 Subsections (3)(a) and (4)(a).

3352            (3) (a) Beginning on the transition date and subject to Subsection (3)(c), there is  
3353 imposed a tax on charges within the state for accommodations and services described in  
3354 Subsection 59-12-103(1)(i) at the rate of 1.5%.

3355            (b) After the franchise agreement date, the fairpark district board shall deliver to the  
3356 commission a certificate:

3357            (i) verifying the execution of a franchise agreement; and

3358            (ii) providing the franchise agreement date.

3359            (c) A tax under Subsection (3)(a) is imposed only if the franchise agreement date is on  
3360 or before June 30, 2032.

3361            (d) Subject to Section 59-28-104, the commission shall distribute revenue collected  
3362 under Subsection (3)(a) to the Utah Fairpark Area Investment and Restoration District, created  
3363 in Section 11-70-201.

3364            (e) A tax under Subsection (3)(a) does not apply to charges for accommodations and  
3365 services described in Subsection 59-12-103(1)(i) that result from a contract under which a  
3366 person is obligated for 20 or more room nights.

3367            (f) A tax under Subsection (3)(a) is in addition to the taxes imposed under Subsections  
3368 (2)(a) and (4)(a).

3369            (4) (a) Beginning July 1, 2024, there is imposed a tax on charges within the state for  
3370 accommodations and services described in Subsection 59-12-103(1)(i) at the rate of .1%.

3371            (b) Subject to Section 59-28-104, the commission shall distribute the revenue collected  
3372 under Subsection (4)(a) to counties of the fourth, fifth, and sixth class in proportion to the  
3373 relative population of those counties, to be used only to pay for emergency medical services

3374 and search and rescue activities.

3375 (c) A tax under Subsection (4)(a) is in addition to the taxes imposed under Subsections  
3376 (2)(a) and (3)(a).

3377 (5) The taxes imposed under this chapter are in addition to any other taxes imposed on  
3378 the transactions described in Subsection 59-12-103(1)(i).

3379 Section 58. Section **63A-3-401.5** is amended to read:

3380 **63A-3-401.5. Definitions.**

3381 As used in this part:

3382 (1) "Borrower" means a person who borrows money from an infrastructure fund for an  
3383 infrastructure project.

3384 (2) "Fairpark district development fund" means the infrastructure fund created in  
3385 Subsection 63A-3-402(1)(c).

3386 [~~2~~] (3) "Independent political subdivision" means:

3387 (a) the Utah Inland Port Authority created in Section 11-58-201;

3388 (b) the Point of the Mountain State Land Authority created in Section 11-59-201; [~~or~~]

3389 (c) the Utah Fairpark Area Investment and Restoration District created in Section  
3390 11-70-201; or

3391 [~~e~~] (d) the Military Installation Development Authority created in Section 63H-1-201.

3392 [~~3~~] (4) "Infrastructure fund" means a fund created in Subsection 63A-3-402(1).

3393 [~~4~~] (5) "Infrastructure loan" means a loan of infrastructure fund money to finance an  
3394 infrastructure project.

3395 [~~5~~] (6) "Infrastructure project" means a project to acquire, construct, reconstruct,  
3396 rehabilitate, equip, or improve public infrastructure and improvements:

3397 (a) within a project area; or

3398 (b) outside a project area, if the respective loan approval body determines by resolution  
3399 that the public infrastructure and improvements are of benefit to the project area.

3400 [~~6~~] (7) "Inland port" means the same as that term is defined in Section 11-58-102.

3401 [~~7~~] (8) "Inland port fund" means the infrastructure fund created in Subsection  
3402 63A-3-402(1)(a).

3403 [~~8~~] (9) "Military development fund" means the infrastructure fund created in  
3404 Subsection [~~63A-3-402(1)(e)~~] 63A-3-402(1)(d).

3405           ~~[(9)]~~ (10) "Point of the mountain fund" means the infrastructure fund created in  
 3406 Subsection 63A-3-402(1)(b).

3407           ~~[(10)]~~ (11) "Project area" means:

3408           (a) the same as that term is defined in Section 11-58-102, for purposes of an  
 3409 infrastructure loan from the inland port fund;

3410           (b) the point of the mountain state land, as defined in Section 11-59-102, for purposes  
 3411 of an infrastructure loan from the point of the mountain fund; ~~[and]~~

3412           (c) the same as that term is defined in Section 11-70-101, for purposes of an  
 3413 infrastructure loan from the fairpark district development fund; or

3414           ~~[(e)]~~ (d) the same as that term is defined in Section 63H-1-102, for purposes of an  
 3415 infrastructure loan from the military development fund.

3416           ~~[(11)]~~ (12) "Property tax revenue" means:

3417           (a) property tax differential, as defined in Section 11-58-102, for purposes of an  
 3418 infrastructure loan from the inland port fund; ~~[or]~~

3419           (b) enhanced property tax revenue, as defined in Section 11-70-101, for purposes of an  
 3420 infrastructure loan from the fairpark district development fund; or

3421           ~~[(b)]~~ (c) property tax allocation, as defined in Section 63H-1-102, for purposes of an  
 3422 infrastructure loan from the military development fund.

3423           ~~[(12)]~~ (13) "Public infrastructure and improvements" means:

3424           (a) ~~[means]~~ the same as that term is defined in Section 11-58-102, for purposes of an  
 3425 infrastructure loan from the inland port fund;

3426           (b) ~~[means]~~ publicly owned infrastructure and improvements, as defined in Section  
 3427 11-59-102, for purposes of an infrastructure loan from the point of the mountain fund; ~~[and]~~

3428           (c) the same as that term is defined in Section 11-70-101, for purposes of an  
 3429 infrastructure loan from the fairpark district development fund; or

3430           ~~[(e)]~~ (d) ~~[means]~~ the same as that term is defined in Section 63H-1-102, for purposes of  
 3431 an infrastructure loan from the military development fund.

3432           ~~[(13)]~~ (14) "Respective loan approval body" means:

3433           (a) the board created in Section 11-58-301, for purposes of an infrastructure loan from  
 3434 the inland port fund;

3435           (b) the board created in Section 11-59-301, for purposes of an infrastructure loan from

3436 the point of the mountain fund; [~~and~~]

3437 (c) the board created in Section [11-70-301](#), for purposes of an infrastructure loan from  
3438 the fairpark area development fund; or

3439 [~~(c)~~] (d) the committee created in Section [63H-1-104](#), for purposes of an infrastructure  
3440 loan from the military development fund.

3441 Section 59. Section **63A-3-402** is amended to read:

3442 **63A-3-402. Infrastructure funds established -- Purpose of funds -- Use of money**  
3443 **in funds.**

3444 (1) There are created, as enterprise revolving loan funds:

3445 (a) the inland port infrastructure revolving loan fund;

3446 (b) the point of the mountain infrastructure revolving loan fund; [~~and~~]

3447 (c) the fairpark area development revolving loan fund; and

3448 [~~(c)~~] (d) the military development infrastructure revolving loan fund.

3449 (2) The purpose of each infrastructure fund is to provide funding, through  
3450 infrastructure loans, for infrastructure projects undertaken by a borrower.

3451 (3) (a) Money in an infrastructure fund may be used only to provide loans for  
3452 infrastructure projects.

3453 (b) The division may not loan money in an infrastructure fund without the approval of:

3454 (i) the respective loan approval body; and

3455 (ii) the Executive Appropriations Committee of the Legislature, for a loan from the  
3456 inland port fund [~~or~~], the point of the mountain fund, or the fairpark area development fund.

3457 Section 60. Section **63A-5b-902** is amended to read:

3458 **63A-5b-902. Application of part.**

3459 (1) The provisions of this part, other than this section, do not apply to:

3460 (a) a conveyance, lease, or disposal under Subsection [63A-5b-303\(1\)\(a\)\(viii\)](#);

3461 (b) the division's disposal or lease of division-owned property with a value under  
3462 \$500,000, as estimated by the division;

3463 (c) a conveyance, lease, or disposal of division-owned property in connection with:

3464 (i) the establishment of a state store, as defined in Section [32B-1-102](#); or

3465 (ii) the construction of student housing; [~~or~~]

3466 (d) a conveyance, lease, or disposal of any part of the point of the mountain state land,



3467 as defined in Section [11-59-102](#), by the Point of the Mountain State Land Authority created in  
3468 Section [11-59-201](#)~~[-]~~; or

3469 (e) a conveyance, lease, or disposal of any state-owned land, as defined in Section  
3470 [11-70-101](#), by the Utah Fairpark Area Investment and Restoration District, created in Section  
3471 [11-70-201](#).

3472 (2) Nothing in Subsection (1)(b) or (c) may be construed to diminish or eliminate the  
3473 division's responsibility to manage division-owned property in the best interests of the state.

3474 Section 61. Section **63C-25-101** is amended to read:

3475 **63C-25-101. Definitions.**

3476 As used in this chapter:

3477 (1) "Authority" means the same as that term is defined in Section [63B-1-303](#).

3478 (2) "Bond" means the same as that term is defined in Section [63B-1-101](#).

3479 (3) (a) "Bonding government entity" means the state or any entity that is authorized to  
3480 issue bonds under any provision of state law.

3481 (b) "Bonding government entity" includes:

3482 (i) a bonding political subdivision; and

3483 (ii) a public infrastructure district that is authorized to issue bonds either directly, or  
3484 through the authority of a bonding political subdivision or other governmental entity.

3485 (4) "Bonding political subdivision" means:

3486 (a) the Utah Inland Port Authority, created in Section [11-58-201](#);

3487 (b) the Military Installation Development Authority, created in Section [63H-1-201](#);

3488 (c) the Point of the Mountain State Land Authority, created in Section [11-59-201](#);

3489 (d) the Utah Lake Authority, created in Section [11-65-201](#); ~~[or]~~

3490 (e) the State Fair Park Authority, created in Section [11-68-201](#)~~[-]~~; or

3491 (f) the Utah Fairpark Area Investment and Restoration District, created in Section  
3492 [11-70-201](#).

3493 (5) "Commission" means the State Finance Review Commission created in Section  
3494 [63C-25-201](#).

3495 (6) "Concessionaire" means a person who:

3496 (a) operates, finances, maintains, or constructs a government facility under a contract  
3497 with a bonding political subdivision; and

- 3498 (b) is not a bonding government entity.
- 3499 (7) "Concessionaire contract" means a contract:
- 3500 (a) between a bonding government entity and a concessionaire for the operation,
- 3501 finance, maintenance, or construction of a government facility;
- 3502 (b) that authorizes the concessionaire to operate the government facility for a term of
- 3503 five years or longer, including any extension of the contract; and
- 3504 (c) in which all or some of the annual source of payment to the concessionaire comes
- 3505 from state funds provided to the bonding government entity.
- 3506 (8) "Creating entity" means the same as that term is defined in Section [17D-4-102](#).
- 3507 (9) "Government facility" means infrastructure, improvements, or a building that:
- 3508 (a) costs more than \$5,000,000 to construct; and
- 3509 (b) has a useful life greater than five years.
- 3510 (10) "Large public transit district" means the same as that term is defined in Section
- 3511 [17B-2a-802](#).
- 3512 (11) "Loan entity" means the board, person, unit, or agency with legal responsibility for
- 3513 making a loan from a revolving loan fund.
- 3514 (12) "Obligation" means the same as that term is defined in Section [63B-1-303](#).
- 3515 (13) "Parameters resolution" means a resolution of a bonding government entity that
- 3516 sets forth for proposed bonds:
- 3517 (a) the maximum:
- 3518 (i) amount of bonds;
- 3519 (ii) term; and
- 3520 (iii) interest rate; and
- 3521 (b) the expected security for the bonds.
- 3522 (14) "Public infrastructure district" means a public infrastructure district created under
- 3523 Title 17D, Chapter 4, Public Infrastructure District Act.
- 3524 (15) "Revolving loan fund" means:
- 3525 (a) the Water Resources Conservation and Development Fund, created in Section
- 3526 [73-10-24](#);
- 3527 (b) the Water Resources Construction Fund, created in Section [73-10-8](#);
- 3528 (c) the Water Resources Cities Water Loan Fund, created in Section [73-10-22](#);

- 3529 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean  
 3530 Fuels and Emission Reduction Technology Program Act;
- 3531 (e) the Water Development Security Fund and its subaccounts, created in Section  
 3532 [73-10c-5](#);
- 3533 (f) the Agriculture Resource Development Fund, created in Section [4-18-106](#);
- 3534 (g) the Utah Rural Rehabilitation Fund, created in Section [4-19-105](#);
- 3535 (h) the Permanent Community Impact Fund, created in Section [35A-8-303](#);
- 3536 (i) the Petroleum Storage Tank Fund, created in Section [19-6-409](#);
- 3537 (j) the School Building Revolving Account, created in Section [53F-9-206](#);
- 3538 (k) the State Infrastructure Bank Fund, created in Section [72-2-202](#);
- 3539 (l) the Uintah Basin Revitalization Fund, created in Section [35A-8-1602](#);
- 3540 (m) the Navajo Revitalization Fund, created in Section [35A-8-1704](#);
- 3541 (n) the Energy Efficiency Fund, created in Section [11-45-201](#);
- 3542 (o) the Brownfields Fund, created in Section [19-8-120](#);
- 3543 (p) [~~the following~~] any of the enterprise revolving loan funds created in Section  
 3544 [63A-3-402](#)[~~:~~]; and
- 3545 [~~(i) the inland port infrastructure revolving loan fund;~~]
- 3546 [~~(ii) the point of the mountain infrastructure revolving loan fund; or~~]
- 3547 [~~(iii) the military development infrastructure revolving loan fund; and~~]
- 3548 (q) any other revolving loan fund created in statute where the borrower from the  
 3549 revolving loan fund is a public non-profit entity or political subdivision, including a fund listed  
 3550 in Section [63A-3-205](#), from which a loan entity is authorized to make a loan.
- 3551 (16) (a) "State funds" means an appropriation by the Legislature identified as coming  
 3552 from the General Fund or Education Fund.
- 3553 (b) "State funds" does not include:
- 3554 (i) a revolving loan fund; or
- 3555 (ii) revenues received by a bonding political subdivision from:
- 3556 (A) a tax levied by the bonding political subdivision;
- 3557 (B) a fee assessed by the bonding political subdivision; or
- 3558 (C) operation of the bonding political subdivision's government facility.
- 3559 Section 62. Section [63C-25-202](#) is amended to read:

3560           **63C-25-202. Powers and duties.**

3561           (1) The commission shall annually review a report provided in accordance with Section  
3562 [63B-1-305](#) or [63B-1a-102](#).

3563           (2) (a) A loan entity other than a loan entity described in Subsection (2)(b) shall no  
3564 later than January 1 of each year submit information on each revolving loan fund from which  
3565 the loan entity made a loan in the previous fiscal year, including information identifying new  
3566 and ongoing loan recipients, the terms of each loan, loan repayment, and any other information  
3567 regarding a revolving loan fund requested by the commission.

3568           (b) If a loan entity is:

3569           (i) the Utah Inland Port Authority, the loan entity shall submit the information in  
3570 accordance with Section [11-58-106](#) and any other information regarding a revolving loan fund  
3571 requested by the commission;

3572           (ii) the Point of the Mountain State Land Authority, the loan entity shall submit the  
3573 information in accordance with Section [11-59-104](#) and any other information regarding a  
3574 revolving loan fund requested by the commission; [or]

3575           (iii) the Utah Fairpark Area Investment and Restoration District, the loan entity shall  
3576 submit the information in accordance with Section [11-70-104](#) and any other information  
3577 regarding a revolving loan fund requested by the commission; or

3578           [~~(iii)~~] (iv) the Military Installation Development Authority, the loan entity shall submit  
3579 the information in accordance with Section [63H-1-104](#) and any other information regarding a  
3580 revolving loan fund requested by the commission.

3581           (c) The commission may annually review and provide feedback for the following:

3582           (i) each loan entity for compliance with state law authorizing and regulating the  
3583 revolving loan fund, including, as applicable, Title 11, Chapter 14, Local Government Bonding  
3584 Act;

3585           (ii) each loan entity's revolving loan fund policies and practices, including policies and  
3586 practices for approving and setting the terms of a loan; and

3587           (iii) each borrower of funds from a revolving loan fund for accurate and timely  
3588 reporting by the borrower to the appropriate debt repository.

3589           (3) (a) The commission shall review and may approve a bond before a large public  
3590 transit district may issue a bond.

3591 (b) The commission may not approve issuance of a bond described in Subsection (3)(a)  
3592 unless the execution and terms of the bond comply with state law.

3593 (c) If, after review, the commission approves a bond described in Subsection (3)(a), the  
3594 large public transit district:

3595 (i) may not change before issuing the bond the terms of the bond that were reviewed by  
3596 the commission if the change is outside the approved parameters and intended purposes; and

3597 (ii) is under no obligation to issue the bond.

3598 (d) A member of the commission who approves a bond under Subsection (3)(a) or  
3599 reviews a parameters resolution under Subsection (4)(a) is not liable personally on the bond.

3600 (e) The approval of a bond under Subsection (3)(a) or review under Subsection (4)(a)  
3601 of a parameters resolution by the commission:

3602 (i) is not an obligation of the state; and

3603 (ii) is not an act that:

3604 (A) lends the state's credit; or

3605 (B) constitutes indebtedness within the meaning of any constitutional or statutory debt  
3606 limitation.

3607 (4) (a) The commission shall review and, at the commission's discretion, may make  
3608 recommendations regarding a parameters resolution before:

3609 (i) a bonding political subdivision may issue a bond; or

3610 (ii) a public infrastructure district may issue a bond, if the creating entity of the public  
3611 infrastructure district is a bonding political subdivision.

3612 (b) The commission shall conduct the review under Subsection (4)(a) and forward any  
3613 recommendations to the bonding political subdivision or public infrastructure district no later  
3614 than 45 days after the day on which the commission receives the bonding political subdivision's  
3615 or public infrastructure district's parameters resolution.

3616 (c) Notwithstanding Subsection (4)(a), if the commission fails to review a parameters  
3617 resolution or forward recommendations, if any, in the timeframe described in Subsection  
3618 (4)(b), the bonding political subdivision or public infrastructure district, respectively, may  
3619 proceed with the bond without review by the commission.

3620 (d) After review by the commission under Subsection (4)(a), the bonding political  
3621 subdivision or public infrastructure district:

3622 (i) shall consider recommendations by the commission; and  
3623 (ii) may proceed with the bond but is under no obligation to issue the bond.  
3624 (5) The commission shall provide training and other information on debt management,  
3625 lending and borrowing best practices, and compliance with state law to the authority, a bonding  
3626 political subdivision, a large public transit district, and a loan entity.  
3627 (6) (a) Before a bonding government entity may enter into a concessionaire contract,  
3628 the commission shall review and approve the concessionaire contract.  
3629 (b) If, after review, the commission approves the concessionaire contract, the bonding  
3630 government entity:  
3631 (i) may not change the terms of the concessionaire contract if the change is outside of:  
3632 (A) any applicable approved parameters of the concessionaire contract; or  
3633 (B) the intended purposes of the concessionaire contract; and  
3634 (ii) is under no obligation to enter into the concessionaire contract.  
3635 Section 63. **Repealer.**  
3636 This bill repeals:  
3637 Section **11-68-402, Privilege tax -- Personal property tax revenue -- Deposit into**  
3638 **Utah State Fair Fund.**  
3639 Section 64. **Effective date.**  
3640 This bill takes effect on May 1, 2024.