

Senator Jerry W Stevenson proposes the following substitute bill:

POINT OF THE MOUNTAIN STATE LAND AUTHORITY

AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W Stevenson

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions relating to the Point of the Mountain State Land Authority.

Highlighted Provisions:

This bill:

- ▶ modifies the definition of point of the mountain state land, for purposes of the Point of the Mountain State Land Authority Act;
- ▶ enacts provisions relating to bonds issued by the Authority;
- ▶ modifies provisions relating to limitations on Authority board members; and
- ▶ provides for a portion of sales tax revenue generated from point of the mountain state land to be paid to the Authority.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:



26 **11-59-102**, as last amended by Laws of Utah 2023, Chapters 16, 263
 27 **11-59-202**, as last amended by Laws of Utah 2023, Chapter 139
 28 **11-59-306**, as last amended by Laws of Utah 2022, Chapter 237
 29 **59-12-103 (Contingently Superseded 01/01/25)**, as last amended by Laws of Utah
 30 2023, Chapters 22, 213, 329, 361, and 471
 31 **59-12-103 (Contingently Effective 01/01/25)**, as last amended by Laws of Utah 2023,
 32 Chapters 22, 213, 329, 361, 459, and 471
 33 **63I-1-211**, as last amended by Laws of Utah 2020, Chapter 334

34 ENACTS:

35 **11-59-601**, Utah Code Annotated 1953
 36 **11-59-602**, Utah Code Annotated 1953
 37 **11-59-603**, Utah Code Annotated 1953
 38 **11-59-604**, Utah Code Annotated 1953
 39 **11-59-605**, Utah Code Annotated 1953
 40 **11-59-606**, Utah Code Annotated 1953

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

43 Section 1. Section **11-59-102** is amended to read:

44 **11-59-102. Definitions.**

45 As used in this chapter:

- 46 (1) "Authority" means the Point of the Mountain State Land Authority, created in
 47 Section **11-59-201**.
- 48 (2) "Board" means the authority's board, created in Section **11-59-301**.
- 49 (3) "Development":
 50 (a) means the construction, reconstruction, modification, expansion, or improvement of
 51 a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or
 52 other facility, including:
 53 (i) the demolition or preservation or repurposing of a building, infrastructure, or other
 54 facility;
 55 (ii) surveying, testing, locating existing utilities and other infrastructure, and other
 56 preliminary site work; and

- 57 (iii) any associated planning, design, engineering, and related activities; and
- 58 (b) includes all activities associated with:
 - 59 (i) marketing and business recruiting activities and efforts;
 - 60 (ii) leasing, or selling or otherwise disposing of, all or any part of the point of the
 - 61 mountain state land; and
 - 62 (iii) planning and funding for mass transit infrastructure to service the point of the
 - 63 mountain state land.
- 64 (4) "Facilities division" means the Division of Facilities Construction and
- 65 Management, created in Section [63A-5b-301](#).
- 66 (5) "New correctional facility" means the state correctional facility being developed in
- 67 Salt Lake City to replace the state correctional facility in Draper.
- 68 (6) "Point of the mountain state land" means:
 - 69 (a) the approximately 700 acres of state-owned land in Draper, including land used for
 - 70 the operation of a state correctional facility until completion of the new correctional facility and
 - 71 state-owned land in the vicinity of the current state correctional facility[-]; and
 - 72 (b) any land, in addition to the land described in Subsection (6)(a), that:
 - 73 (i) the authority acquires; and
 - 74 (ii) is contiguous to the land described in Subsection (6)(a).
- 75 (7) "Public entity" means:
 - 76 (a) the state, including each department, division, or other agency of the state; or
 - 77 (b) a county, city, town, metro township, school district, special district, special service
 - 78 district, interlocal cooperation entity, community reinvestment agency, or other political
 - 79 subdivision of the state, including the authority.
- 80 (8) "Publicly owned infrastructure and improvements":
 - 81 (a) means infrastructure, improvements, facilities, or buildings that:
 - 82 (i) benefit the public; and
 - 83 (ii) (A) are owned by a public entity or a utility; or
 - 84 (B) are publicly maintained or operated by a public entity; and
 - 85 (b) includes:
 - 86 (i) facilities, lines, or systems that provide:
 - 87 (A) water, chilled water, or steam; or

88 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,
89 microgrids, or telecommunications service;

90 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
91 facilities, and public transportation facilities; and

92 (iii) greenspace, parks, trails, recreational amenities, or other similar facilities.

93 (9) "Taxing entity" means the same as that term is defined in Section 59-2-102.

94 Section 2. Section 11-59-202 is amended to read:

95 **11-59-202. Authority powers.**

96 [(+)] The authority may:

97 [(a)] (1) as provided in this chapter, plan, manage, and implement the development of
98 the point of the mountain state land, including the ongoing operation of facilities on the point
99 of the mountain state land;

100 [(b)] (2) undertake, or engage a consultant to undertake, any study, effort, or activity
101 the board considers appropriate to assist or inform the board about any aspect of the proposed
102 development of the point of the mountain state land, including the best development model and
103 financial projections relevant to the authority's efforts to fulfill its duties and responsibilities
104 under this section and Section 11-59-203;

105 [(c)] (3) sue and be sued;

106 [(d)] (4) enter into contracts generally, including a contract for the sharing of records
107 under Section 63G-2-206;

108 [(e)] (5) buy, obtain an option upon, or otherwise acquire any interest in real or
109 personal property, as necessary to accomplish the duties and responsibilities of the authority,
110 including an interest in real property, apart from point of the mountain state land, or personal
111 property, outside point of the mountain state land, for publicly owned infrastructure and
112 improvements, if the board considers the purchase, option, or other interest acquisition to be
113 necessary for fulfilling the authority's development objectives;

114 [(f)] (6) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in
115 real or personal property;

116 [(g)] (7) enter into a lease agreement on real or personal property, either as lessee or
117 lessor;

118 [(h)] (8) provide for the development of the point of the mountain state land under one

119 or more contracts, including the development of publicly owned infrastructure and
120 improvements and other infrastructure and improvements on or related to the point of the
121 mountain state land;

122 ~~(i)~~ (9) exercise powers and perform functions under a contract, as authorized in the
123 contract;

124 ~~(j)~~ (10) accept financial or other assistance from any public or private source for the
125 authority's activities, powers, and duties, and expend any funds so received for any of the
126 purposes of this chapter;

127 ~~(k)~~ (11) borrow money, contract with, or accept financial or other assistance from the
128 federal government, a public entity, or any other source for any of the purposes of this chapter
129 and comply with any conditions of the loan, contract, or assistance;

130 ~~(l)~~ (12) subject to ~~[Subsection (2)]~~ [Part 6, Authority Bonds](#), issue bonds to finance the
131 undertaking of any development objectives of the authority~~[-including];~~

132 ~~(m)~~ (13) issue bonds under Title 11, Chapter 17, Utah Industrial Facilities and
133 Development Act, and ~~[bonds]~~ under Title 11, Chapter 42, Assessment Area Act;

134 ~~(n)~~ (14) hire employees, including contract employees, in addition to or in place of
135 staff provided under Section [11-59-304](#);

136 ~~(o)~~ (15) transact other business and exercise all other powers provided for in this
137 chapter;

138 ~~(p)~~ (16) enter into a development agreement with a developer of some or all of the
139 point of the mountain state land;

140 ~~(q)~~ (17) provide for or finance an energy efficiency upgrade, a renewable energy
141 system, or electric vehicle charging infrastructure as defined in Section [11-42a-102](#), in
142 accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act;

143 ~~(r)~~ (18) exercise powers and perform functions that the authority is authorized by
144 statute to exercise or perform;

145 ~~(s)~~ (19) enter into one or more interlocal agreements under Title 11, Chapter 13,
146 Interlocal Cooperation Act, with one or more local government entities for the delivery of
147 services to the point of the mountain state land;

148 ~~(t)~~ (20) enter into an agreement with the federal government or an agency of the
149 federal government, as the board considers necessary or advisable, to enable or assist the

150 authority to exercise its powers or fulfill its duties and responsibilities under this chapter;

151 ~~[(†)] (21) provide funding for the development of publicly owned infrastructure and~~
 152 ~~improvements or other infrastructure and improvements on or related to the point of the~~
 153 ~~mountain state land; and~~

154 ~~[(†)] (22) impose impact fees under Title 11, Chapter 36a, Impact Fees Act, and other~~
 155 ~~fees related to development activities.~~

156 ~~[(2) The authority may not issue bonds under this part unless the board first:]~~

157 ~~[(a) adopts a parameters resolution for the bonds that sets forth:]~~

158 ~~[(i) the maximum:]~~

159 ~~[(A) amount of bonds;]~~

160 ~~[(B) term; and]~~

161 ~~[(C) interest rate; and]~~

162 ~~[(ii) the expected security for the bonds; and]~~

163 ~~[(b) submits the parameters resolution for review and recommendation to the State~~
 164 ~~Finance Review Commission created in Section [63C-25-201](#).]~~

165 ~~[(3) No later than 60 days after the closing day of any bonds, the authority shall report~~
 166 ~~the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:]~~

167 ~~[(a) the Executive Appropriations Committee; and]~~

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

169 Section 3. Section **11-59-306** is amended to read:

170 **11-59-306. Limitations on board members.**

171 (1) As used in this section:

172 (a) "Designated individual" means an individual:

173 (i) (A) who is a member of the Senate or House of Representatives;

174 (B) who has been appointed as a member of the board under Subsection

175 [11-59-302\(2\)\(a\)](#) or (b); and

176 (C) whose legislative district includes some or all of the point of the mountain state
 177 land; or

178 (ii) who is designated to serve as a board member under Subsection [11-59-302\(2\)\(e\)](#) or

179 (f).

180 (b) "Direct financial benefit":

181 (i) means any form of financial benefit that accrues to an individual directly as a result
182 of the development of the point of the mountain state land, including:

183 (A) compensation, commission, or any other form of a payment or increase of money;
184 and

185 (B) an increase in the value of a business or property; and

186 (ii) does not include a financial benefit that accrues to the public generally as a result of
187 the development of the point of the mountain state land.

188 (c) "Family member" means a parent, spouse, sibling, child, or grandchild.

189 (d) (i) "Interest in real property" means every type of real property interest, whether
190 recorded or unrecorded, including:

191 [(i)] (A) a legal or equitable interest;

192 [(ii)] (B) an option on real property;

193 [(iii)] (C) an interest under a contract;

194 [(iv)] (D) fee simple ownership;

195 [(v)] (E) ownership as a tenant in common or in joint tenancy or another joint
196 ownership arrangement;

197 [(vi)] (F) ownership through a partnership, limited liability company, or corporation
198 that holds title to a real property interest in the name of the partnership, limited liability
199 company, or corporation;

200 [(vii)] (G) leasehold interest; and

201 [(viii)] (H) any other real property interest that is capable of being owned.

202 (ii) "Interest in real property" does not include:

203 (A) an interest in a personal residence in which the individual resides or, in the case of
204 an intended future acquisition, intends to reside; or

205 (B) an interest as a tenant paying market-rate rent in a building that is located on point
206 of the mountain state land.

207 (2) An individual may not serve as a member of the board if:

208 (a) subject to Subsection (5) for a designated individual, the individual owns an interest
209 in real property[~~other than a personal residence in which the individual resides;~~] on or within
210 five miles of the point of the mountain state land;

211 (b) a family member of the individual owns an interest in real property[~~other than a~~

212 ~~personal residence in which the family member resides,]~~ located on or within one-half mile of
213 the point of the mountain state land;

214 (c) the individual or a family member of the individual owns an interest in, is directly
215 affiliated with, or is an employee or officer of a firm, company, or other entity that the
216 individual reasonably believes is likely to participate in or receive compensation or other direct
217 financial benefit from the development of the point of the mountain state land; or

218 (d) the individual or a family member of the individual receives or is expected to
219 receive a direct financial benefit.

220 (3) (a) Before taking office as a board member, an individual shall submit to the
221 authority a statement:

222 (i) verifying that the individual's service as a board member does not violate
223 Subsection (2); and

224 (ii) for a designated individual, identifying any interest in real property[~~, other than a~~
225 ~~personal residence in which the individual resides,]~~ located on or within five miles of the point
226 of the mountain state land.

227 (b) If a designated individual takes action, during the individual's service as a board
228 member, to initiate, negotiate, or otherwise arrange for the acquisition of an interest in real
229 property[~~, other than a personal residence in which the individual intends to live,]~~ located on or
230 within five miles of the point of the mountain state land, the designated individual shall submit
231 a written statement to the board chair describing the action, the interest in real property that the
232 designated individual intends to acquire, and the location of the real property.

233 (4) Except for a board member who is a designated individual, a board member is
234 disqualified from further service as a board member if the board member, at any time during
235 the board member's service on the board, takes any action to initiate, negotiate, or otherwise
236 arrange for the acquisition of an interest in real property[~~, other than a personal residence in~~
237 ~~which the member intends to reside,]~~ located on or within five miles of the point of the
238 mountain state land.

239 (5) A designated individual who submits a written statement under Subsection
240 (3)(a)(ii) or (b) may not serve or continue to serve as a board member unless at least two-thirds
241 of all other board members conclude that the designated individual's service as a board member
242 does not and will not create a material conflict of interest impairing the ability of the

243 designated individual to exercise fair and impartial judgment as a board member and to act in
244 the best interests of the authority.

245 (6) (a) The board may not allow a firm, company, or other entity to participate in
246 planning, managing, or implementing the development of the point of the mountain state land
247 if a board member or a family member of a board member owns an interest in, is directly
248 affiliated with, or is an employee or officer of the firm, company, or other entity.

249 (b) Before allowing a firm, company, or other entity to participate in planning,
250 managing, or implementing the development of the point of the mountain state land, the board
251 may require the firm, company, or other entity to certify that no board member or family
252 member of a board member owns an interest in, is directly affiliated with, or is an employee or
253 officer of the firm, company, or other entity.

254 Section 4. Section **11-59-601** is enacted to read:

255 **Part 6. Authority Bonds**

256 **11-59-601. Resolution authorizing issuance of authority bonds -- Characteristics**
257 **of bonds -- Notice.**

258 (1) The authority may not issue bonds under this part unless the board first:

259 (a) adopts a parameters resolution, as defined in Section [63C-25-101](#), for the bonds;
260 and

261 (b) submits the parameters resolution for review and recommendation to the State
262 Finance Review Commission created in Section [63C-25-201](#).

263 (2) (a) As provided in the authority resolution authorizing the issuance of bonds under
264 this part or the trust indenture under which the bonds are issued, bonds issued under this part
265 may be issued in one or more series and may be sold at public or private sale and in the manner
266 provided in the resolution or indenture.

267 (b) Bonds issued under this part shall bear the date, be payable at the time, bear interest
268 at the rate, be in the denomination and in the form, carry the conversion or registration
269 privileges, have the rank or priority, be executed in the manner, be subject to the terms of
270 redemption or tender, with or without premium, be payable in the medium of payment and at
271 the place, and have other characteristics as provided in the authority resolution authorizing the
272 issuance of the bonds or the trust indenture under which the bonds are issued.

273 (3) Upon the board's adoption of a resolution providing for the issuance of bonds, the

274 board may provide for the publication of the resolution:

275 (a) for the area within the authority's boundaries, as a class A notice under Section
276 63G-30-102, for at least 30 days; and

277 (b) as required in Section 45-1-101.

278 (4) In lieu of publishing the entire resolution, the board may publish notice of bonds
279 that contains the information described in Subsection 11-14-316(2).

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

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

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

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

284 (6) (a) (i) A person may contest the matters set forth in Subsection (5) by filing a

285 verified written complaint in a court with jurisdiction under Title 78A, Judiciary and Judicial
286 Administration, within 30 days after the publication under Subsection (5).

287 (ii) Notwithstanding Title 78B, Chapter 3a, Venue for Civil Actions, a person filing a
288 complaint under Subsection (6)(a)(i) shall bring the action in the county in which the person
289 resides if the action is brought in district court.

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

293 (7) No later than 60 days after the closing day of any bonds, the authority shall report
294 the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:

295 (a) the Executive Appropriations Committee; and

296 (b) the State Finance Review Commission created in Section 63C-25-201.

297 Section 5. Section **11-59-602** is enacted to read:

298 **11-59-602. Sources from which bonds may be payable -- Authority powers**
299 **regarding bonds.**

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

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

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

305 (c) the income, proceeds, revenues, property, and funds the authority derives from or
 306 holds in connection with its undertaking and carrying out development of point of the mountain
 307 state land;

308 (d) revenue from an annual fee under Section 11-59-207;

309 (e) authority revenues generally;

310 (f) a contribution, loan, grant, or other financial assistance from the federal government
 311 or a public entity in aid of the authority; or

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

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

315 (a) pledge all or any part of its gross or net rents, fees, or revenues to which authority
 316 right then exists or may thereafter come into existence;

317 (b) encumber by mortgage, deed of trust, or otherwise all or any part of authority real
 318 or personal property, then owned or thereafter acquired; and

319 (c) make the covenants and take the action that may be necessary, convenient, or
 320 desirable to secure authority bonds, or, except as otherwise provided in this chapter, that will
 321 tend to make the bonds more marketable, even though the covenants or actions are not
 322 specifically enumerated in this chapter.

323 Section 6. Section 11-59-603 is enacted to read:

324 **11-59-603. Purchase of authority bonds.**

325 (1) Any person, firm, corporation, association, political subdivision of the state, or
 326 other entity or public or private officer may purchase bonds issued by an authority under this
 327 part with funds owned or controlled by the purchaser.

328 (2) Nothing in this section may be construed to relieve a purchaser of authority bonds
 329 of any duty to exercise reasonable care in selecting and purchasing securities.

330 Section 7. Section 11-59-604 is enacted to read:

331 **11-59-604. Those executing bonds not personally liable -- Limitation of**
 332 **obligations under bond -- Negotiability.**

333 (1) A member of the board or other person executing an authority bond is not liable
 334 personally on the bond.

335 (2) (a) A bond issued by the authority is not a general obligation or liability of the state

336 or any political subdivision of the state and does not constitute a charge against the general
337 credit or taxing powers of the state or any political subdivision of the state.

338 (b) A bond issued by the authority is not payable out of any funds or properties other
339 than those of the authority.

340 (c) The state and political subdivisions of the state are not and may not be held liable
341 on a bond issued by the authority.

342 (d) A bond issued by the authority does not constitute indebtedness within the meaning
343 of any constitutional or statutory debt limitation.

344 (3) A bond issued by the authority under this part is fully negotiable.

345 Section 8. Section **11-59-605** is enacted to read:

346 **11-59-605. Obligee rights -- Board may confer other rights.**

347 (1) In addition to all other rights that are conferred on an obligee of a bond issued by
348 the authority under this part and subject to contractual restrictions binding on the obligee, an
349 obligee may:

350 (a) by mandamus, suit, action, or other proceeding, compel an authority and authority
351 board, officers, agents, or employees to perform every term, provision, and covenant contained
352 in any contract of the authority with or for the benefit of the obligee, and require the authority
353 to carry out the covenants and agreements of the authority and to fulfill all duties imposed on
354 the authority by this part; and

355 (b) by suit, action, or proceeding in equity, enjoin any acts or things that may be
356 unlawful or violate the rights of the obligee.

357 (2) (a) (i) In a board resolution authorizing the issuance of bonds or in a trust indenture,
358 mortgage, lease, or other contract, the board may confer upon an obligee holding or
359 representing a specified amount in bonds, the rights described in Subsection (2)(b), to accrue
360 upon the happening of an event or default prescribed in the resolution, indenture, mortgage,
361 lease, or other contract, and to be exercised by suit, action, or proceeding in any court of
362 competent jurisdiction.

363 (ii) The rights that the board may confer under Subsection (2)(a)(i) are the rights to:

364 (A) cause possession of all or part of a development project to be surrendered to an
365 obligee;

366 (B) obtain the appointment of a receiver of all or part of an authority's development

367 project and of the rents and profits from it; and

368 (C) require the authority and its board and employees to account as if the authority and
369 the board and employees were the trustees of an express trust.

370 (b) If a receiver is appointed through the exercise of a right granted under Subsection
371 (2)(a)(ii)(B), the receiver:

372 (i) may enter and take possession of the development project or any part of it, operate
373 and maintain it, and collect and receive all fees, rents, revenues, or other charges arising from it
374 after the receiver's appointment; and

375 (ii) shall keep money collected as receiver for the authority in separate accounts and
376 apply it pursuant to the authority obligations as the court directs.

377 Section 9. Section **11-59-606** is enacted to read:

378 **11-59-606. Bonds exempt from taxes -- Authority may purchase its own bonds.**

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

382 (2) The authority may purchase the authority's own bonds at a price that the board
383 determines.

384 (3) Nothing in this section limits the right of an obligee to pursue a remedy for the
385 enforcement of a pledge or lien given under this part by the authority on its rents, fees, grants,
386 properties, or revenues.

387 Section 10. Section **59-12-103 (Contingently Superseded 01/01/25)** is amended to
388 read:

389 **59-12-103 (Contingently Superseded 01/01/25). Sales and use tax base -- Rates --**
390 **Effective dates -- Use of sales and use tax revenues.**

391 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
392 sales price for amounts paid or charged for the following transactions:

393 (a) retail sales of tangible personal property made within the state;

394 (b) amounts paid for:

395 (i) telecommunications service, other than mobile telecommunications service, that
396 originates and terminates within the boundaries of this state;

397 (ii) mobile telecommunications service that originates and terminates within the

398 boundaries of one state only to the extent permitted by the Mobile Telecommunications
399 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
400 (iii) an ancillary service associated with a:
401 (A) telecommunications service described in Subsection (1)(b)(i); or
402 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
403 (c) sales of the following for commercial use:
404 (i) gas;
405 (ii) electricity;
406 (iii) heat;
407 (iv) coal;
408 (v) fuel oil; or
409 (vi) other fuels;
410 (d) sales of the following for residential use:
411 (i) gas;
412 (ii) electricity;
413 (iii) heat;
414 (iv) coal;
415 (v) fuel oil; or
416 (vi) other fuels;
417 (e) sales of prepared food;
418 (f) except as provided in Section [59-12-104](#), amounts paid or charged as admission or
419 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
420 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
421 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
422 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
423 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
424 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
425 horseback rides, sports activities, or any other amusement, entertainment, recreation,
426 exhibition, cultural, or athletic activity;
427 (g) amounts paid or charged for services for repairs or renovations of tangible personal
428 property, unless Section [59-12-104](#) provides for an exemption from sales and use tax for:

- 429 (i) the tangible personal property; and
- 430 (ii) parts used in the repairs or renovations of the tangible personal property described
- 431 in Subsection (1)(g)(i), regardless of whether:
- 432 (A) any parts are actually used in the repairs or renovations of that tangible personal
- 433 property; or
- 434 (B) the particular parts used in the repairs or renovations of that tangible personal
- 435 property are exempt from a tax under this chapter;
- 436 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
- 437 assisted cleaning or washing of tangible personal property;
- 438 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 439 accommodations and services that are regularly rented for less than 30 consecutive days;
- 440 (j) amounts paid or charged for laundry or dry cleaning services;
- 441 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 442 this state the tangible personal property is:
- 443 (i) stored;
- 444 (ii) used; or
- 445 (iii) otherwise consumed;
- 446 (l) amounts paid or charged for tangible personal property if within this state the
- 447 tangible personal property is:
- 448 (i) stored;
- 449 (ii) used; or
- 450 (iii) consumed;
- 451 (m) amounts paid or charged for a sale:
- 452 (i) (A) of a product transferred electronically; or
- 453 (B) of a repair or renovation of a product transferred electronically; and
- 454 (ii) regardless of whether the sale provides:
- 455 (A) a right of permanent use of the product; or
- 456 (B) a right to use the product that is less than a permanent use, including a right:
- 457 (I) for a definite or specified length of time; and
- 458 (II) that terminates upon the occurrence of a condition; and
- 459 (n) sales of leased tangible personal property from the lessor to the lessee made in the

460 state.

461 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
462 are imposed on a transaction described in Subsection (1) equal to the sum of:

463 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

464 (A) 4.70% plus the rate specified in Subsection (11)(a); and

465 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
466 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
467 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
468 State Sales and Use Tax Act; and

469 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
470 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
471 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
472 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

473 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
474 transaction under this chapter other than this part.

475 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a
476 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
477 the sum of:

478 (i) a state tax imposed on the transaction at a tax rate of 2%; and

479 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
480 transaction under this chapter other than this part.

481 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are
482 imposed on amounts paid or charged for food and food ingredients equal to the sum of:

483 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
484 a tax rate of 1.75%; and

485 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
486 amounts paid or charged for food and food ingredients under this chapter other than this part.

487 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts
488 paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at
489 a rate of 4.85%.

490 (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form prescribed

491 by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax
492 imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a
493 shared vehicle driver, or a shared vehicle owner.

494 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
495 required once during the time that the shared vehicle owner owns the shared vehicle.

496 (C) The commission shall verify that a shared vehicle is an individual-owned shared
497 vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the
498 purchase of the shared vehicle.

499 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
500 individual-owned shared vehicle shared through a car-sharing program even if non-certified
501 shared vehicles are also available to be shared through the same car-sharing program.

502 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.

503 (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's
504 representation that the shared vehicle is an individual-owned shared vehicle certified with the
505 commission as described in Subsection (2)(e)(i).

506 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
507 representation that the shared vehicle is an individual-owned shared vehicle certified with the
508 commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any
509 tax, penalty, fee, or other sanction imposed on the shared vehicle owner.

510 (iv) If all shared vehicles shared through a car-sharing program are certified as
511 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation
512 to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.

513 (v) [~~(A)~~] A car-sharing program is not required to list or otherwise identify an
514 individual-owned shared vehicle on a return or an attachment to a return.

515 (vi) A car-sharing program shall:

516 (A) retain tax information for each car-sharing program transaction; and

517 (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at
518 the commission's request.

519 (f) (i) For a bundled transaction that is attributable to food and food ingredients and
520 tangible personal property other than food and food ingredients, a state tax and a local tax is
521 imposed on the entire bundled transaction equal to the sum of:

522 (A) a state tax imposed on the entire bundled transaction equal to the sum of:
523 (I) the tax rate described in Subsection (2)(a)(i)(A); and
524 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
525 Sales and Use Tax Act, if the location of the transaction as determined under Sections
526 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
527 Additional State Sales and Use Tax Act; and
528 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
529 Sales and Use Tax Act, if the location of the transaction as determined under Sections
530 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
531 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
532 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
533 described in Subsection (2)(a)(ii).
534 (ii) If an optional computer software maintenance contract is a bundled transaction that
535 consists of taxable and nontaxable products that are not separately itemized on an invoice or
536 similar billing document, the purchase of the optional computer software maintenance contract
537 is 40% taxable under this chapter and 60% nontaxable under this chapter.
538 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
539 transaction described in Subsection (2)(f)(i) or (ii):
540 (A) if the sales price of the bundled transaction is attributable to tangible personal
541 property, a product, or a service that is subject to taxation under this chapter and tangible
542 personal property, a product, or service that is not subject to taxation under this chapter, the
543 entire bundled transaction is subject to taxation under this chapter unless:
544 (I) the seller is able to identify by reasonable and verifiable standards the tangible
545 personal property, product, or service that is not subject to taxation under this chapter from the
546 books and records the seller keeps in the seller's regular course of business; or
547 (II) state or federal law provides otherwise; or
548 (B) if the sales price of a bundled transaction is attributable to two or more items of
549 tangible personal property, products, or services that are subject to taxation under this chapter
550 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
551 higher tax rate unless:
552 (I) the seller is able to identify by reasonable and verifiable standards the tangible

553 personal property, product, or service that is subject to taxation under this chapter at the lower
554 tax rate from the books and records the seller keeps in the seller's regular course of business; or

555 (II) state or federal law provides otherwise.

556 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
557 seller's regular course of business includes books and records the seller keeps in the regular
558 course of business for nontax purposes.

559 (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii)
560 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
561 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
562 of tangible personal property, other property, a product, or a service that is not subject to
563 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
564 the seller, at the time of the transaction:

565 (A) separately states the portion of the transaction that is not subject to taxation under
566 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

567 (B) is able to identify by reasonable and verifiable standards, from the books and
568 records the seller keeps in the seller's regular course of business, the portion of the transaction
569 that is not subject to taxation under this chapter.

570 (ii) A purchaser and a seller may correct the taxability of a transaction if:

571 (A) after the transaction occurs, the purchaser and the seller discover that the portion of
572 the transaction that is not subject to taxation under this chapter was not separately stated on an
573 invoice, bill of sale, or similar document provided to the purchaser because of an error or
574 ignorance of the law; and

575 (B) the seller is able to identify by reasonable and verifiable standards, from the books
576 and records the seller keeps in the seller's regular course of business, the portion of the
577 transaction that is not subject to taxation under this chapter.

578 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps
579 in the seller's regular course of business includes books and records the seller keeps in the
580 regular course of business for nontax purposes.

581 (h) (i) If the sales price of a transaction is attributable to two or more items of tangible
582 personal property, products, or services that are subject to taxation under this chapter at
583 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate

584 unless the seller, at the time of the transaction:

585 (A) separately states the items subject to taxation under this chapter at each of the
586 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

587 (B) is able to identify by reasonable and verifiable standards the tangible personal
588 property, product, or service that is subject to taxation under this chapter at the lower tax rate
589 from the books and records the seller keeps in the seller's regular course of business.

590 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
591 seller's regular course of business includes books and records the seller keeps in the regular
592 course of business for nontax purposes.

593 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax
594 rate imposed under the following shall take effect on the first day of a calendar quarter:

595 (i) Subsection (2)(a)(i)(A);

596 (ii) Subsection (2)(b)(i);

597 (iii) Subsection (2)(c)(i); or

598 (iv) Subsection (2)(f)(i)(A)(I).

599 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
600 begins on or after the effective date of the tax rate increase if the billing period for the
601 transaction begins before the effective date of a tax rate increase imposed under:

602 (A) Subsection (2)(a)(i)(A);

603 (B) Subsection (2)(b)(i);

604 (C) Subsection (2)(c)(i); or

605 (D) Subsection (2)(f)(i)(A)(I).

606 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
607 statement for the billing period is rendered on or after the effective date of the repeal of the tax
608 or the tax rate decrease imposed under:

609 (A) Subsection (2)(a)(i)(A);

610 (B) Subsection (2)(b)(i);

611 (C) Subsection (2)(c)(i); or

612 (D) Subsection (2)(f)(i)(A)(I).

613 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
614 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal

615 or change in a tax rate takes effect:

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

617 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

618 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:

619 (A) Subsection (2)(a)(i)(A);

620 (B) Subsection (2)(b)(i);

621 (C) Subsection (2)(c)(i); or

622 (D) Subsection (2)(f)(i)(A)(I).

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

625 (l) (i) For a location described in Subsection (2)(l)(ii), the commission shall determine
626 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
627 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

628 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
629 or other fuel is furnished through a single meter for two or more of the following uses:

630 (A) a commercial use;

631 (B) an industrial use; or

632 (C) a residential use.

633 (3) (a) The following state taxes shall be deposited into the General Fund:

634 (i) the tax imposed by Subsection (2)(a)(i)(A);

635 (ii) the tax imposed by Subsection (2)(b)(i);

636 (iii) the tax imposed by Subsection (2)(c)(i); and

637 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

638 (b) The following local taxes shall be distributed to a county, city, or town as provided
639 in this chapter:

640 (i) the tax imposed by Subsection (2)(a)(ii);

641 (ii) the tax imposed by Subsection (2)(b)(ii);

642 (iii) the tax imposed by Subsection (2)(c)(ii); and

643 (iv) the tax imposed by Subsection (2)(f)(i)(B).

644 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
645 Fund.

646 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
647 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
648 through (g):

649 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

650 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and

651 (B) for the fiscal year; or

652 (ii) \$17,500,000.

653 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
654 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
655 revenue to the Department of Natural Resources to:

656 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
657 protect sensitive plant and animal species; or

658 (B) award grants, up to the amount authorized by the Legislature in an appropriations
659 act, to political subdivisions of the state to implement the measures described in Subsections
660 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

661 (ii) Money transferred to the Department of Natural Resources under Subsection
662 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
663 person to list or attempt to have listed a species as threatened or endangered under the
664 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

665 (iii) At the end of each fiscal year:

666 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
667 Water Resources Conservation and Development Fund created in Section 73-10-24;

668 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
669 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

670 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
671 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

672 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
673 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
674 created in Section 4-18-106.

675 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
676 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to

677 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for
678 the adjudication of water rights.

679 (ii) At the end of each fiscal year:

680 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
681 Water Resources Conservation and Development Fund created in Section 73-10-24;

682 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
683 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

684 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
685 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

686 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
687 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and
688 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

689 (ii) In addition to the uses allowed of the Water Resources Conservation and
690 Development Fund under Section 73-10-24, the Water Resources Conservation and
691 Development Fund may also be used to:

692 (A) conduct hydrologic and geotechnical investigations by the Division of Water
693 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
694 quantifying surface and ground water resources and describing the hydrologic systems of an
695 area in sufficient detail so as to enable local and state resource managers to plan for and
696 accommodate growth in water use without jeopardizing the resource;

697 (B) fund state required dam safety improvements; and

698 (C) protect the state's interest in interstate water compact allocations, including the
699 hiring of technical and legal staff.

700 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
701 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
702 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

703 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
704 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
705 created in Section 73-10c-5 for use by the Division of Drinking Water to:

706 (i) provide for the installation and repair of collection, treatment, storage, and
707 distribution facilities for any public water system, as defined in Section 19-4-102;

708 (ii) develop underground sources of water, including springs and wells; and
709 (iii) develop surface water sources.

710 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
711 2006, the difference between the following amounts shall be expended as provided in this
712 Subsection (5), if that difference is greater than \$1:

713 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
714 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and
715 (ii) \$17,500,000.

716 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
717 (A) transferred each fiscal year to the Department of Natural Resources as designated
718 sales and use tax revenue; and
719 (B) expended by the Department of Natural Resources for watershed rehabilitation or
720 restoration.

721 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
722 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
723 and Development Fund created in Section 73-10-24.

724 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
725 remaining difference described in Subsection (5)(a) shall be:
726 (A) transferred each fiscal year to the Division of Water Resources as designated sales
727 and use tax revenue; and
728 (B) expended by the Division of Water Resources for cloud-seeding projects
729 authorized by Title 73, Chapter 15, Modification of Weather.

730 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
731 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
732 and Development Fund created in Section 73-10-24.

733 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
734 remaining difference described in Subsection (5)(a) shall be deposited into the Water
735 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
736 Division of Water Resources for:
737 (i) preconstruction costs:
738 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter

739 26, Bear River Development Act; and

740 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
741 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

742 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
743 Chapter 26, Bear River Development Act;

744 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
745 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

746 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
747 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

748 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
749 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water
750 Rights Restricted Account created by Section 73-2-1.6.

751 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a),
752 each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account
753 created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the
754 transactions described in Subsection (1) for the fiscal year.

755 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
756 year beginning on or after July 1, 2023, the commission shall deposit into the Transportation
757 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under
758 Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:

759 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

760 (ii) the tax imposed by Subsection (2)(b)(i);

761 (iii) the tax imposed by Subsection (2)(c)(i); and

762 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

763 (b) (i) As used in this Subsection (7)(b):

764 (A) "Additional growth revenue" means the amount of relevant revenue collected in
765 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
766 previous fiscal year.

767 (B) "Combined amount" means the combined total amount of money deposited into the
768 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

769 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation

770 Investment Fund created in Subsection 72-2-124(10).

771 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
772 equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv).

773 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
774 reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by
775 an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood
776 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
777 limit in Subsection (7)(b)(iii).

778 (iii) The commission shall annually deposit the amount described in Subsection
779 (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
780 for any single fiscal year of \$20,000,000.

781 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
782 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
783 Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant
784 revenue.

785 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
786 2023, the commission shall annually reduce the deposit into the Transportation Investment
787 Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:

788 (A) the amount of revenue generated in the current fiscal year by the portion of taxes
789 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described
790 in Subsections (7)(a)(i) through (iv);

791 (B) the amount of revenue generated in the current fiscal year by registration fees
792 designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund
793 of 2005; and

794 (C) revenues transferred by the Division of Finance to the Transportation Investment
795 Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.

796 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
797 given fiscal year.

798 (iii) The commission shall annually deposit the amount described in Subsection
799 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).

800 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under

801 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or
802 after July 1, 2018, the commission shall annually deposit into the Transportation Investment
803 Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a)
804 in an amount equal to 3.68% of the revenues collected from the following taxes:

- 805 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 806 (ii) the tax imposed by Subsection (2)(b)(i);
- 807 (iii) the tax imposed by Subsection (2)(c)(i); and
- 808 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

809 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
810 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by
811 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
812 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale
813 or use in this state that exceeds 29.4 cents per gallon.

814 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
815 into the Transit Transportation Investment Fund created in Section 72-2-124.

816 (d) (i) As used in this Subsection (8)(d):

817 (A) "Additional growth revenue" means the amount of relevant revenue collected in
818 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
819 previous fiscal year.

820 (B) "Combined amount" means the combined total amount of money deposited into the
821 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

822 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
823 Investment Fund created in Subsection 72-2-124(10).

824 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
825 equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through
826 (iv).

827 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
828 reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by
829 an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood
830 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
831 limit in Subsection (8)(d)(iii).

832 (iii) The commission shall annually deposit the amount described in Subsection
833 (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
834 for any single fiscal year of \$20,000,000.

835 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
836 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
837 Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant
838 revenue.

839 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
840 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
841 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

842 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
843 fiscal year during which the commission receives notice under Section 63N-2-510 that
844 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission
845 shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by
846 the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in
847 Section 63N-2-512.

848 (11) (a) The rate specified in this subsection is 0.15%.

849 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
850 beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the
851 rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax
852 under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.

853 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
854 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit
855 solely for use of the Search and Rescue Financial Assistance Program created in, and expended
856 in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

857 (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
858 annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund
859 of 2005 under Subsections (7) and (8) to the General Fund.

860 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
861 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
862 transfer the total revenue deposited into the Transportation Investment Fund of 2005 under

863 Subsections (7) and (8) during the fiscal year to the General Fund.

864 (14) Notwithstanding Subsection (3)(a), and as described in Section [63N-3-610](#),
865 beginning the first day of the calendar quarter one year after the sales and use tax boundary for
866 a housing and transit reinvestment zone is established, the commission, at least annually, shall
867 transfer an amount equal to 15% of the sales and use tax increment within an established sales
868 and use tax boundary, as defined in Section [63N-3-602](#), into the Transit Transportation
869 Investment Fund created in Section [72-2-124](#).

870 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
871 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
872 Restricted Account, created in Section [51-9-902](#), a portion of the taxes listed under Subsection
873 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:

- 874 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
875 (b) the tax imposed by Subsection (2)(b)(i);
876 (c) the tax imposed by Subsection (2)(c)(i); and
877 (d) the tax imposed by Subsection (2)(f)(i)(A)(I).

878 (16) (a) As used in this Subsection (16):

879 (i) "Additional land" means point of the mountain state land described in Subsection
880 [11-59-102\(6\)\(b\)](#) that the point of the mountain authority acquires after the point of the
881 mountain authority provides the commission a map under Subsection (16)c).

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

884 (iii) "Point of the mountain state land" means the same as that term is defined in
885 Section [11-59-102](#).

886 (b) Notwithstanding Subsection (3)(a), the commission shall transfer to the point of the
887 mountain authority 64% of the revenue from the sales and use tax imposed by Subsection
888 (2)(a)(i)(A) at a 4.7% rate, on transactions occurring on the point of the mountain state land.

889 (c) The transfer under Subsection (16)(b) shall begin the next calendar quarter that
890 begins at least 90 days after the point of the mountain authority provides the commission a map
891 that:

- 892 (i) accurately describes the point of the mountain state land; and
893 (ii) the point of the mountain authority certifies as accurate.

894 (d) A transfer under Subsection (16)(b) with respect to additional land shall begin the
895 next calendar quarter that begins at least 90 days after the point of the mountain authority
896 provides the commission a map of point of the mountain state land that:

897 (i) accurately describes the point of the mountain state land, including the additional
898 land; and

899 (ii) the point of the mountain authority certifies as accurate.

900 Section 11. Section **59-12-103 (Contingently Effective 01/01/25)** is amended to read:

901 **59-12-103 (Contingently Effective 01/01/25). Sales and use tax base -- Rates --**

902 **Effective dates -- Use of sales and use tax revenues.**

903 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
904 sales price for amounts paid or charged for the following transactions:

905 (a) retail sales of tangible personal property made within the state;

906 (b) amounts paid for:

907 (i) telecommunications service, other than mobile telecommunications service, that
908 originates and terminates within the boundaries of this state;

909 (ii) mobile telecommunications service that originates and terminates within the
910 boundaries of one state only to the extent permitted by the Mobile Telecommunications
911 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

912 (iii) an ancillary service associated with a:

913 (A) telecommunications service described in Subsection (1)(b)(i); or

914 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

915 (c) sales of the following for commercial use:

916 (i) gas;

917 (ii) electricity;

918 (iii) heat;

919 (iv) coal;

920 (v) fuel oil; or

921 (vi) other fuels;

922 (d) sales of the following for residential use:

923 (i) gas;

924 (ii) electricity;

- 925 (iii) heat;
- 926 (iv) coal;
- 927 (v) fuel oil; or
- 928 (vi) other fuels;
- 929 (e) sales of prepared food;
- 930 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 931 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
- 932 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
- 933 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
- 934 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
- 935 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
- 936 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
- 937 horseback rides, sports activities, or any other amusement, entertainment, recreation,
- 938 exhibition, cultural, or athletic activity;
- 939 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 940 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
- 941 (i) the tangible personal property; and
- 942 (ii) parts used in the repairs or renovations of the tangible personal property described
- 943 in Subsection (1)(g)(i), regardless of whether:
- 944 (A) any parts are actually used in the repairs or renovations of that tangible personal
- 945 property; or
- 946 (B) the particular parts used in the repairs or renovations of that tangible personal
- 947 property are exempt from a tax under this chapter;
- 948 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
- 949 assisted cleaning or washing of tangible personal property;
- 950 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 951 accommodations and services that are regularly rented for less than 30 consecutive days;
- 952 (j) amounts paid or charged for laundry or dry cleaning services;
- 953 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 954 this state the tangible personal property is:
- 955 (i) stored;

956 (ii) used; or
957 (iii) otherwise consumed;
958 (l) amounts paid or charged for tangible personal property if within this state the
959 tangible personal property is:
960 (i) stored;
961 (ii) used; or
962 (iii) consumed;
963 (m) amounts paid or charged for a sale:
964 (i) (A) of a product transferred electronically; or
965 (B) of a repair or renovation of a product transferred electronically; and
966 (ii) regardless of whether the sale provides:
967 (A) a right of permanent use of the product; or
968 (B) a right to use the product that is less than a permanent use, including a right:
969 (I) for a definite or specified length of time; and
970 (II) that terminates upon the occurrence of a condition; and
971 (n) sales of leased tangible personal property from the lessor to the lessee made in the
972 state.
973 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
974 are imposed on a transaction described in Subsection (1) equal to the sum of:
975 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
976 (A) 4.70% plus the rate specified in Subsection (11)(a); and
977 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
978 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
979 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
980 State Sales and Use Tax Act; and
981 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
982 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
983 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
984 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
985 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
986 transaction under this chapter other than this part.

987 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a
988 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
989 the sum of:

990 (i) a state tax imposed on the transaction at a tax rate of 2%; and

991 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
992 transaction under this chapter other than this part.

993 (c) (i) Except as provided in Subsection (2)(f) or (g), a local tax is imposed on amounts
994 paid or charged for food and food ingredients equal to the sum of the tax rates a county, city, or
995 town imposes under this chapter on the amounts paid or charged for food or food ingredients.

996 (ii) There is no state tax imposed on amounts paid or charged for food and food
997 ingredients.

998 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts
999 paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at
1000 a rate of 4.85%.

1001 (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form prescribed
1002 by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax
1003 imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a
1004 shared vehicle driver, or a shared vehicle owner.

1005 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
1006 required once during the time that the shared vehicle owner owns the shared vehicle.

1007 (C) The commission shall verify that a shared vehicle is an individual-owned shared
1008 vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the
1009 purchase of the shared vehicle.

1010 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
1011 individual-owned shared vehicle shared through a car-sharing program even if non-certified
1012 shared vehicles are also available to be shared through the same car-sharing program.

1013 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.

1014 (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's
1015 representation that the shared vehicle is an individual-owned shared vehicle certified with the
1016 commission as described in Subsection (2)(e)(i).

1017 (B) If a car-sharing program relies in good faith on a shared vehicle owner's

1018 representation that the shared vehicle is an individual-owned shared vehicle certified with the
1019 commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any
1020 tax, penalty, fee, or other sanction imposed on the shared vehicle owner.

1021 (iv) If all shared vehicles shared through a car-sharing program are certified as
1022 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation
1023 to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.

1024 (v) [~~(A)~~] A car-sharing program is not required to list or otherwise identify an
1025 individual-owned shared vehicle on a return or an attachment to a return.

1026 (vi) A car-sharing program shall:

1027 (A) retain tax information for each car-sharing program transaction; and

1028 (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at
1029 the commission's request.

1030 (f) (i) For a bundled transaction that is attributable to food and food ingredients and
1031 tangible personal property other than food and food ingredients, a state tax and a local tax is
1032 imposed on the entire bundled transaction equal to the sum of:

1033 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

1034 (I) the tax rate described in Subsection (2)(a)(i)(A); and

1035 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
1036 Sales and Use Tax Act, if the location of the transaction as determined under Sections
1037 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
1038 Additional State Sales and Use Tax Act; and

1039 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
1040 Sales and Use Tax Act, if the location of the transaction as determined under Sections
1041 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
1042 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

1043 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
1044 described in Subsection (2)(a)(ii).

1045 (ii) If an optional computer software maintenance contract is a bundled transaction that
1046 consists of taxable and nontaxable products that are not separately itemized on an invoice or
1047 similar billing document, the purchase of the optional computer software maintenance contract
1048 is 40% taxable under this chapter and 60% nontaxable under this chapter.

1049 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
1050 transaction described in Subsection (2)(f)(i) or (ii):

1051 (A) if the sales price of the bundled transaction is attributable to tangible personal
1052 property, a product, or a service that is subject to taxation under this chapter and tangible
1053 personal property, a product, or service that is not subject to taxation under this chapter, the
1054 entire bundled transaction is subject to taxation under this chapter unless:

1055 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1056 personal property, product, or service that is not subject to taxation under this chapter from the
1057 books and records the seller keeps in the seller's regular course of business; or

1058 (II) state or federal law provides otherwise; or

1059 (B) if the sales price of a bundled transaction is attributable to two or more items of
1060 tangible personal property, products, or services that are subject to taxation under this chapter
1061 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
1062 higher tax rate unless:

1063 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1064 personal property, product, or service that is subject to taxation under this chapter at the lower
1065 tax rate from the books and records the seller keeps in the seller's regular course of business; or

1066 (II) state or federal law provides otherwise.

1067 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
1068 seller's regular course of business includes books and records the seller keeps in the regular
1069 course of business for nontax purposes.

1070 (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii)
1071 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
1072 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
1073 of tangible personal property, other property, a product, or a service that is not subject to
1074 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
1075 the seller, at the time of the transaction:

1076 (A) separately states the portion of the transaction that is not subject to taxation under
1077 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

1078 (B) is able to identify by reasonable and verifiable standards, from the books and
1079 records the seller keeps in the seller's regular course of business, the portion of the transaction

1080 that is not subject to taxation under this chapter.

1081 (ii) A purchaser and a seller may correct the taxability of a transaction if:

1082 (A) after the transaction occurs, the purchaser and the seller discover that the portion of
1083 the transaction that is not subject to taxation under this chapter was not separately stated on an
1084 invoice, bill of sale, or similar document provided to the purchaser because of an error or
1085 ignorance of the law; and

1086 (B) the seller is able to identify by reasonable and verifiable standards, from the books
1087 and records the seller keeps in the seller's regular course of business, the portion of the
1088 transaction that is not subject to taxation under this chapter.

1089 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps
1090 in the seller's regular course of business includes books and records the seller keeps in the
1091 regular course of business for nontax purposes.

1092 (h) (i) If the sales price of a transaction is attributable to two or more items of tangible
1093 personal property, products, or services that are subject to taxation under this chapter at
1094 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate
1095 unless the seller, at the time of the transaction:

1096 (A) separately states the items subject to taxation under this chapter at each of the
1097 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

1098 (B) is able to identify by reasonable and verifiable standards the tangible personal
1099 property, product, or service that is subject to taxation under this chapter at the lower tax rate
1100 from the books and records the seller keeps in the seller's regular course of business.

1101 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
1102 seller's regular course of business includes books and records the seller keeps in the regular
1103 course of business for nontax purposes.

1104 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax
1105 rate imposed under the following shall take effect on the first day of a calendar quarter:

1106 (i) Subsection (2)(a)(i)(A);

1107 (ii) Subsection (2)(b)(i); or

1108 (iii) Subsection (2)(f)(i)(A)(I).

1109 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
1110 begins on or after the effective date of the tax rate increase if the billing period for the

- 1111 transaction begins before the effective date of a tax rate increase imposed under:
- 1112 (A) Subsection (2)(a)(i)(A);
- 1113 (B) Subsection (2)(b)(i); or
- 1114 (C) Subsection (2)(f)(i)(A)(I).
- 1115 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
- 1116 statement for the billing period is rendered on or after the effective date of the repeal of the tax
- 1117 or the tax rate decrease imposed under:
- 1118 (A) Subsection (2)(a)(i)(A);
- 1119 (B) Subsection (2)(b)(i); or
- 1120 (C) Subsection (2)(f)(i)(A)(I).
- 1121 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
- 1122 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
- 1123 or change in a tax rate takes effect:
- 1124 (A) on the first day of a calendar quarter; and
- 1125 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
- 1126 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 1127 (A) Subsection (2)(a)(i)(A);
- 1128 (B) Subsection (2)(b)(i); or
- 1129 (C) Subsection (2)(f)(i)(A)(I).
- 1130 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 1131 the commission may by rule define the term "catalogue sale."
- 1132 (l) (i) For a location described in Subsection (2)(l)(ii), the commission shall determine
- 1133 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
- 1134 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.
- 1135 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
- 1136 or other fuel is furnished through a single meter for two or more of the following uses:
- 1137 (A) a commercial use;
- 1138 (B) an industrial use; or
- 1139 (C) a residential use.
- 1140 (3) (a) The following state taxes shall be deposited into the General Fund:
- 1141 (i) the tax imposed by Subsection (2)(a)(i)(A);

- 1142 (ii) the tax imposed by Subsection (2)(b)(i); and
1143 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
1144 (b) The following local taxes shall be distributed to a county, city, or town as provided
1145 in this chapter:
- 1146 (i) the tax imposed by Subsection (2)(a)(ii);
 - 1147 (ii) the tax imposed by Subsection (2)(b)(ii);
 - 1148 (iii) the tax imposed by Subsection (2)(c); and
 - 1149 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 1150 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
1151 Fund.
- 1152 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1153 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
1154 through (g):
- 1155 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
 - 1156 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
 - 1157 (B) for the fiscal year; or
 - 1158 (ii) \$17,500,000.
 - 1159 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
1160 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
1161 revenue to the Department of Natural Resources to:
 - 1162 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
1163 protect sensitive plant and animal species; or
 - 1164 (B) award grants, up to the amount authorized by the Legislature in an appropriations
1165 act, to political subdivisions of the state to implement the measures described in Subsections
1166 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.
 - 1167 (ii) Money transferred to the Department of Natural Resources under Subsection
1168 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
1169 person to list or attempt to have listed a species as threatened or endangered under the
1170 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.
 - 1171 (iii) At the end of each fiscal year:
 - 1172 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the

1173 Water Resources Conservation and Development Fund created in Section 73-10-24;

1174 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the

1175 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

1176 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the

1177 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

1178 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in

1179 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund

1180 created in Section 4-18-106.

1181 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described

1182 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to

1183 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for

1184 the adjudication of water rights.

1185 (ii) At the end of each fiscal year:

1186 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the

1187 Water Resources Conservation and Development Fund created in Section 73-10-24;

1188 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the

1189 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

1190 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the

1191 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

1192 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described

1193 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and

1194 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

1195 (ii) In addition to the uses allowed of the Water Resources Conservation and

1196 Development Fund under Section 73-10-24, the Water Resources Conservation and

1197 Development Fund may also be used to:

1198 (A) conduct hydrologic and geotechnical investigations by the Division of Water

1199 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of

1200 quantifying surface and ground water resources and describing the hydrologic systems of an

1201 area in sufficient detail so as to enable local and state resource managers to plan for and

1202 accommodate growth in water use without jeopardizing the resource;

1203 (B) fund state required dam safety improvements; and

1204 (C) protect the state's interest in interstate water compact allocations, including the
1205 hiring of technical and legal staff.

1206 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1207 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
1208 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

1209 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1210 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
1211 created in Section 73-10c-5 for use by the Division of Drinking Water to:

1212 (i) provide for the installation and repair of collection, treatment, storage, and
1213 distribution facilities for any public water system, as defined in Section 19-4-102;

1214 (ii) develop underground sources of water, including springs and wells; and

1215 (iii) develop surface water sources.

1216 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1217 2006, the difference between the following amounts shall be expended as provided in this
1218 Subsection (5), if that difference is greater than \$1:

1219 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
1220 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

1221 (ii) \$17,500,000.

1222 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

1223 (A) transferred each fiscal year to the Department of Natural Resources as designated
1224 sales and use tax revenue; and

1225 (B) expended by the Department of Natural Resources for watershed rehabilitation or
1226 restoration.

1227 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1228 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
1229 and Development Fund created in Section 73-10-24.

1230 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
1231 remaining difference described in Subsection (5)(a) shall be:

1232 (A) transferred each fiscal year to the Division of Water Resources as designated sales
1233 and use tax revenue; and

1234 (B) expended by the Division of Water Resources for cloud-seeding projects

1235 authorized by Title 73, Chapter 15, Modification of Weather.

1236 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1237 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
1238 and Development Fund created in Section 73-10-24.

1239 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
1240 remaining difference described in Subsection (5)(a) shall be deposited into the Water
1241 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
1242 Division of Water Resources for:

1243 (i) preconstruction costs:

1244 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
1245 26, Bear River Development Act; and

1246 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
1247 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

1248 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
1249 Chapter 26, Bear River Development Act;

1250 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
1251 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

1252 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
1253 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

1254 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
1255 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water
1256 Rights Restricted Account created by Section 73-2-1.6.

1257 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a),
1258 each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account
1259 created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the
1260 transactions described in Subsection (1) for the fiscal year.

1261 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
1262 year beginning on or after July 1, 2023, the commission shall deposit into the Transportation
1263 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under
1264 Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:

1265 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1266 (ii) the tax imposed by Subsection (2)(b)(i); and
1267 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

1268 (b) (i) As used in this Subsection (7)(b):

1269 (A) "Additional growth revenue" means the amount of relevant revenue collected in
1270 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
1271 previous fiscal year.

1272 (B) "Combined amount" means the combined total amount of money deposited into the
1273 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

1274 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
1275 Investment Fund created in Subsection 72-2-124(10).

1276 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
1277 equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iii).

1278 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1279 reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by
1280 an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood
1281 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
1282 limit in Subsection (7)(b)(iii).

1283 (iii) The commission shall annually deposit the amount described in Subsection
1284 (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
1285 for any single fiscal year of \$20,000,000.

1286 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
1287 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
1288 Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant
1289 revenue.

1290 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
1291 2023, the commission shall annually reduce the deposit into the Transportation Investment
1292 Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:

1293 (A) the amount of revenue generated in the current fiscal year by the portion of taxes
1294 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described
1295 in Subsections (7)(a)(i) through (iv);

1296 (B) the amount of revenue generated in the current fiscal year by registration fees

1297 designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund
1298 of 2005; and

1299 (C) revenues transferred by the Division of Finance to the Transportation Investment
1300 Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.

1301 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
1302 given fiscal year.

1303 (iii) The commission shall annually deposit the amount described in Subsection
1304 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).

1305 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
1306 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or
1307 after July 1, 2018, the commission shall annually deposit into the Transportation Investment
1308 Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a)
1309 in an amount equal to 3.68% of the revenues collected from the following taxes:

1310 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1311 (ii) the tax imposed by Subsection (2)(b)(i); and

1312 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

1313 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
1314 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by
1315 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
1316 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale
1317 or use in this state that exceeds 29.4 cents per gallon.

1318 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
1319 into the Transit Transportation Investment Fund created in Section 72-2-124.

1320 (d) (i) As used in this Subsection (8)(d):

1321 (A) "Additional growth revenue" means the amount of relevant revenue collected in
1322 the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
1323 previous fiscal year.

1324 (B) "Combined amount" means the combined total amount of money deposited into the
1325 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

1326 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
1327 Investment Fund created in Subsection 72-2-124(10).

1328 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
1329 equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through
1330 (iii).

1331 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1332 reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by
1333 an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood
1334 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
1335 limit in Subsection (8)(d)(iii).

1336 (iii) The commission shall annually deposit the amount described in Subsection
1337 (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
1338 for any single fiscal year of \$20,000,000.

1339 (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
1340 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
1341 Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant
1342 revenue.

1343 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1344 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
1345 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

1346 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
1347 fiscal year during which the commission receives notice under Section 63N-2-510 that
1348 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission
1349 shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by
1350 the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in
1351 Section 63N-2-512.

1352 (11) (a) The rate specified in this subsection is 0.15%.

1353 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
1354 beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the
1355 rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax
1356 under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.

1357 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1358 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit

1359 solely for use of the Search and Rescue Financial Assistance Program created in, and expended
1360 in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

1361 (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
1362 annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund
1363 of 2005 under Subsections (7) and (8) to the General Fund.

1364 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
1365 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
1366 transfer the total revenue deposited into the Transportation Investment Fund of 2005 under
1367 Subsections (7) and (8) during the fiscal year to the General Fund.

1368 (14) Notwithstanding Subsection (3)(a), and as described in Section [63N-3-610](#),
1369 beginning the first day of the calendar quarter one year after the sales and use tax boundary for
1370 a housing and transit reinvestment zone is established, the commission, at least annually, shall
1371 transfer an amount equal to 15% of the sales and use tax increment within an established sales
1372 and use tax boundary, as defined in Section [63N-3-602](#), into the Transit Transportation
1373 Investment Fund created in Section [72-2-124](#).

1374 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
1375 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
1376 Restricted Account, created in Section [51-9-902](#), a portion of the taxes listed under Subsection
1377 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:

1378 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1379 (b) the tax imposed by Subsection (2)(b)(i); and

1380 (c) the tax imposed by Subsection (2)(f)(i)(A)(I).

1381 (16) (a) As used in this Subsection (16):

1382 (i) "Additional land" means point of the mountain state land described in Subsection
1383 [11-59-102\(6\)\(b\)](#) that the point of the mountain authority acquires after the point of the
1384 mountain authority provides the commission a map under Subsection (16)c).

1385 (ii) "Point of the mountain authority" means the Point of the Mountain State Land
1386 Authority, created in Section [11-59-201](#).

1387 (iii) "Point of the mountain state land" means the same as that term is defined in
1388 Section [11-59-102](#).

1389 (b) Notwithstanding Subsection (3)(a), the commission shall transfer to the point of the

1390 mountain authority 64% of the revenue from the sales and use tax imposed by Subsection
1391 (2)(a)(i)(A) at a 4.7% rate, on transactions occurring on the point of the mountain state land.

1392 (c) The transfer under Subsection (16)(b) shall begin the next calendar quarter that
1393 begins at least 90 days after the point of the mountain authority provides the commission a map
1394 that:

1395 (i) accurately describes the point of the mountain state land; and

1396 (ii) the point of the mountain authority certifies as accurate.

1397 (d) A transfer under Subsection (16)(b) with respect to additional land shall begin the
1398 next calendar quarter that begins at least 90 days after the point of the mountain authority
1399 provides the commission a map of point of the mountain state land that:

1400 (i) accurately describes the point of the mountain state land, including the additional
1401 land; and

1402 (ii) the point of the mountain authority certifies as accurate.

1403 Section 12. Section **63I-1-211** is amended to read:

1404 **63I-1-211. Repeal dates: Title 11.**

1405 Title 11, Chapter 59, Point of the Mountain State Land Authority Act, is repealed
1406 January 1, 2029.

1407 Section 13. **Effective date.**

1408 (1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.

1409 (2) The actions affecting Section [59-12-103](#) (Contingently Effective 01/01/25)

1410 contingently take effect on January 1, 2025.