	POINT OF THE MOUNTAIN STATE LAND AUTHORITY
	AMENDMENTS
	2024 GENERAL SESSION
	STATE OF UTAH
	Chief Sponsor: Jerry W. Stevenson
	House Sponsor: Jordan D. Teuscher
	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             59-12-103 (Contingently Superseded 01/01/25), as last amended by Laws of Utah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
41
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.
             (2) "Board" means the authority's board, created in Section 11-59-301.
48
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;
             (ii) surveying, testing, locating existing utilities and other infrastructure, and other
55
      preliminary site work; and
56
```

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; (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking 90 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 $\lceil \frac{1}{1} \rceil$ The authority may: 97 [(a)] (1) as provided in this chapter, plan, manage, and implement the development of the point of the mountain state land, including the ongoing operation of facilities on the point 98 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; [(g)] (7) enter into a lease agreement on real or personal property, either as lessee or 116 117 lessor; [(h)] (8) provide for the development of the point of the mountain state land under one 118

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	[(1)] (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	(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	[(m)] (14) hire employees, including contract employees, in addition to or in place of
135	staff provided under Section 11-59-304;
136	[(n)] (15) transact other business and exercise all other powers provided for in this
137	chapter;
138	[(o)] (16) enter into a development agreement with a developer of some or all of the
139	point of the mountain state land;
140	[(p)] <u>(17)</u> 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	$\left[\frac{(q)}{(18)}\right]$ exercise powers and perform functions that the authority is authorized by
144	statute to exercise or perform;
145	$\left[\frac{r}{r}\right]$ 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	[(s)] (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

130	authority to exercise its powers or runni its duties and responsionities under this chapter;
151	[(t)] (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	[(u)] (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

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

- (c) the individual or a family member of the individual owns an interest in, is directly affiliated with, or is an employee or officer of a firm, company, or other entity that the individual reasonably believes is likely to participate in or receive compensation or other direct financial benefit from the development of the point of the mountain state land; or
- (d) the individual or a family member of the individual receives or is expected to receive a direct financial benefit.
- (3) (a) Before taking office as a board member, an individual shall submit to the authority a statement:
- (i) verifying that the individual's service as a board member does not violate Subsection (2); and
- (ii) for a designated individual, identifying any interest in real property[, other than a personal residence in which the individual resides,] located on or within five miles of the point of the mountain state land.
- (b) If a designated individual takes action, during the individual's service as a board member, to initiate, negotiate, or otherwise arrange for the acquisition of an interest in real property[, other than a personal residence in which the individual intends to live,] located on or within five miles of the point of the mountain state land, the designated individual shall submit a written statement to the board chair describing the action, the interest in real property that the designated individual intends to acquire, and the location of the real property.
- (4) Except for a board member who is a designated individual, a board member is disqualified from further service as a board member if the board member, at any time during the board member's service on the board, takes any action to initiate, negotiate, or otherwise arrange for the acquisition of an interest in real property[, other than a personal residence in which the member intends to reside,] located on or within five miles of the point of the mountain state land.
- (5) A designated individual who submits a written statement under Subsection (3)(a)(ii) or (b) may not serve or continue to serve as a board member unless at least two-thirds of all other board members conclude that the designated individual's service as a board member 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	<u>and</u>
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.

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

2/4	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	<u>determines.</u>
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 seg.; 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
       user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
419
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	(1) 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

- (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax are imposed on a transaction described in Subsection (1) equal to the sum of:
 - (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
 - (A) 4.70% plus the rate specified in Subsection (11)(a); and
- (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and
- (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.
- (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to the sum of:
 - (i) a state tax imposed on the transaction at a tax rate of 2%; and
- (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.
- (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed on amounts paid or charged for food and food ingredients equal to the sum of:
- (i) a state tax imposed on the amounts paid or charged for food and food ingredients at a tax rate of 1.75%; and
- (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the amounts paid or charged for food and food ingredients under this chapter other than this part.
- (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at a rate of 4.85%.
 - (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form prescribed

- by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle owner.
- (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is required once during the time that the shared vehicle owner owns the shared vehicle.
- (C) The commission shall verify that a shared vehicle is an individual-owned shared vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the purchase of the shared vehicle.
- (D) The exception under Subsection (2)(e)(i)(A) applies to a certified individual-owned shared vehicle shared through a car-sharing program even if non-certified shared vehicles are also available to be shared through the same car-sharing program.
 - (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
- (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i).
- (B) If a car-sharing program relies in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any tax, penalty, fee, or other sanction imposed on the shared vehicle owner.
- (iv) If all shared vehicles shared through a car-sharing program are certified as described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.
- (v) [(A)] A car-sharing program is not required to list or otherwise identify an individual-owned shared vehicle on a return or an attachment to a return.
 - (vi) A car-sharing program shall:
 - (A) retain tax information for each car-sharing program transaction; and
- (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at the commission's request.
- (f) (i) For a bundled transaction that is attributable to food and food ingredients and tangible personal property other than food and food ingredients, a state tax and a local tax is imposed on the entire bundled transaction equal to the sum of:

552

higher tax rate unless:

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 Sales and Use Tax Act, if the location of the transaction as determined under Sections 529 530 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 consists of taxable and nontaxable products that are not separately itemized on an invoice or 535 536 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: (I) the seller is able to identify by reasonable and verifiable standards the tangible 544 545 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

(I) the seller is able to identify by reasonable and verifiable standards the tangible

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

- (II) state or federal law provides otherwise.
- (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental of tangible personal property, other property, a product, or a service that is not subject to taxation under this chapter, the entire transaction is subject to taxation under this chapter unless the seller, at the time of the transaction:
- (A) separately states the portion of the transaction that is not subject to taxation under this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or
- (B) is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.
 - (ii) A purchaser and a seller may correct the taxability of a transaction if:
- (A) after the transaction occurs, the purchaser and the seller discover that the portion of the transaction that is not subject to taxation under this chapter was not separately stated on an invoice, bill of sale, or similar document provided to the purchaser because of an error or ignorance of the law; and
- (B) the seller is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.
- (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (h) (i) If the sales price of a transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate

586

587

588

589

590

591

592593

594

595

597

599

600

601

602

603

604

605

606

607

608

609

unless the seller, at the time of the transaction:

- (A) separately states the items subject to taxation under this chapter at each of the different rates on an invoice, bill of sale, or similar document provided to the purchaser; or
- (B) is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business.
- (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate imposed under the following shall take effect on the first day of a calendar quarter:
 - (i) Subsection (2)(a)(i)(A);
- 596 (ii) Subsection (2)(b)(i);
 - (iii) Subsection (2)(c)(i); or
- 598 (iv) Subsection (2)(f)(i)(A)(I).
 - (j) (i) A tax rate increase takes effect on the first day of the first billing period that begins on or after the effective date of the tax rate increase if the billing period for the transaction begins before the effective date of a tax rate increase imposed under:
 - (A) Subsection (2)(a)(i)(A);
 - (B) Subsection (2)(b)(i);
 - (C) Subsection (2)(c)(i); or
 - (D) Subsection (2)(f)(i)(A)(I).
 - (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the tax or the tax rate decrease imposed under:
 - (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)(1)(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.

675

676

created in Section 4-18-106.

- 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 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other 662 663 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
 - (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to

707

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:

(i) provide for the installation and repair of collection, treatment, storage, and

distribution facilities for any public water system, as defined in Section 19-4-102;

737

738

Division of Water Resources for:

(i) preconstruction costs:

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

- 24 -

(A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter

Chapter 26, Bear River Development Act;

743

744

745

746

747

748

749

750

751

752753

754

755

756

757

758

759

760

761

762

764

765

766

767

768

- 26, Bear River Development Act; and
 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
 - (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and
 - (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).
 - (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the remaining difference described in Subsection (5)(a) shall be deposited each year into the Water Rights Restricted Account created by Section 73-2-1.6.
 - (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the transactions described in Subsection (1) for the fiscal year.
 - (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1, 2023, the commission shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:
 - (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - (ii) the tax imposed by Subsection (2)(b)(i);
 - (iii) the tax imposed by Subsection (2)(c)(i); and
 - (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 763 (b) (i) As used in this Subsection (7)(b):
 - (A) "Additional growth revenue" means the amount of relevant revenue collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected in the previous fiscal year.
 - (B) "Combined amount" means the combined total amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.
 - (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation

- 770 Investment Fund created in Subsection 72-2-124(10).
 - (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv).
 - (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the limit in Subsection (7)(b)(iii).
 - (iii) The commission shall annually deposit the amount described in Subsection (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for any single fiscal year of \$20,000,000.
 - (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant revenue.
 - (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1, 2023, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:
 - (A) the amount of revenue generated in the current fiscal year by the portion of taxes listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv);
 - (B) the amount of revenue generated in the current fiscal year by registration fees designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund of 2005; and
 - (C) revenues transferred by the Division of Finance to the Transportation Investment Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.
 - (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a given fiscal year.
 - (iii) The commission shall annually deposit the amount described in Subsection (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).
 - (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under

- Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:
 - (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - (ii) the tax imposed by Subsection (2)(b)(i);
 - (iii) the tax imposed by Subsection (2)(c)(i); and
 - (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
 - (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
 - (c) The commission shall annually deposit the amount described in Subsection (8)(b) into the Transit Transportation Investment Fund created in Section 72-2-124.
 - (d) (i) As used in this Subsection (8)(d):
 - (A) "Additional growth revenue" means the amount of relevant revenue collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected in the previous fiscal year.
 - (B) "Combined amount" means the combined total amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.
 - (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).
 - (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through (iv).
 - (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the limit in Subsection (8)(d)(iii).

- (iii) The commission shall annually deposit the amount described in Subsection (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for any single fiscal year of \$20,000,000.
- (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant revenue.
- (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
- (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal year during which the commission receives notice under Section 63N-2-510 that construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in Section 63N-2-512.
 - (11) (a) The rate specified in this subsection is 0.15%.
- (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.
- (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit solely for use of the Search and Rescue Financial Assistance Program created in, and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.
- (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.
- (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall transfer the total revenue deposited into the Transportation Investment Fund of 2005 under

803	Subsections (7) and (8) during the riscar 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	<u>that:</u>
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.

- (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to the sum of:
 - (i) a state tax imposed on the transaction at a tax rate of 2%; and
 - (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.
 - (c) (i) Except as provided in Subsection (2)(f) or (g), a local tax is imposed on amounts paid or charged for food and food ingredients equal to the sum of the tax rates a county, city, or town imposes under this chapter on the amounts paid or charged for food or food ingredients.
 - (ii) There is no state tax imposed on amounts paid or charged for food and food ingredients.
 - (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at a rate of 4.85%.
 - (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form prescribed by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle owner.
 - (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is required once during the time that the shared vehicle owner owns the shared vehicle.
 - (C) The commission shall verify that a shared vehicle is an individual-owned shared vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the purchase of the shared vehicle.
 - (D) The exception under Subsection (2)(e)(i)(A) applies to a certified individual-owned shared vehicle shared through a car-sharing program even if non-certified shared vehicles are also available to be shared through the same car-sharing program.
 - (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
 - (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i).
 - (B) If a car-sharing program relies in good faith on a shared vehicle owner's

- representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any tax, penalty, fee, or other sanction imposed on the shared vehicle owner.
 - (iv) If all shared vehicles shared through a car-sharing program are certified as described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.
- (v) [(A)] A car-sharing program is not required to list or otherwise identify an individual-owned shared vehicle on a return or an attachment to a return.
 - (vi) A car-sharing program shall:
 - (A) retain tax information for each car-sharing program transaction; and
- (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at the commission's request.
- (f) (i) For a bundled transaction that is attributable to food and food ingredients and tangible personal property other than food and food ingredients, a state tax and a local tax is imposed on the entire bundled transaction equal to the sum of:
 - (A) a state tax imposed on the entire bundled transaction equal to the sum of:
 - (I) the tax rate described in Subsection (2)(a)(i)(A); and
- (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and
- (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates described in Subsection (2)(a)(ii).
- (ii) If an optional computer software maintenance contract is a bundled transaction that consists of taxable and nontaxable products that are not separately itemized on an invoice or similar billing document, the purchase of the optional computer software maintenance contract is 40% taxable under this chapter and 60% nontaxable under this chapter.

- (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled transaction described in Subsection (2)(f)(i) or (ii):
- (A) if the sales price of the bundled transaction is attributable to tangible personal property, a product, or a service that is subject to taxation under this chapter and tangible personal property, a product, or service that is not subject to taxation under this chapter, the entire bundled transaction is subject to taxation under this chapter unless:
- (I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is not subject to taxation under this chapter from the books and records the seller keeps in the seller's regular course of business; or
 - (II) state or federal law provides otherwise; or
- (B) if the sales price of a bundled transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire bundled transaction is subject to taxation under this chapter at the higher tax rate unless:
- (I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business; or
 - (II) state or federal law provides otherwise.
- (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental of tangible personal property, other property, a product, or a service that is not subject to taxation under this chapter, the entire transaction is subject to taxation under this chapter unless the seller, at the time of the transaction:
- (A) separately states the portion of the transaction that is not subject to taxation under this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or
- (B) is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction

that is not subject to taxation under this chapter.

- (ii) A purchaser and a seller may correct the taxability of a transaction if:
- (A) after the transaction occurs, the purchaser and the seller discover that the portion of the transaction that is not subject to taxation under this chapter was not separately stated on an invoice, bill of sale, or similar document provided to the purchaser because of an error or ignorance of the law; and
- (B) the seller is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.
- (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (h) (i) If the sales price of a transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate unless the seller, at the time of the transaction:
- (A) separately states the items subject to taxation under this chapter at each of the different rates on an invoice, bill of sale, or similar document provided to the purchaser; or
- (B) is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business.
- (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.
- (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate imposed under the following shall take effect on the first day of a calendar quarter:
 - (i) Subsection (2)(a)(i)(A);
 - (ii) Subsection (2)(b)(i); or
 - (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: (A) Subsection (2)(a)(i)(A); 1127 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 (1) (i) For a location described in Subsection (2)(1)(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)(1)(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); (iii) the tax imposed by Subsection (2)(c); and 1148 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 (ii) \$17,500,000. 1158 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 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other 1168 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 Development Fund under Section 73-10-24, the Water Resources Conservation and 1196 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
 - (B) fund state required dam safety improvements; and

accommodate growth in water use without jeopardizing the resource;

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

1201

1202

1233

1234

and use tax revenue; and

- 1204 (C) protect the state's interest in interstate water compact allocations, including the hiring of technical and legal staff. 1205 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:
 - (B) expended by the Division of Water Resources for cloud-seeding projects

(A) transferred each fiscal year to the Division of Water Resources as designated sales

- 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.
 - (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the remaining difference described in Subsection (5)(a) shall be deposited into the Water Resources Conservation and Development Fund created in Section 73-10-24 for use by the Division of Water Resources for:
- 1243 (i) preconstruction costs:

1240

1241

1242

1246

1247

1248

1249

1250

1251

1252

1253

1254

1255

1256

1257

1258

1259

1260

1261

1262

1263

1264

- 1244 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter 1245 26, Bear River Development Act; and
 - (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
 - (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73, Chapter 26, Bear River Development Act;
 - (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and
 - (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).
 - (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the remaining difference described in Subsection (5)(a) shall be deposited each year into the Water Rights Restricted Account created by Section 73-2-1.6.
 - (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each fiscal year, the commission shall deposit into the Water Infrastructure Restricted Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the transactions described in Subsection (1) for the fiscal year.
 - (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1, 2023, the commission shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:
 - (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):

- (A) "Additional growth revenue" means the amount of relevant revenue collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected in the previous fiscal year.
- (B) "Combined amount" means the combined total amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.
- (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).
- (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iii).
- (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the limit in Subsection (7)(b)(iii).
- (iii) The commission shall annually deposit the amount described in Subsection (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for any single fiscal year of \$20,000,000.
- (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant revenue.
- (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1, 2023, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:
- (A) the amount of revenue generated in the current fiscal year by the portion of taxes listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv);
 - (B) the amount of revenue generated in the current fiscal year by registration fees

1300

1301

1302

1303

1304

1305

1306

1307

1308

1309

1310

1311

1312

13131314

1315

1316

1317

1318

1319

1320

1321

1322

1323

1324

- designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund of 2005; and
 - (C) revenues transferred by the Division of Finance to the Transportation Investment Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.
 - (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a given fiscal year.
 - (iii) The commission shall annually deposit the amount described in Subsection (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).
 - (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:
 - (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - (ii) the tax imposed by Subsection (2)(b)(i); and
 - (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
 - (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
 - (c) The commission shall annually deposit the amount described in Subsection (8)(b) into the Transit Transportation Investment Fund created in Section 72-2-124.
 - (d) (i) As used in this Subsection (8)(d):
 - (A) "Additional growth revenue" means the amount of relevant revenue collected in the current fiscal year that exceeds by more than 3% the relevant revenue collected in the previous fiscal year.
 - (B) "Combined amount" means the combined total amount of money deposited into the 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).

- (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that equals 3.68% of the revenue collected from taxes described in Subsections (8)(a)(i) through (iii).
 - (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the limit in Subsection (8)(d)(iii).
 - (iii) The commission shall annually deposit the amount described in Subsection (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for any single fiscal year of \$20,000,000.
 - (iv) If the amount of relevant revenue declines in a fiscal year compared to the previous fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant revenue.
 - (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
 - (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal year during which the commission receives notice under Section 63N-2-510 that construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in Section 63N-2-512.
 - (11) (a) The rate specified in this subsection is 0.15%.
 - (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26B-1-315.
 - (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 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

2nd Sub. (Salmon) S.B. 198

02-23-24 11:03 AM

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	<u>that:</u>
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.