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POINT OF THE MOUNTAIN STATE LAND AUTHORITY

AMENDMENTS



Other Special Clauses:

20	This offi provides a special effective date.
27	Utah Code Sections Affected:
28	AMENDS:
29	11-59-102, as last amended by Laws of Utah 2023, Chapters 16, 263
30	11-59-202, as last amended by Laws of Utah 2023, Chapter 139
31	11-59-207, as enacted by Laws of Utah 2022, Chapter 237
32	11-59-306, as last amended by Laws of Utah 2022, Chapter 237
33	59-12-103 (Contingently Superseded 01/01/25), as last amended by Laws of Utah
34	2023, Chapters 22, 213, 329, 361, and 471
35	59-12-103 (Contingently Effective 01/01/25), as last amended by Laws of Utah 2023,
36	Chapters 22, 213, 329, 361, 459, and 471
37	ENACTS:
38	11-59-601, Utah Code Annotated 1953
39	11-59-602, Utah Code Annotated 1953
40	11-59-603, Utah Code Annotated 1953
41	11-59-604, Utah Code Annotated 1953
42	11-59-605, Utah Code Annotated 1953
43	11-59-606, Utah Code Annotated 1953
4445	Be it enacted by the Legislature of the state of Utah:
46	Section 1. Section 11-59-102 is amended to read:
47	11-59-102. Definitions.
48	As used in this chapter:
49	(1) "Authority" means the Point of the Mountain State Land Authority, created in
50	Section 11-59-201.
51	(2) "Board" means the authority's board, created in Section 11-59-301.
52	(3) "Development":
53	(a) means the construction, reconstruction, modification, expansion, or improvement of
54	a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or
55	other facility, including:
56	(i) the demolition or preservation or repurposing of a building, infrastructure, or other

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

88	(b) includes:
89	(i) facilities, lines, or systems that provide:
90	(A) water, chilled water, or steam; or
91	(B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,
92	microgrids, or telecommunications service;
93	(ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
94	facilities, and public transportation facilities; and
95	(iii) greenspace, parks, trails, recreational amenities, or other similar facilities.
96	(9) "Taxing entity" means the same as that term is defined in Section 59-2-102.
97	Section 2. Section 11-59-202 is amended to read:
98	11-59-202. Authority powers.
99	[(1)] The authority may:
100	[(a)] (1) as provided in this chapter, plan, manage, and implement the development of
101	the point of the mountain state land, including the ongoing operation of facilities on the point
102	of the mountain state land;
103	[(b)] (2) undertake, or engage a consultant to undertake, any study, effort, or activity
104	the board considers appropriate to assist or inform the board about any aspect of the proposed
105	development of the point of the mountain state land, including the best development model and
106	financial projections relevant to the authority's efforts to fulfill its duties and responsibilities
107	under this section and Section 11-59-203;
108	$\left[\frac{(c)}{(c)}\right]$ sue and be sued;
109	[(d)] (4) enter into contracts generally, including a contract for the sharing of records
110	under Section 63G-2-206;
111	[(e)] (5) buy, obtain an option upon, or otherwise acquire any interest in real or
112	personal property, as necessary to accomplish the duties and responsibilities of the authority,
113	including an interest in real property, apart from point of the mountain state land, or personal
114	property, outside point of the mountain state land, for publicly owned infrastructure and
115	improvements, if the board considers the purchase, option, or other interest acquisition to be
116	necessary for fulfilling the authority's development objectives;
117	[(f)] (6) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in
118	real or personal property;

119	$\left[\frac{(g)}{(f)}\right]$ enter into a lease agreement on real or personal property, either as lessee or
120	lessor;
121	[(h)] (8) provide for the development of the point of the mountain state land under one
122	or more contracts, including the development of publicly owned infrastructure and
123	improvements and other infrastructure and improvements on or related to the point of the
124	mountain state land;
125	[(i)] (9) exercise powers and perform functions under a contract, as authorized in the
126	contract;
127	[(j)] (10) accept financial or other assistance from any public or private source for the
128	authority's activities, powers, and duties, and expend any funds so received for any of the
129	purposes of this chapter;
130	[(k)] (11) borrow money, contract with, or accept financial or other assistance from the
131	federal government, a public entity, or any other source for any of the purposes of this chapter
132	and comply with any conditions of the loan, contract, or assistance;
133	[(1)] (12) subject to [Subsection (2)] Part 6, Authority Bonds, issue bonds to finance the
134	undertaking of any development objectives of the authority[, including];
135	(13) issue bonds under Title 11, Chapter 17, Utah Industrial Facilities and
136	Development Act, and [bonds] under Title 11, Chapter 42, Assessment Area Act;
137	[(m)] (14) hire employees, including contract employees, in addition to or in place of
138	staff provided under Section 11-59-304;
139	[(n)] (15) transact other business and exercise all other powers provided for in this
140	chapter;
141	[(o)] (16) enter into a development agreement with a developer of some or all of the
142	point of the mountain state land;
143	[(p)] <u>(17)</u> provide for or finance an energy efficiency upgrade, a renewable energy
144	system, or electric vehicle charging infrastructure as defined in Section 11-42a-102, in
145	accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act;
146	$\left[\frac{(q)}{(18)}\right]$ exercise powers and perform functions that the authority is authorized by
147	statute to exercise or perform;
148	[(r)] <u>(19)</u> enter into one or more interlocal agreements under Title 11, Chapter 13,
149	Interlocal Cooperation Act, with one or more local government entities for the delivery of

150	services to the point of the mountain state land;
151	[(s)] (20) enter into an agreement with the federal government or an agency of the
152	federal government, as the board considers necessary or advisable, to enable or assist the
153	authority to exercise its powers or fulfill its duties and responsibilities under this chapter;
154	[(t)] (21) provide funding for the development of publicly owned infrastructure and
155	improvements or other infrastructure and improvements on or related to the point of the
156	mountain state land; and
157	[(u)] (22) impose impact fees under Title 11, Chapter 36a, Impact Fees Act, and other
158	fees related to development activities.
159	[(2) The authority may not issue bonds under this part unless the board first:]
160	[(a) adopts a parameters resolution for the bonds that sets forth:]
161	[(i) the maximum:]
162	[(A) amount of bonds;]
163	[(B) term; and]
164	[(C) interest rate; and]
165	[(ii) the expected security for the bonds; and]
166	[(b) submits the parameters resolution for review and recommendation to the State
167	Finance Review Commission created in Section 63C-25-201.
168	[(3) No later than 60 days after the closing day of any bonds, the authority shall report
169	the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:]
170	[(a) the Executive Appropriations Committee; and]
171	[(b) the State Finance Review Commission created in Section 63C-25-201:]
172	Section 3. Section 11-59-207 is amended to read:
173	11-59-207. Annual assessment on leased property.
174	(1) As used in this section:
175	(a) "Annual [fee] <u>assessment</u> " means [a fee] <u>an assessment</u> :
176	(i) that is levied and collected each year, as provided in this section; and
177	(ii) in an amount that is the equivalent of the cumulative real property tax that would
178	be levied and collected on leased property by all taxing entities if the leased property were not
179	exempt property.
180	(b) "Exempt property" means real property that is exempt from ad valorem property tax

- because the real property is owned by the state.
 - (c) "Lease agreement" means an agreement by which a private person leases from the state real property that is part of the point of the mountain state land.
 - (d) (i) "Leased property" means real property that:
 - (A) is part of the point of the mountain state land;
 - (B) is leased by a private person; and
 - (C) would be subject to ad valorem property tax if the real property were owned by the private person.
 - (ii) "Leased property" includes attachments and other improvements to the real property that would be included in an assessment of the value of the real property if the real property were not exempt property.
 - (e) "Leased property value" means the value that leased property would have if the leased property were subject to ad valorem property tax.
 - (f) "Lessee" means a private person that leases property that is part of the point of the mountain state land under a lease agreement.
 - (2) Beginning January 1 of the year immediately following the execution of a lease agreement, a lessee under the lease agreement shall pay an annual [fee] assessment with respect to the leased property that is the subject of the lease agreement.
 - (3) In a county in which the point of the mountain state land is located:
 - (a) the county assessor shall determine the leased property value of leased property that is subject to an annual [fee] assessment as though the leased property were subject to ad valorem property tax;
 - (b) the county treasurer shall collect an annual [fee] assessment in the same way and at the same time that the treasurer would collect ad valorem property tax on the leased property if the leased property were subject to ad valorem property tax;
 - (c) the county may retain an administrative fee for collecting and distributing the annual [fee] assessment in the same amount that would apply if the leased property were not exempt property; and
 - (d) the county treasurer shall distribute to the authority all revenue from an annual [fee] <u>assessment</u> on leased property in the same way and at the same time as the treasurer distributes ad valorem property tax revenue to taxing entities in accordance with Section 59-2-1365.

212	(4) Leased property is not subject to a privilege tax under Title 59, Chapter 4, Privilege
213	Tax.
214	Section 4. Section 11-59-306 is amended to read:
215	11-59-306. Limitations on board members.
216	(1) As used in this section:
217	(a) "Designated individual" means an individual:
218	(i) (A) who is a member of the Senate or House of Representatives;
219	(B) who has been appointed as a member of the board under Subsection
220	11-59-302(2)(a) or (b); and
221	(C) whose legislative district includes some or all of the point of the mountain state
222	land; or
223	(ii) who is designated to serve as a board member under Subsection 11-59-302(2)(e) or
224	(f).
225	(b) "Direct financial benefit":
226	(i) means any form of financial benefit that accrues to an individual directly as a result
227	of the development of the point of the mountain state land, including:
228	(A) compensation, commission, or any other form of a payment or increase of money;
229	and
230	(B) an increase in the value of a business or property; and
231	(ii) does not include a financial benefit that accrues to the public generally as a result of
232	the development of the point of the mountain state land.
233	(c) "Family member" means a parent, spouse, sibling, child, or grandchild.
234	(d) (i) "Interest in real property" means every type of real property interest, whether
235	recorded or unrecorded, including:
236	[(i)] (A) a legal or equitable interest;
237	[(ii)] (B) an option on real property;
238	[(iii)] (C) an interest under a contract;
239	[(iv)] (D) fee simple ownership;
240	[(v)] (E) ownership as a tenant in common or in joint tenancy or another joint
241	ownership arrangement;
242	[(vi)] (F) ownership through a partnership, limited liability company, or corporation

243	that holds title to a real property interest in the name of the partnership, limited liability
244	company, or corporation;
245	[(vii)] (G) leasehold interest; and
246	[(viii)] (H) any other real property interest that is capable of being owned.
247	(ii) "Interest in real property" does not include:
248	(A) an interest in a personal residence in which the individual resides or, in the case of
249	an intended future acquisition, intends to reside; or
250	(B) an interest as a tenant paying market-rate rent in a building that is located on point
251	of the mountain state land.
252	(2) An individual may not serve as a member of the board if:
253	(a) subject to Subsection (5) for a designated individual, the individual owns an interest
254	in real property[, other than a personal residence in which the individual resides,] on or within
255	five miles of the point of the mountain state land;
256	(b) a family member of the individual owns an interest in real property[, other than a
257	personal residence in which the family member resides,] located on or within one-half mile of
258	the point of the mountain state land;
259	(c) the individual or a family member of the individual owns an interest in, is directly
260	affiliated with, or is an employee or officer of a firm, company, or other entity that the
261	individual reasonably believes is likely to participate in or receive compensation or other direct
262	financial benefit from the development of the point of the mountain state land; or
263	(d) the individual or a family member of the individual receives or is expected to
264	receive a direct financial benefit.
265	(3) (a) Before taking office as a board member, an individual shall submit to the
266	authority a statement:
267	(i) verifying that the individual's service as a board member does not violate
268	Subsection (2); and
269	(ii) for a designated individual, identifying any interest in real property[, other than a
270	personal residence in which the individual resides,] located on or within five miles of the point
271	of the mountain state land.
272	(b) If a designated individual takes action, during the individual's service as a board
273	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 designated individual to exercise fair and impartial judgment as a board member and to act in the best interests of the authority.
- (6) (a) The board may not allow a firm, company, or other entity to participate in planning, managing, or implementing the development of the point of the mountain state land if a board member or a family member of a board member owns an interest in, is directly affiliated with, or is an employee or officer of the firm, company, or other entity.
- (b) Before allowing a firm, company, or other entity to participate in planning, managing, or implementing the development of the point of the mountain state land, the board may require the firm, company, or other entity to certify that no board member or family member of a board member owns an interest in, is directly affiliated with, or is an employee or officer of the firm, company, or other entity.
 - Section 5. Section 11-59-601 is enacted to read:

Part 6. Authority Bonds

<u>11-59-601.</u> Resolution authorizing issuance of authority bonds -- Characteristics of bonds -- Notice.

- (1) The authority may not issue bonds under this part unless the board first:
- 304 (a) adopts a parameters resolution, as defined in Section 63C-25-101, for the bonds;

305	<u>and</u>
306	(b) submits the parameters resolution for review and recommendation to the State
307	Finance Review Commission created in Section 63C-25-201.
308	(2) (a) As provided in the authority resolution authorizing the issuance of bonds under
309	this part or the trust indenture under which the bonds are issued, bonds issued under this part
310	may be issued in one or more series and may be sold at public or private sale and in the manner
311	provided in the resolution or indenture.
312	(b) Bonds issued under this part shall bear the date, be payable at the time, bear interest
313	at the rate, be in the denomination and in the form, carry the conversion or registration
314	privileges, have the rank or priority, be executed in the manner, be subject to the terms of
315	redemption or tender, with or without premium, be payable in the medium of payment and at
316	the place, and have other characteristics as provided in the authority resolution authorizing the
317	issuance of the bonds or the trust indenture under which the bonds are issued.
318	(3) Upon the board's adoption of a resolution providing for the issuance of bonds, the
319	board may provide for the publication of the resolution:
320	(a) for the area within the authority's boundaries, as a class A notice under Section
321	63G-30-102, for at least 30 days; and
322	(b) as required in Section 45-1-101.
323	(4) In lieu of publishing the entire resolution, the board may publish notice of bonds
324	that contains the information described in Subsection 11-14-316(2).
325	(5) For a period of 30 days after the publication, any person in interest may contest:
326	(a) the legality of the resolution or proceeding;
327	(b) any bonds that may be authorized by the resolution or proceeding; or
328	(c) any provisions made for the security and payment of the bonds.
329	(6) (a) (i) A person may contest the matters set forth in Subsection (5) by filing a
330	verified written complaint in a court with jurisdiction under Title 78A, Judiciary and Judicial
331	Administration, within 30 days after the publication under Subsection (5).
332	(ii) Notwithstanding Title 78B, Chapter 3a, Venue for Civil Actions, a person filing a
333	complaint under Subsection (6)(a)(i) shall bring the action in the county in which the person
334	resides if the action is brought in district court.
335	(b) A person may not contest the matters set forth in Subsection (5), or the regularity,

336	formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for
337	contesting provided in Subsection (6)(a).
338	(7) No later than 60 days after the closing day of any bonds, the authority shall report
339	the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:
340	(a) the Executive Appropriations Committee; and
341	(b) the State Finance Review Commission created in Section 63C-25-201.
342	Section 6. Section 11-59-602 is enacted to read:
343	11-59-602. Sources from which bonds may be payable Authority powers
344	regarding bonds.
345	(1) The principal and interest on bonds issued by the authority may be made payable
346	<u>from:</u>
347	(a) the income and revenues of the projects financed with the proceeds of the bonds;
348	(b) the income and revenues of certain designated projects whether or not they were
349	financed in whole or in part with the proceeds of the bonds;
350	(c) the income, proceeds, revenues, property, and funds the authority derives from or
351	holds in connection with its undertaking and carrying out development of point of the mountain
352	state land;
353	(d) revenue from an annual assessment under Section 11-59-207;
354	(e) authority revenues generally;
355	(f) a contribution, loan, grant, or other financial assistance from the federal government
356	or a public entity in aid of the authority; or
357	(g) funds derived from any combination of the methods listed in Subsections (1)(a)
358	through (f).
359	(2) In connection with the issuance of authority bonds, the authority may:
360	(a) pledge all or any part of its gross or net rents, fees, or revenues to which authority
361	right then exists or may thereafter come into existence;
362	(b) encumber by mortgage, deed of trust, or otherwise all or any part of authority real
363	or personal property, then owned or thereafter acquired; and
364	(c) make the covenants and take the action that may be necessary, convenient, or
365	desirable to secure authority bonds, or, except as otherwise provided in this chapter, that will
366	tend to make the bonds more marketable, even though the covenants or actions are not

367	specifically enumerated in this chapter.
368	Section 7. Section 11-59-603 is enacted to read:
369	11-59-603. Purchase of authority bonds.
370	(1) Any individual, firm, corporation, association, political subdivision of the state, or
371	other entity or public or private officer may purchase bonds issued by an authority under this
372	part with funds owned or controlled by the purchaser.
373	(2) Nothing in this section may be construed to relieve a purchaser of authority bonds
374	of any duty to exercise reasonable care in selecting and purchasing securities.
375	Section 8. Section 11-59-604 is enacted to read:
376	11-59-604. Those executing bonds not personally liable Limitation of
377	obligations under bond Negotiability.
378	(1) A member of the board or other person executing an authority bond is not liable
379	personally on the bond.
380	(2) (a) A bond issued by the authority is not a general obligation or liability of the state
381	or any political subdivision of the state and does not constitute a charge against the general
382	credit or taxing powers of the state or any political subdivision of the state.
383	(b) A bond issued by the authority is not payable out of any funds or properties other
384	than those of the authority.
385	(c) The state and political subdivisions of the state are not and may not be held liable
386	on a bond issued by the authority.
387	(d) A bond issued by the authority does not constitute indebtedness within the meaning
388	of any constitutional or statutory debt limitation.
389	(3) A bond issued by the authority under this part is fully negotiable.
390	Section 9. Section 11-59-605 is enacted to read:
391	11-59-605. Obligee rights Board may confer other rights.
392	(1) In addition to all other rights that are conferred on an obligee of a bond issued by
393	the authority under this part and subject to contractual restrictions binding on the obligee, an
394	obligee may:
395	(a) by mandamus, suit, action, or other proceeding, compel an authority and authority
396	board, officers, agents, or employees to perform every term, provision, and covenant contained
397	in any contract of the authority with or for the benefit of the obligee, and require the authority

398	to carry out the covenants and agreements of the authority and to fulfill all duties imposed on
399	the authority by this part; and
400	(b) by suit, action, or proceeding in equity, enjoin any acts or things that may be
401	unlawful or violate the rights of the obligee.
402	(2) (a) (i) In a board resolution authorizing the issuance of bonds or in a trust indenture,
403	mortgage, lease, or other contract, the board may confer upon an obligee holding or
404	representing a specified amount in bonds, the rights described in Subsection (2)(b), to accrue
405	upon the happening of an event or default prescribed in the resolution, indenture, mortgage,
406	lease, or other contract, and to be exercised by suit, action, or proceeding in any court of
407	competent jurisdiction.
408	(ii) The rights that the board may confer under Subsection (2)(a)(i) are the rights to:
409	(A) cause possession of all or part of a development project to be surrendered to an
410	obligee;
411	(B) obtain the appointment of a receiver of all or part of an authority's development
412	project and of the rents and profits from it; and
413	(C) require the authority and its board and employees to account as if the authority and
414	the board and employees were the trustees of an express trust.
415	(b) If a receiver is appointed through the exercise of a right granted under Subsection
416	(2)(a)(ii)(B), the receiver:
417	(i) may enter and take possession of the development project or any part of it, operate
418	$\underline{\text{and maintain it, and collect and receive all fees, rents, revenues, or other charges arising from }\underline{\text{it}}$
419	after the receiver's appointment; and
420	(ii) shall keep money collected as receiver for the authority in separate accounts and
421	apply it pursuant to the authority obligations as the court directs.
422	Section 10. Section 11-59-606 is enacted to read:
423	11-59-606. Bonds exempt from taxes Authority may purchase its own bonds.
424	(1) A bond issued by the authority under this part is issued for an essential public and
425	governmental purpose and is, together with interest on the bond and income from it, exempt
426	from all state taxes except the corporate franchise tax.
427	(2) The authority may purchase the authority's own bonds at a price that the board
428	determines.

429	(3) Nothing in this section limits the right of an obligee to pursue a remedy for the
430	enforcement of a pledge or lien given under this part by the authority on its rents, fees, grants,
431	properties, or revenues.
432	Section 11. Section 59-12-103 (Contingently Superseded 01/01/25) is amended to
433	read:
434	59-12-103 (Contingently Superseded 01/01/25). Sales and use tax base Rates
435	Effective dates Use of sales and use tax revenues.
436	(1) A tax is imposed on the purchaser as provided in this part on the purchase price or
437	sales price for amounts paid or charged for the following transactions:
438	(a) retail sales of tangible personal property made within the state;
439	(b) amounts paid for:
440	(i) telecommunications service, other than mobile telecommunications service, that
441	originates and terminates within the boundaries of this state;
442	(ii) mobile telecommunications service that originates and terminates within the
443	boundaries of one state only to the extent permitted by the Mobile Telecommunications
444	Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
445	(iii) an ancillary service associated with a:
446	(A) telecommunications service described in Subsection (1)(b)(i); or
447	(B) mobile telecommunications service described in Subsection (1)(b)(ii);
448	(c) sales of the following for commercial use:
449	(i) gas;
450	(ii) electricity;
451	(iii) heat;
452	(iv) coal;
453	(v) fuel oil; or
454	(vi) other fuels;
455	(d) sales of the following for residential use:
456	(i) gas;
457	(ii) electricity;
458	(iii) heat;
459	(iv) coal;

460	(v) fuel oil; or
461	(vi) other fuels;
462	(e) sales of prepared food;
463	(f) except as provided in Section 59-12-104, amounts paid or charged as admission or
464	user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
465	exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
466	fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
467	television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
468	driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
469	tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
470	horseback rides, sports activities, or any other amusement, entertainment, recreation,
471	exhibition, cultural, or athletic activity;
472	(g) amounts paid or charged for services for repairs or renovations of tangible personal
473	property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
474	(i) the tangible personal property; and
475	(ii) parts used in the repairs or renovations of the tangible personal property described
476	in Subsection (1)(g)(i), regardless of whether:
477	(A) any parts are actually used in the repairs or renovations of that tangible personal
478	property; or
479	(B) the particular parts used in the repairs or renovations of that tangible personal
480	property are exempt from a tax under this chapter;
481	(h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
482	assisted cleaning or washing of tangible personal property;
483	(i) amounts paid or charged for tourist home, hotel, motel, or trailer court
484	accommodations and services that are regularly rented for less than 30 consecutive days;
485	(j) amounts paid or charged for laundry or dry cleaning services;
486	(k) amounts paid or charged for leases or rentals of tangible personal property if within
487	this state the tangible personal property is:
488	(i) stored;
489	(ii) used; or
490	(iii) otherwise consumed;

491	(l) amounts paid or charged for tangible personal property if within this state the
492	tangible personal property is:
493	(i) stored;
494	(ii) used; or
495	(iii) consumed;
496	(m) amounts paid or charged for a sale:
497	(i) (A) of a product transferred electronically; or
498	(B) of a repair or renovation of a product transferred electronically, and
499	(ii) regardless of whether the sale provides:
500	(A) a right of permanent use of the product; or
501	(B) a right to use the product that is less than a permanent use, including a right:
502	(I) for a definite or specified length of time; and
503	(II) that terminates upon the occurrence of a condition; and
504	(n) sales of leased tangible personal property from the lessor to the lessee made in the
505	state.
506	(2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
507	are imposed on a transaction described in Subsection (1) equal to the sum of:
508	(i) a state tax imposed on the transaction at a tax rate equal to the sum of:
509	(A) 4.70% plus the rate specified in Subsection (11)(a); and
510	(B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
511	and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
512	through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
513	State Sales and Use Tax Act; and
514	(II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
515	and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
516	through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
517	imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
518	(ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
519	transaction under this chapter other than this part.
520	(b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a
521	state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to

522 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

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- 553 commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any 554 tax, penalty, fee, or other sanction imposed on the shared vehicle owner. 555 (iv) If all shared vehicles shared through a car-sharing program are certified as 556 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation 557 to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period. 558 (v) [(A)] A car-sharing program is not required to list or otherwise identify an 559 individual-owned shared vehicle on a return or an attachment to a return. 560 (vi) A car-sharing program shall: 561 (A) retain tax information for each car-sharing program transaction; and 562 (B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at 563 the commission's request. 564 (f) (i) For a bundled transaction that is attributable to food and food ingredients and 565 tangible personal property other than food and food ingredients, a state tax and a local tax is 566 imposed on the entire bundled transaction equal to the sum of: 567 (A) a state tax imposed on the entire bundled transaction equal to the sum of: 568 (I) the tax rate described in Subsection (2)(a)(i)(A); and 569 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State 570 Sales and Use Tax Act, if the location of the transaction as determined under Sections 571 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, 572 Additional State Sales and Use Tax Act; and 573 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State 574 Sales and Use Tax Act, if the location of the transaction as determined under Sections 575 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which 576 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and 577 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates 578 described in Subsection (2)(a)(ii). 579 (ii) If an optional computer software maintenance contract is a bundled transaction that 580 consists of taxable and nontaxable products that are not separately itemized on an invoice or
 - (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled

similar billing document, the purchase of the optional computer software maintenance contract

is 40% taxable under this chapter and 60% nontaxable under this chapter.

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.

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- (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);
 - (iii) Subsection (2)(c)(i); or
- 643 (iv) Subsection (2)(f)(i)(A)(I).
- 644 (j) (i) A tax rate increase takes effect on the first day of the first billing period that 645 begins on or after the effective date of the tax rate increase if the billing period for the

646	transaction begins before the effective date of a tax rate increase imposed under:
647	(A) Subsection (2)(a)(i)(A);
648	(B) Subsection (2)(b)(i);
649	(C) Subsection (2)(c)(i); or
650	(D) Subsection $(2)(f)(i)(A)(I)$.
651	(ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
652	statement for the billing period is rendered on or after the effective date of the repeal of the tax
653	or the tax rate decrease imposed under:
654	(A) Subsection (2)(a)(i)(A);
655	(B) Subsection (2)(b)(i);
656	(C) Subsection (2)(c)(i); or
657	(D) Subsection $(2)(f)(i)(A)(I)$.
658	(k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
659	is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
660	or change in a tax rate takes effect:
661	(A) on the first day of a calendar quarter; and
662	(B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
663	(ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
664	(A) Subsection (2)(a)(i)(A);
665	(B) Subsection (2)(b)(i);
666	(C) Subsection (2)(c)(i); or
667	(D) Subsection $(2)(f)(i)(A)(I)$.
668	(iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
669	the commission may by rule define the term "catalogue sale."
670	(l) (i) For a location described in Subsection (2)(l)(ii), the commission shall determine
671	the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
672	predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.
673	(ii) Subsection (2)(1)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
674	or other fuel is furnished through a single meter for two or more of the following uses:
675	(A) a commercial use;
676	(B) an industrial use; or

677	(C) a residential use.
678	(3) (a) The following state taxes shall be deposited into the General Fund:
679	(i) the tax imposed by Subsection (2)(a)(i)(A);
680	(ii) the tax imposed by Subsection (2)(b)(i);
681	(iii) the tax imposed by Subsection (2)(c)(i); and
682	(iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
683	(b) The following local taxes shall be distributed to a county, city, or town as provided
684	in this chapter:
685	(i) the tax imposed by Subsection (2)(a)(ii);
686	(ii) the tax imposed by Subsection (2)(b)(ii);
687	(iii) the tax imposed by Subsection (2)(c)(ii); and
688	(iv) the tax imposed by Subsection (2)(f)(i)(B).
689	(c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
690	Fund.
691	(4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1
692	2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
693	through (g):
694	(i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
695	(A) by a 1/16% tax rate on the transactions described in Subsection (1); and
696	(B) for the fiscal year; or
697	(ii) \$17,500,000.
698	(b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
699	described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
700	revenue to the Department of Natural Resources to:
701	(A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
702	protect sensitive plant and animal species; or
703	(B) award grants, up to the amount authorized by the Legislature in an appropriations
704	act, to political subdivisions of the state to implement the measures described in Subsections
705	79-2-303(3)(a) through (d) to protect sensitive plant and animal species.
706	(ii) Money transferred to the Department of Natural Resources under Subsection
707	(4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other

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- 708 person to list or attempt to have listed a species as threatened or endangered under the 709 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq. 710 (iii) At the end of each fiscal year: (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the 711 712 Water Resources Conservation and Development Fund created in Section 73-10-24; 713 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the 714 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and 715 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the 716 Drinking Water Loan Program Subaccount created in Section 73-10c-5. 717 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in 718 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund 719 created in Section 4-18-106. 720 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described 721 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to 722 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for 723 the adjudication of water rights. 724 (ii) At the end of each fiscal year: 725 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the 726 Water Resources Conservation and Development Fund created in Section 73-10-24; 727 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the 728 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and 729 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the 730 Drinking Water Loan Program Subaccount created in Section 73-10c-5. (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described 731 732 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and 733 Development Fund created in Section 73-10-24 for use by the Division of Water Resources. 734 (ii) In addition to the uses allowed of the Water Resources Conservation and
- 737 (A) conduct hydrologic and geotechnical investigations by the Division of Water 738 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of

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

Development Fund may also be used to:

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- 739 quantifying surface and ground water resources and describing the hydrologic systems of an 740 area in sufficient detail so as to enable local and state resource managers to plan for and 741 accommodate growth in water use without jeopardizing the resource; 742
 - (B) fund state required dam safety improvements; and
 - (C) protect the state's interest in interstate water compact allocations, including the hiring of technical and legal staff.
 - (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.
 - (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount 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;
 - (ii) develop underground sources of water, including springs and wells; and
 - (iii) develop surface water sources.
 - (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2006, the difference between the following amounts shall be expended as provided in this Subsection (5), if that difference is greater than \$1:
 - (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and
 - (ii) \$17,500,000.
 - (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
 - (A) transferred each fiscal year to the Department of Natural Resources as designated sales and use tax revenue; and
 - (B) expended by the Department of Natural Resources for watershed rehabilitation or restoration.
 - (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24.
 - (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the

- remaining difference described in Subsection (5)(a) shall be:
- 771 (A) transferred each fiscal year to the Division of Water Resources as designated sales 772 and use tax revenue; and
 - (B) expended by the Division of Water Resources for cloud-seeding projects authorized by Title 73, Chapter 15, Modification of Weather.
 - (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation 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:
- 782 (i) preconstruction costs:

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

801	year beginning on or after July 1, 2023, the commission shall deposit into the Transportation
802	Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under
803	Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes:
804	(i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
805	(ii) the tax imposed by Subsection (2)(b)(i);
806	(iii) the tax imposed by Subsection (2)(c)(i); and
807	(iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
808	(b) (i) As used in this Subsection (7)(b):
809	(A) "Additional growth revenue" means the amount of relevant revenue collected in
810	the current fiscal year that exceeds by more than 3% the relevant revenue collected in the
811	previous fiscal year.
812	(B) "Combined amount" means the combined total amount of money deposited into the
813	Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.
814	(C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
815	Investment Fund created in Subsection 72-2-124(10).
816	(D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a) that
817	equals 17% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv).
818	(ii) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
819	reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by
820	an amount equal to the amount of the deposit under this Subsection (7)(b) to the Cottonwood
821	Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
822	limit in Subsection (7)(b)(iii).
823	(iii) The commission shall annually deposit the amount described in Subsection
824	(7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
825	for any single fiscal year of \$20,000,000.
826	(iv) If the amount of relevant revenue declines in a fiscal year compared to the previous
827	fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
828	Canyons fund under this Subsection (7)(b) in the same proportion as the decline in relevant
829	revenue.
830	(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

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- 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;
- 851 (ii) the tax imposed by Subsection (2)(b)(i);
 - (iii) the tax imposed by Subsection (2)(c)(i); and
- 853 (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 Subsections (7) and (8) during the fiscal year to the General Fund.
- (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, beginning the first day of the calendar quarter one year after the sales and use tax boundary for a housing and transit reinvestment zone is established, the commission, at least annually, shall transfer an amount equal to 15% of the sales and use tax increment within an established sales and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation Investment Fund created in Section 72-2-124.
- (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted Account, created in Section 51-9-902, a portion of the taxes listed under Subsection (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:
 - (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 920 (b) the tax imposed by Subsection (2)(b)(i);
 - (c) the tax imposed by Subsection (2)(c)(i); and
- 922 (d) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 923 (16) (a) As used in this Subsection (16):
- 924 (i) "Additional land" means point of the mountain state land described in Subsection

925	11-59-102(6)(b) that the point of the mountain authority acquires after the point of the
926	mountain authority provides the commission a map under Subsection (16)c).
927	(ii) "Point of the mountain authority" means the Point of the Mountain State Land
928	Authority, created in Section 11-59-201.
929	(iii) "Point of the mountain state land" means the same as that term is defined in
930	Section 11-59-102.
931	(b) Notwithstanding Subsection (3)(a), the commission shall distribute to the point of
932	the mountain authority 50% of the revenue from the sales and use tax imposed by Subsection
933	(2)(a)(i)(A) at a 4.7% rate, on transactions occurring on the point of the mountain state land.
934	(c) The distribution under Subsection (16)(b) shall begin the next calendar quarter that
935	begins at least 90 days after the point of the mountain authority provides the commission a map
936	that:
937	(i) accurately describes the point of the mountain state land; and
938	(ii) the point of the mountain authority certifies as accurate.
939	(d) A distribution under Subsection (16)(b) with respect to additional land shall begin
940	the next calendar quarter that begins at least 90 days after the point of the mountain authority
941	provides the commission a map of point of the mountain state land that:
942	(i) accurately describes the point of the mountain state land, including the additional
943	land; and
944	(ii) the point of the mountain authority certifies as accurate.
945	(e) (i) Upon the payment in full of bonds secured by the sales and use tax revenue
946	distributed to the point of the mountain authority under Subsection (16)(b), the point of the
947	mountain authority shall immediately notify the commission in writing that the bonds are paid
948	<u>in full.</u>
949	(ii) The commission shall discontinue distributions of sales and use tax revenue under
950	Subsection (16)(b) at the beginning of the calendar quarter immediately following the date that
951	the commission receives the written notice under Subsection (16)(e)(i).
952	Section 12. Section 59-12-103 (Contingently Effective 01/01/25) is amended to read:
953	59-12-103 (Contingently Effective 01/01/25). Sales and use tax base Rates
954	Effective dates Use of sales and use tax revenues.
955	(1) A tax is imposed on the purchaser as provided in this part on the purchase price or

956	sales price for amounts paid or charged for the following transactions:
957	(a) retail sales of tangible personal property made within the state;
958	(b) amounts paid for:
959	(i) telecommunications service, other than mobile telecommunications service, that
960	originates and terminates within the boundaries of this state;
961	(ii) mobile telecommunications service that originates and terminates within the
962	boundaries of one state only to the extent permitted by the Mobile Telecommunications
963	Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
964	(iii) an ancillary service associated with a:
965	(A) telecommunications service described in Subsection (1)(b)(i); or
966	(B) mobile telecommunications service described in Subsection (1)(b)(ii);
967	(c) sales of the following for commercial use:
968	(i) gas;
969	(ii) electricity;
970	(iii) heat;
971	(iv) coal;
972	(v) fuel oil; or
973	(vi) other fuels;
974	(d) sales of the following for residential use:
975	(i) gas;
976	(ii) electricity;
977	(iii) heat;
978	(iv) coal;
979	(v) fuel oil; or
980	(vi) other fuels;
981	(e) sales of prepared food;
982	(f) except as provided in Section 59-12-104, amounts paid or charged as admission or
983	user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
984	exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
985	fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
986	television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf

987	driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
988	tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
989	horseback rides, sports activities, or any other amusement, entertainment, recreation,
990	exhibition, cultural, or athletic activity;
991	(g) amounts paid or charged for services for repairs or renovations of tangible personal
992	property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
993	(i) the tangible personal property; and
994	(ii) parts used in the repairs or renovations of the tangible personal property described
995	in Subsection (1)(g)(i), regardless of whether:
996	(A) any parts are actually used in the repairs or renovations of that tangible personal
997	property; or
998	(B) the particular parts used in the repairs or renovations of that tangible personal
999	property are exempt from a tax under this chapter;
1000	(h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
1001	assisted cleaning or washing of tangible personal property;
1002	(i) amounts paid or charged for tourist home, hotel, motel, or trailer court
1003	accommodations and services that are regularly rented for less than 30 consecutive days;
1004	(j) amounts paid or charged for laundry or dry cleaning services;
1005	(k) amounts paid or charged for leases or rentals of tangible personal property if within
1006	this state the tangible personal property is:
1007	(i) stored;
1008	(ii) used; or
1009	(iii) otherwise consumed;
1010	(l) amounts paid or charged for tangible personal property if within this state the
1011	tangible personal property is:
1012	(i) stored;
1013	(ii) used; or
1014	(iii) consumed;
1015	(m) amounts paid or charged for a sale:
1016	(i) (A) of a product transferred electronically; or
1017	(B) of a repair or renovation of a product transferred electronically, and

1018	(ii) regardless of whether the sale provides:
1019	(A) a right of permanent use of the product; or
1020	(B) a right to use the product that is less than a permanent use, including a right:
1021	(I) for a definite or specified length of time; and
1022	(II) that terminates upon the occurrence of a condition; and
1023	(n) sales of leased tangible personal property from the lessor to the lessee made in the
1024	state.
1025	(2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
1026	are imposed on a transaction described in Subsection (1) equal to the sum of:
1027	(i) a state tax imposed on the transaction at a tax rate equal to the sum of:
1028	(A) 4.70% plus the rate specified in Subsection (11)(a); and
1029	(B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
1030	and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
1031	through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
1032	State Sales and Use Tax Act; and
1033	(II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
1034	and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
1035	through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
1036	imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
1037	(ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
1038	transaction under this chapter other than this part.
1039	(b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a
1040	state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
1041	the sum of:
1042	(i) a state tax imposed on the transaction at a tax rate of 2%; and
1043	(ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
1044	transaction under this chapter other than this part.
1045	(c) (i) Except as provided in Subsection (2)(f) or (g), a local tax is imposed on amounts
1046	paid or charged for food and food ingredients equal to the sum of the tax rates a county, city, or
1047	town imposes under this chapter on the amounts paid or charged for food or food ingredients.
1048	(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

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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
- 1160 (iii) 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);
- 1165 (B) Subsection (2)(b)(i); or
- 1166 (C) 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:
- 1170 (A) Subsection (2)(a)(i)(A);
- 1171 (B) Subsection (2)(b)(i); or
- 1172 (C) Subsection (2)(f)(i)(A)(I).

1173	(k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
1174	is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
1175	or change in a tax rate takes effect:
1176	(A) on the first day of a calendar quarter; and
1177	(B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
1178	(ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
1179	(A) Subsection (2)(a)(i)(A);
1180	(B) Subsection (2)(b)(i); or
1181	(C) Subsection $(2)(f)(i)(A)(I)$.
1182	(iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1183	the commission may by rule define the term "catalogue sale."
1184	(1) (i) For a location described in Subsection (2)(1)(ii), the commission shall determine
1185	the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
1186	predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.
1187	(ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
1188	or other fuel is furnished through a single meter for two or more of the following uses:
1189	(A) a commercial use;
1190	(B) an industrial use; or
1191	(C) a residential use.
1192	(3) (a) The following state taxes shall be deposited into the General Fund:
1193	(i) the tax imposed by Subsection (2)(a)(i)(A);
1194	(ii) the tax imposed by Subsection (2)(b)(i); and
1195	(iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
1196	(b) The following local taxes shall be distributed to a county, city, or town as provided
1197	in this chapter:
1198	(i) the tax imposed by Subsection (2)(a)(ii);
1199	(ii) the tax imposed by Subsection (2)(b)(ii);
1200	(iii) the tax imposed by Subsection (2)(c); and
1201	(iv) the tax imposed by Subsection (2)(f)(i)(B).
1202	(c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
1203	Fund.

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created in Section 4-18-106.

1204 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 1205 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b) 1206 through (g): 1207 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated: 1208 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and 1209 (B) for the fiscal year; or (ii) \$17,500,000. 1210 1211 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount 1212 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax 1213 revenue to the Department of Natural Resources to: 1214 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to 1215 protect sensitive plant and animal species; or 1216 (B) award grants, up to the amount authorized by the Legislature in an appropriations 1217 act, to political subdivisions of the state to implement the measures described in Subsections 1218 79-2-303(3)(a) through (d) to protect sensitive plant and animal species. 1219 (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 1220 1221 person to list or attempt to have listed a species as threatened or endangered under the 1222 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq. 1223 (iii) At the end of each fiscal year: 1224 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the 1225 Water Resources Conservation and Development Fund created in Section 73-10-24; 1226 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the 1227 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and 1228 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the 1229 Drinking Water Loan Program Subaccount created in Section 73-10c-5. 1230 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in 1231 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund

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(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

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1235	the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for
1236	the adjudication of water rights.
1237	(ii) At the end of each fiscal year:
1238	(A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
1239	Water Resources Conservation and Development Fund created in Section 73-10-24;
1240	(B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1241	Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
1242	(C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
1243	Drinking Water Loan Program Subaccount created in Section 73-10c-5.
1244	(e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
1245	in Subsection (4)(a) shall be deposited into the Water Resources Conservation and
1246	Development Fund created in Section 73-10-24 for use by the Division of Water Resources.
1247	(ii) In addition to the uses allowed of the Water Resources Conservation and
1248	Development Fund under Section 73-10-24, the Water Resources Conservation and
1249	Development Fund may also be used to:
1250	(A) conduct hydrologic and geotechnical investigations by the Division of Water
1251	Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
1252	quantifying surface and ground water resources and describing the hydrologic systems of an
1253	area in sufficient detail so as to enable local and state resource managers to plan for and
1254	accommodate growth in water use without jeopardizing the resource;
1255	(B) fund state required dam safety improvements; and
1256	(C) protect the state's interest in interstate water compact allocations, including the
1257	hiring of technical and legal staff.
1258	(f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1259	in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
1260	created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.
1261	(g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1262	in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
1263	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;

1266	(ii) develop underground sources of water, including springs and wells; and
1267	(iii) develop surface water sources.
1268	(5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1
1269	2006, the difference between the following amounts shall be expended as provided in this
1270	Subsection (5), if that difference is greater than \$1:
1271	(i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
1272	fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and
1273	(ii) \$17,500,000.
1274	(b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
1275	(A) transferred each fiscal year to the Department of Natural Resources as designated
1276	sales and use tax revenue; and
1277	(B) expended by the Department of Natural Resources for watershed rehabilitation or
1278	restoration.
1279	(ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1280	tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
1281	and Development Fund created in Section 73-10-24.
1282	(c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
1283	remaining difference described in Subsection (5)(a) shall be:
1284	(A) transferred each fiscal year to the Division of Water Resources as designated sales
1285	and use tax revenue; and
1286	(B) expended by the Division of Water Resources for cloud-seeding projects
1287	authorized by Title 73, Chapter 15, Modification of Weather.
1288	(ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1289	tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
1290	and Development Fund created in Section 73-10-24.
1291	(d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
1292	remaining difference described in Subsection (5)(a) shall be deposited into the Water
1293	Resources Conservation and Development Fund created in Section 73-10-24 for use by the
1294	Division of Water Resources for:
1295	(i) preconstruction costs:

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

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1297 26, Bear River Development Act; and 1298 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project 1299 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; 1300 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73, 1301 Chapter 26, Bear River Development Act; 1302 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project 1303 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and 1304 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and 1305 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii). 1306 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the 1307 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water 1308 Rights Restricted Account created by Section 73-2-1.6. 1309 (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 1310 1311 created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax rate on the 1312 transactions described in Subsection (1) for the fiscal year. (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal 1313 year beginning on or after July 1, 2023, the commission shall deposit into the Transportation 1314 1315 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under 1316 Subsection (3)(a) equal to 17% of the revenue collected from the following sales and use taxes: 1317 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate; 1318 (ii) the tax imposed by Subsection (2)(b)(i); and 1319 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I). 1320 (b) (i) As used in this Subsection (7)(b): 1321 (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 1322 1323 previous fiscal year. 1324 (B) "Combined amount" means the combined total amount of money deposited into the 1325 Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii) in any single fiscal year.

(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 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).
- 1357 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under 1358 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning on or

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- 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.
 - (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 (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 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 Subsections (7) and (8) during the fiscal year to the General Fund.
- (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610,

1421	beginning the first day of the calendar quarter one year after the sales and use tax boundary for
1422	a housing and transit reinvestment zone is established, the commission, at least annually, shall
1423	transfer an amount equal to 15% of the sales and use tax increment within an established sales
1424	and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation
1425	Investment Fund created in Section 72-2-124.
1426	(15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year
1427	beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
1428	Restricted Account, created in Section 51-9-902, a portion of the taxes listed under Subsection
1429	(3)(a) equal to 1% of the revenues collected from the following sales and use taxes:
1430	(a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
1431	(b) the tax imposed by Subsection (2)(b)(i); and
1432	(c) the tax imposed by Subsection (2)(f)(i)(A)(I).
1433	(16) (a) As used in this Subsection (16):
1434	(i) "Additional land" means point of the mountain state land described in Subsection
1435	11-59-102(6)(b) that the point of the mountain authority acquires after the point of the
1436	mountain authority provides the commission a map under Subsection (16)c).
1437	(ii) "Point of the mountain authority" means the Point of the Mountain State Land
1438	Authority, created in Section 11-59-201.
1439	(iii) "Point of the mountain state land" means the same as that term is defined in
1440	Section 11-59-102.
1441	(b) Notwithstanding Subsection (3)(a), the commission shall distribute to the point of
1442	the mountain authority 50% of the revenue from the sales and use tax imposed by Subsection
1443	(2)(a)(i)(A) at a 4.7% rate, on transactions occurring on the point of the mountain state land.
1444	(c) The distribution under Subsection (16)(b) shall begin the next calendar quarter that
1445	begins at least 90 days after the point of the mountain authority provides the commission a map
1446	<u>that:</u>
1447	(i) accurately describes the point of the mountain state land; and
1448	(ii) the point of the mountain authority certifies as accurate.
1449	(d) A distribution under Subsection (16)(b) with respect to additional land shall begin
1450	the next calendar quarter that begins at least 90 days after the point of the mountain authority
1451	provides the commission a man of point of the mountain state land that:

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1452	(i) accurately describes the point of the mountain state land, including the additional
1453	land; and
1454	(ii) the point of the mountain authority certifies as accurate.
1455	(e) (i) Upon the payment in full of bonds secured by the sales and use tax revenue
1456	distributed to the point of the mountain authority under Subsection (16)(b), the point of the
1457	mountain authority shall immediately notify the commission in writing that the bonds are paid
1458	<u>in full.</u>
1459	(ii) The commission shall discontinue distributions of sales and use tax revenue under
1460	Subsection (16)(b) at the beginning of the calendar quarter immediately following the date that
1461	the commission receives the written notice under Subsection (16)(e)(i).
1462	Section 13. Effective date.
1463	(1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.
1464	(2) The actions affecting Section 59-12-103 (Contingently Effective 01/01/25)
1465	contingently take effect on January 1, 2025.