

SB0245S01 compared with SB0245

~~text~~ shows text that was in SB0245 but was deleted in SB0245S01.

inserted text shows text that was not in SB0245 but was inserted into SB0245S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Senator Lincoln Fillmore proposes the following substitute bill:

COUNTY SALES AND USE TAX AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: ~~Lincoln~~ Lincoln Fillmore

House Sponsor: ~~Lincoln~~ _____

LONG TITLE

General Description:

This bill modifies distribution provisions of the County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities.

Highlighted Provisions:

This bill:

- revises the distribution of 16% of the revenue from the county botanical, cultural, recreational, and zoological organizations or facilities tax in a county of the first class ~~for two years; and~~;

~~requires a county of the first class to distribute revenue from the tax in the same manner as other counties beginning in 2027.~~

Money Appropriated in this Bill:

None

SB0245S01 compared with SB0245

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-12-702, as last amended by Laws of Utah 2017, Chapter 382

59-12-704, as last amended by Laws of Utah 2021, Chapter 396

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

Section 1. Section **59-12-702** is amended to read:

59-12-702. Definitions.

As used in this part:

(1) "Administrative unit" means a division of a private nonprofit organization or institution that:

(a) would, if it were a separate entity, be a botanical organization or cultural organization; and

(b) consistently maintains books and records separate from those of [its] the administrative unit's parent organization.

(2) "Aquarium" means a park or building where a collection of water animals and plants is kept for study, conservation, and public exhibition.

(3) "Aviary" means a park or building where a collection of birds is kept for study, conservation, and public exhibition.

~~{(4) "Base amount" means the amount distributed during the previous calendar year.~~

~~[(4) (5)]~~ "Botanical organization" means:

(a) a private nonprofit organization or institution having as [its] the private nonprofit organization's or institution's primary purpose the advancement and preservation of plant science through horticultural display, botanical research, and community education; or

(b) an administrative unit.

~~{(6) "Consumer price index" means the Consumer Price Index for All Urban Consumers as published by the Bureau of Labor Statistics of the United States Department of Labor.~~

~~{(5) (7)}~~ "Cultural facility" means the same as that term is defined in Section 59-12-602.

SB0245S01 compared with SB0245

~~(6)(8)~~ (a) "Cultural organization" means:

~~(i) means:~~

~~(A)~~ (i) a private nonprofit organization or institution having as ~~[its]~~ the private nonprofit organization's or institution's primary purpose the advancement and preservation of:

~~(A)~~ (A) natural history;

~~(B)~~ (B) art;

~~(C)~~ (C) music;

~~(D)~~ (D) theater;

~~(E)~~ (E) dance; or

~~(F)~~ (F) cultural arts, including literature, a motion picture, or storytelling; and

~~(B)~~ (ii) an administrative unit~~;~~and.

~~(i)~~ (b) "Cultural organization" includes, for purposes of Subsections 59-12-704(1)(d) and ~~(6)~~ (10) only:

~~(A)~~ (i) a private nonprofit organization or institution having as ~~[its]~~ the private nonprofit organization's or institution's primary purpose the advancement and preservation of history; or

~~(B)~~ (ii) a municipal or county cultural council having as ~~[its]~~ the municipal or county cultural council's primary purpose the advancement and preservation of:

~~(A)~~ (A) history;

~~(B)~~ (B) natural history;

~~(C)~~ (C) art;

~~(D)~~ (D) music;

~~(E)~~ (E) theater; or

~~(F)~~ (F) dance.

~~(b)~~ (c) "Cultural organization" does not include:

(i) an agency of the state;

(ii) except as provided in Subsection ~~(6)(a)(ii)(B)~~ ~~(8)(6)(b)(ii)~~, a political subdivision of the state;

(iii) an educational institution ~~[whose annual revenues are]~~ for which annual revenue is directly derived more than 50% from state funds; or

(iv) in a county of the first or second class, a radio or television broadcasting network

SB0245S01 compared with SB0245

or station, cable communications system, newspaper, or magazine.

~~(7)~~~~(9)~~ "Institution" means an institution of higher education listed in Subsection 53B-1-102(1)(a).

~~(8)~~~~(10)~~ "Recreational facility" means a publicly owned or operated park, campground, marina, dock, golf course, playground, athletic field, gymnasium, swimming pool, trail system, or other facility used for recreational purposes.

~~(9)~~~~(11)~~ "Rural radio station" means a nonprofit radio station based in a county of the third, fourth, fifth, or sixth class.

~~(10)~~~~(12)~~ In a county of the first class, "zoological facility" means a public, public-private partnership, or private nonprofit building, exhibit, utility and infrastructure, walkway, pathway, roadway, office, administration facility, public service facility, educational facility, enclosure, public viewing area, animal barrier, animal housing, animal care facility, and veterinary and hospital facility related to the advancement, exhibition, or preservation of a mammal, bird, reptile, fish, or an amphibian.

~~(11)~~~~(13)~~ (a) (i) ~~(f)~~ Except as provided in Subsection (11)(a)(ii), "zoological ~~(f)~~ Zoological organization" means a public, public-private partnership, or private nonprofit organization having as its primary purpose the advancement and preservation of zoology.

(ii) In a county of the first class, "zoological organization" means a nonprofit organization having as ~~its~~ nonprofit organization's primary purpose the advancement and exhibition of a mammal, bird, reptile, fish, or an amphibian to an audience of 75,000 or more persons annually.

(b) "Zoological organization" does not include an agency of the state, educational institution, radio or television broadcasting network or station, cable communications system, newspaper, or magazine.

~~(12)~~~~(14)~~ "Zoological park" means a park or garden where a collection of wild animals is kept for study, conservation, and public exhibition.

Section 2. Section **59-12-704** is amended to read:

59-12-704. Distribution of revenue -- Advisory board creation -- Determining operating expenses -- Administrative charge.

(1) Except as provided in Subsections ~~(3)(b)~~ (7)(b) and ~~(5)~~ (9), and subject to the requirements of this section, ~~[any revenues collected by a county of the first class under this~~

SB0245S01 compared with SB0245

~~part shall be distributed annually by the county legislative body]~~ the county legislative body of a county of the first class shall distribute annually ~~for calendar years 2024, 2025, and 2026~~ any revenue collected under this part to support cultural facilities, recreational facilities, and zoological facilities and botanical organizations, cultural organizations, and zoological organizations within that first class county as follows:

~~[(a) 30% of the revenue collected by the county under this section shall be distributed by the county legislative body to support cultural facilities and recreational facilities located within the county;]~~

~~[(b) (i) subject to Subsection (1)(b)(ii) and except as provided in Subsection (1)(b)(iii), ~~{} {}~~ 16% of the revenue collected by the county under this section shall be distributed by the county legislative body ~~{} {}~~ to support no more than three ~~{} {}~~ zoological facilities and zoological organizations located within the county, having average annual operating expenses of \$1,500,000 or more as determined under Subsection (3), with:]~~

~~[(A) 63.5% of that revenue being distributed to support a zoological organization having as its primary purpose the operation of a zoological park, or a zoological facility that is part of or integrated with a zoological park;]~~

~~[(B) 28.25% of that revenue being distributed to support a zoological organization having as its primary purpose the operation of an aquarium, or a zoological facility that is part of or integrated with an aquarium; and]~~

~~[(C) 8.25% of that revenue being distributed to support a zoological organization having as its primary purpose the operation of an aviary, or a zoological facility that is part of or integrated with an aviary;]~~

~~[(ii) if more than one zoological organization or zoological facility qualifies to receive the money described in Subsection (1)(b)(i)(A), (B), or (C), the county legislative body shall distribute the money described in the subsection for which more than one zoological organization or zoological facility qualifies to whichever zoological organization or zoological facility the county legislative body determines is most appropriate, except that a zoological organization or zoological facility may not receive money under more than one subsection under Subsection (1)(b)(i); and]~~

~~[(iii) if no zoological organization or zoological facility qualifies to receive money described in Subsection (1)(b)(i)(A), (B), or (C), the county legislative body shall distribute the~~

SB0245S01 compared with SB0245

~~money described in the subsection for which no zoological organization or zoological facility qualifies among the zoological organizations or zoological facilities qualifying for and receiving money under the other subsections in proportion to the zoological organizations' or zoological facilities' average annual operating expenses as determined under Subsection (3);]~~

~~[(c) (i) 45% of the revenue collected by the county under this section shall be distributed to no more than 22 botanical organizations and cultural organizations:]~~

~~[(A) each of which has average annual operating expenses of more than \$250,000 as determined under Subsection (3); and]~~

~~[(B) whose activities impact all or a significant region of the county or state;]~~

~~[(ii) subject to Subsection (1)(c)(iii), the county legislative body shall distribute the money described in Subsection (1)(c)(i) among the botanical organizations and cultural organizations in proportion to their average annual operating expenses as determined under Subsection (3); and]~~

~~[(iii) the amount distributed to any botanical organization or cultural organization described in Subsection (1)(c)(i) may not exceed 35% of the botanical organization's or cultural organization's operating budget; and]~~

~~[(d) (i) 9% of the revenue collected by the county under this section shall be distributed to botanical organizations and cultural organizations that do not receive revenue under Subsection (1)(c)(i) in communities throughout the county; and]~~

~~[(ii) the county legislative body shall determine how the money shall be distributed among the botanical organizations and cultural organizations described in Subsection (1)(d)(i).]~~

~~(a) 30% of the revenue to support cultural facilities and recreational facilities located within the county;~~

~~(b) 16% of the revenue to support zoological facilities and zoological organizations located within the county as provided in Subsection (2);~~

~~(c) as provided in Subsection (5), 45% of the revenue to support no more than 22 botanical organizations and cultural organizations;~~

~~(i) each of which has average annual operating expenses of more than \$250,000 as determined under Subsection (7); and~~

~~(ii) whose activities impact all or a significant region of the county or state; and~~

~~(d) 9% of the revenue to botanical organizations and cultural organizations that do not~~

SB0245S01 compared with SB0245

receive revenue under Subsection (1)(c) in communities throughout the county as determined by the county legislative body.

(2) (a) The distribution described in Subsection (1)(b) shall support no more than three zoological facilities and zoological organizations located within the county and having average annual operating expenses of \$1,500,000 or more ~~{,}~~ as determined under Subsection (7).

(b) For ~~the~~ calendar years ~~that begin on January 1, 2025 and January 1, 2026~~, the county shall distribute the 16% of the revenue as follows:

(i) 8.25% of the revenue to support a zoological organization having as the zoological organization's primary purpose the operation of an aviary, or a zoological facility that is part of or integrated with an aviary;

(ii) an amount equal to the amount distributed during the previous calendar year ~~{plus the amount described in Subsection (2)(c)}~~ to support a zoological organization having as the zoological organization's primary purpose the operation of a zoological park, or a zoological facility that is part of or integrated with a zoological park; and

(iii) the remaining amount to a zoological organization having as the zoological organization's primary purpose the operation of an aquarium, or a zoological facility that is part of or integrated with an aquarium.

(c) ~~{(i) The}~~ For a calendar year that begins on or after January 1, 2027, the county shall ~~{add to}~~ provide by ordinance for the distribution ~~{described in Subsection (2)(b)(ii) an amount equal to the greater of:~~

~~—— (A) the amount calculated by multiplying the amount distributed to a} of the 16% of revenue to no more than three zoological facilities and zoological {organization during the previous calendar year by the actual percent change during the previous calendar year in the consumer price index; and~~

~~—— (B) \$0.~~

~~—— (ii) The county shall reduce the amount calculated in Subsection (2)(c)(i) if the growth in revenue is insufficient to pay the total amount described in Subsection (2)(c)(i) and ensure payment of:~~

~~—— (A) the distribution described in Subsection (2)(b)(i); and~~

~~—— (B) at least the base amount for a zoological organization described in Subsection (2)(b)(iii)}~~ organizations located within the county and having average annual operating

SB0245S01 compared with SB0245

expenses of \$1,500,000 or more as determined under Subsection (7).

(3) If more than one zoological organization or zoological facility qualifies to receive the money described in Subsection (2), the county legislative body shall distribute the money described in the subsection for which more than one zoological organization or zoological facility qualifies to whichever zoological organization or zoological facility the county legislative body determines is most appropriate, except that a zoological organization or zoological facility may not receive money under more than one subsection under Subsection (2).

(4) If no zoological organization or zoological facility qualifies to receive money described in Subsection (2), the county legislative body shall distribute the money described in the subsection for which no zoological organization or zoological facility qualifies among the zoological organizations or zoological facilities qualifying for and receiving money under the other subsections in proportion to the zoological organizations' or zoological facilities' average annual operating expenses as determined under Subsection (7).

(5) (a) Subject to Subsection (5)(b), the county legislative body shall distribute the money described in Subsection (1)(c) among the botanical organizations and cultural organizations in proportion to the botanical organizations' and cultural organizations' average annual operating expenses as determined under Subsection (7).

(b) The ~~amount distributed~~ county may not distribute to any botanical organization or cultural organization described in Subsection (1)(c) ~~may not exceed~~ an amount that exceeds 35% of the botanical organization's or cultural organization's operating budget.

~~[(2)]~~ (6) (a) The county legislative body of each county shall create an advisory board to advise the county legislative body on disbursement of funds to botanical organizations and cultural organizations under Subsection ~~[(1)(c)(i)]~~ (1)(c).

(b) (i) The advisory board under Subsection ~~[(2)(a)]~~ (6)(a) shall consist of seven members appointed by the county legislative body.

(ii) ~~[In a county of the first class, two of the seven members of the advisory board under Subsection (2)(a) shall be appointed by the Division of Arts and Museums created in Section 9-6-201]~~ In a county of the first class, the Division of Arts and Museums created in Section 9-6-201 shall appoint two of the seven members of the advisory board under Subsection (6)(a).

SB0245S01 compared with SB0245

~~[(3)]~~ (7) (a) Except as provided in Subsection ~~[(3)(b)]~~ (7)(b), to be eligible to receive money collected by the county under this part, a botanical organization, cultural organization, zoological organization, and zoological facility located within a county of the first class shall, every year:

(i) calculate its average annual operating expenses based upon audited operating expenses for three preceding fiscal years; and

(ii) submit to the appropriate county legislative body:

(A) a verified audit of annual operating expenses for each of those three preceding fiscal years; and

(B) the average annual operating expenses as calculated under Subsection ~~[(3)(a)(i)]~~ (7)(a)(i).

(b) The county legislative body may waive the operating expenses reporting requirements under Subsection ~~[(3)(a)]~~ (7)(a) for organizations described in Subsection ~~[(1)(d)(i)]~~ (1)(d).

~~[(4)]~~ (8) When calculating average annual operating expenses as described in Subsection ~~[(3)]~~ (7), each botanical organization, cultural organization, and zoological organization shall use the same three-year fiscal period as determined by the county legislative body.

~~[(5)]~~ (9) (a) By July 1 ~~{}~~ of each year ~~{}~~ 2024, and July 1, 2025, the county legislative body of a first class county may index the threshold amount in Subsections (1)(c) and (d).

(b) Any change under Subsection ~~[(5)(a)]~~ (9)(a) shall be rounded off to the nearest \$100.

~~[(6)]~~ (10) (a) ~~{}~~ In a county except for a county of the first class, the ~~{}~~ Subject to Subsection (10)(d), the county legislative body shall by ordinance provide for the distribution of the entire amount of the ~~[revenues]~~ revenue generated by the tax imposed by this section:

(i) as provided in this Subsection ~~[(6)]~~ (10); and

(ii) as stated in the opinion question described in Subsection 59-12-703(1).

(b) ~~[Pursuant to]~~ In accordance with an interlocal agreement established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, a county described in Subsection ~~[(6)(a)]~~ (10)(a) may distribute to a city, town, or political subdivision within the county ~~[revenues]~~ revenue generated by a tax under this part.

SB0245S01 compared with SB0245

(c) The ~~[revenues]~~ revenue distributed under Subsection ~~[(6)(a)]~~ (10)(a) or (b) shall be used for one or more organizations or facilities defined in Section 59-12-702 regardless of whether the ~~[revenues are]~~ revenue is distributed:

(i) directly by the county described in Subsection ~~[(6)(a)]~~ (10)(a) to be used for an organization or facility defined in Section 59-12-702; or

(ii) in accordance with an interlocal agreement described in Subsection ~~[(6)(b)]~~ (10)(b).

~~{ (d) (i) For calendar years 2024, 2025, and 2026, this Subsection (10) applies only to a county other than a county of the first class.~~

~~— (ii) For a calendar year that begins on or after January 1, 2027, this Subsection (10) applies to all counties.~~

~~‡~~ ~~[(7)]~~ (11) A county legislative body may retain up to 1.5% of the proceeds from a tax under this part for the cost of administering this part.

~~[(8)]~~ (12) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the ~~[revenues]~~ revenue the commission collects from a tax under this part.

Section 3. **Effective date.**

This bill takes effect on ~~July~~ January 1, ~~2024~~ 2025.