

UTAH STATE
TAX COMMISSION

Annual Report
2006
Fiscal Year



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2006

Fiscal Year



Commissioners - Utah State Tax Commission

R. Bruce Johnson, Chair Pam Hendrickson, D'Arcy Dixon Pignanelli, Marc Johnson



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

UTAH STATE TAX COMMISSION

Pam Hendrickson
Commission Chair

R. Bruce Johnson
Commissioner

Marc B. Johnson
Commissioner

D'Arcy Dixon Pignanelli
Commissioner

Rodney G. Marrelli
Executive Director

January 1, 2007

To the Honorable Jon M. Huntsman, Jr., Governor
And members of the Utah State Legislature:

On behalf of the Utah State Tax Commission, we are pleased to submit to you the annual report for the fiscal year ending June 30, 2006.

Total collections from all sources administered by the Tax Commission during the 2006 fiscal year totaled \$6,475,224,565. This represents an increase of \$931,746,560 in total collections from fiscal year 2005. The Education Fund increased \$522,104,827, or 24.1 percent; the Transportation Fund increased \$71,950,907, or 15.7 percent; and the General Fund increased \$212,272,130, or 11.5 percent.

We remain steadfast to our mission of serving the people of Utah through fair administration of state tax and assigned motor vehicle laws.

Sincerely,

Pam Hendrickson
Tax Commission Chair

Rodney G. Marrelli
Executive Director

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Letter to Governor and State Legislature

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Tax Commission Overview

The Utah State Tax Commission plays a key role in the day-to-day lives of all Utah citizens, as well as state and local governmental agencies. The Tax Commission administers State tax laws and collects tax revenue for the state and local governments. It collects and distributes revenue from over 40 taxes, surcharges, and fees. These revenues are used by state and local governments to provide services to their citizens. The Commission also registers automobiles and regulates the automobile sales industry.

The Utah Constitution mandates that the Governor, with concurrence from the Senate, appoints four Commissioners to serve four-year terms. No more than two Commissioners may be from a single political party. Tax Commissioners administer and supervise the state's tax laws, rule on appeals, promulgate rules, issue private letter rulings, and sit as the State Board of Equalization.

Mission

Our mission is to collect revenue for the State of Utah and local governments and to equitably administer tax and assigned motor vehicle laws.

Purpose

We collect taxes and administer the following programs:

- Personal income, corporate income, and gross receipts taxes
- Sales tax, including numerous local option taxes
- Beer, tobacco, and other miscellaneous taxes
- Oil, gas, and mining severance taxes
- Centrally assessed property taxes
- Motor vehicle registration fees
- Employee withholding tax
- Fuel taxes

The Tax Commission has the following areas of responsibility:

- Processing of revenue, returns, and updating taxpayer information
- Auditing tax returns and other information to check accuracy and compliance
- Collecting delinquent taxes
- Assisting taxpayers with compliance and resolving account issues
- Overseeing local property tax assessments and administration of centrally assessed valuations
- Registering motor vehicles and motor carriers
- Enforcing motor vehicle laws, including vehicle fraud, stolen vehicles, and regulation of the automobile sales industry

Areas of Focus

Do it Right the First Time

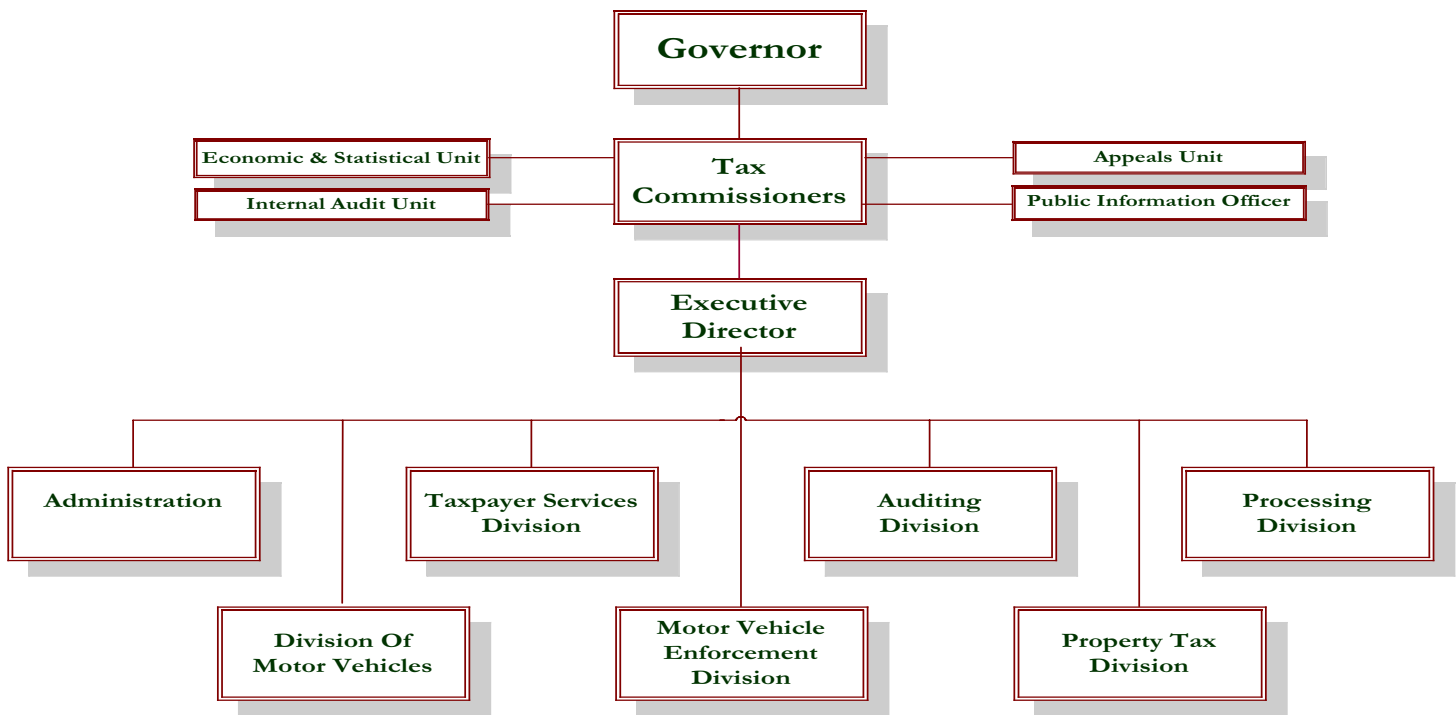
Effectively communicate and build working relationships with all customers

Better Tools for Better Results

Deliver quality products and services

Allow Great People to do Great Work

Create and maintain a work environment where people excel and productivity is enhanced



Administration

- Implements laws
- Drafts rules and legislation
- Provides general agency support
- Provides oversight of all tax monies
- Develops and manages the department's budgeting and accounting functions
- Distributes revenues to local governments
- Identifies tax fraud and develops criminal cases

Processing

- Designs and prints tax publications and forms
- Deposits \$6,568,701,479 in gross revenues that come through the Tax Commission
- Processes, enters data, microfilms, and archives 2.84 million paper and electronic tax returns annually

Auditing

- Audits all state taxes except property tax
- Determines that taxes due have been reported
- Educates taxpayers in proper tax accounting
- Enhances voluntary taxpayer compliance

Motor Vehicle Enforcement

- Investigates auto theft and other vehicle-related crimes
- Protects Utah citizens from motor vehicle commerce fraud
- Regulates the automobile industry to foster a fair and honest sales environment

Division of Motor Vehicles

- Collects \$357,679,804 in taxes and fees
- Processes more than 2.73 million vehicle title and registration transactions
- Trains staff of the counties that contract to administer motor vehicle programs for the state
- Provides vehicle identification services to law enforcement and evidence of vehicle ownership to individuals and financial institutions

Taxpayer Services

- Maintains front-line contact with the public on tax issues, provides customer service, collects delinquent taxes, and encourages future compliance
- Manages bankruptcy claim filings
- Administers waiver of penalty/interest and offer-in-compromise programs
- Offers tax education classes on state taxes to businesses and presents workshops jointly with other state and federal agencies

Property Tax

- Administers 'Truth-in-Taxation' law
- Works with local officials to assure equitable and accurate assessment and taxation
- Appraises and audits all centrally assessed properties including mines, utilities, airlines, railroads and motor carriers

Administration Highlights

The State Tax Commission continues to utilize technological advancements to improve services and meet expectations of the Utah public. Services to our citizens are faster and more accurate, the costs of services are kept low, and Tax Commission employees are more efficient in carrying out their responsibilities.

Arches

The 2006 Legislature authorized funding for major upgrades in the State Tax Commission computer system. This project serves as a foundation for the future and continued improved customer service.

The system, pegged “Arches Revenue Gateway,” is a joint effort of the Tax Commission and the State Department of Technology Services to replace aged computer tax programs. The previous 20-year old system relied primarily on the State’s mainframe computers. The project will ultimately integrate systems that will enhance tax compliance, improve customer service and provide flexibility for changes in Utah’s tax system. The first phase of the system features replacement of state income and fiduciary taxes for calendar year 2006. Conversion of the sales and use tax, corporate, employer withholding, fuels and other miscellaneous taxes will be completed in the following four years.

Following a comprehensive review of potential alternatives, the Tax Commission selected GenTax, a commercial software system. GenTax has a solid track record in several states and Canadian provinces in replacing aged systems to a user-friendly system that covers all areas of tax processing and administration.

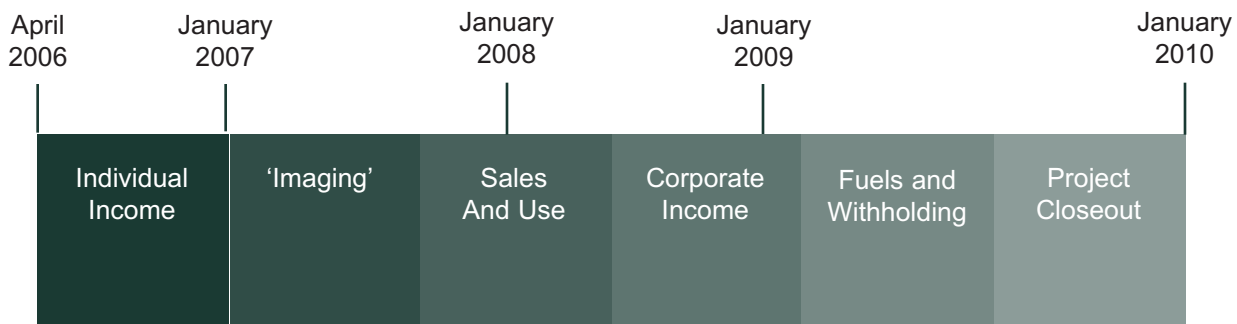
The Arches Project is being developed with input from all areas of the Tax Commission. Employees, with the exception of the Division of Motor Vehicles, the Property Tax Division, and Motor Vehicle Enforcement Division - will be trained in the use of the new system.

The project will replace five core tax systems that process 40 different tax types and will take about four years to complete.



Rodney Marrelli
Executive Director
Utah State Tax Commission

Arches Project Timeline



Benefits of the New 'Arches' System

- Enhanced compliance with tax laws
- Single point of contact for taxpayer
- Improved customer service
- More flexibility to integrate changes in tax laws
- New technology provides foundation for future
- Improves revenue administration

FY2006 Accomplishments

The most significant accomplishments in fiscal year 2006 include the following:

- **On-line filing options continue to be promoted and enhanced.** The largest volume tax types are now available for filing online, including income tax, sales tax, and motor vehicle renewals. On-line registration for the motor carrier industry was added in 2005 and continues to grow in popularity. There three primary advantages of using electronic filing options:

- * Easier for the public
- * Saves on paper handling and
- * Reduces errors.

Last year electronic filing options were used by 51 percent of the state income tax filers, and 24 percent of the motor vehicle renewals were completed on-line. These applications have allowed the Tax Commission to keep pace with taxpayer growth without having to add additional staff to handle increasing numbers of transactions.

- **Most tax payments and motor vehicle renewal fees can be made electronically.** Debit and credit cards are now accepted at motor vehicle branch offices, which account for 32 percent of the motor vehicle transactions. Income tax returns can be filed and taxes paid on line. These and other electronic payments offered by the Tax Commission save transaction times, provide more timely availability of funds in state accounts, and reduce the number of returned checks.

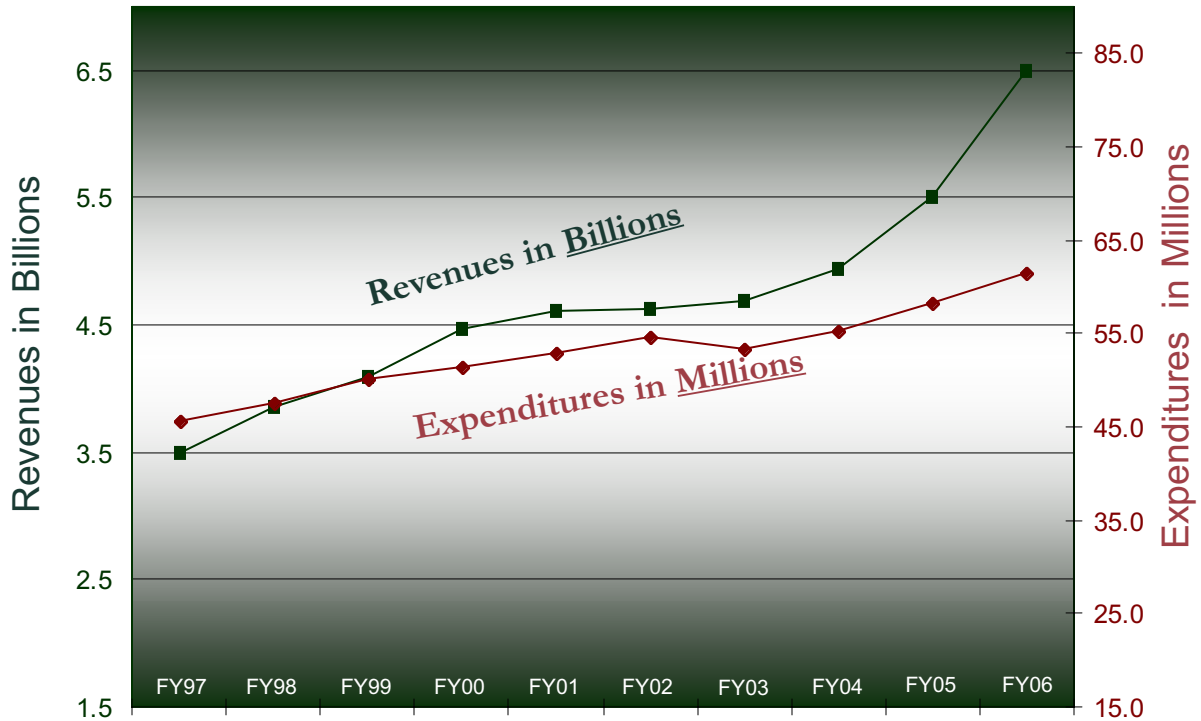
- **On-line research tools and forms make tax information more accessible to the public and employees.** Web site information is being accessed by hundreds of thousands of users each year. This provides easy access to information that makes tax compliance easier for citizens and businesses. "Fill-in" forms on our web site provide an alternative to manually completing paper forms.

- **Automation of internal processing functions provides more efficient document update, recording, and retrieval functions.** Document scanning was initiated in 2005 and is a more efficient method of capturing taxpayer information for account update, storage and retrieval than manual data entry and microfilm processes. In the future, scanned images of documents can be retrieved electronically by agency staff who are assisting taxpayers, or who are doing research on account transactions. Use of this equipment will eventually replace the manual microfilm storage and retrieval process.

The following pages show various charts and graphs illustrating increased productivity and trends in core Tax Commission responsibilities. These measurements demonstrate increased effectiveness and efficiency in the collection and administration of State tax revenues.

Revenues Compared To Expenses

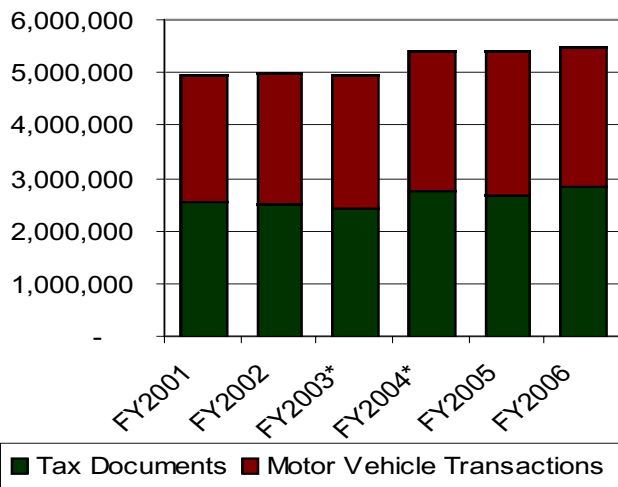
10-Year Trend



This chart shows the trend of revenues processed compared to agency operating expenses. Revenues processed are shown in the billions of dollars, while expenditures are stated in millions. The current ratio of revenue to expense is \$1.00 of revenue to .011 cents of expenditure.

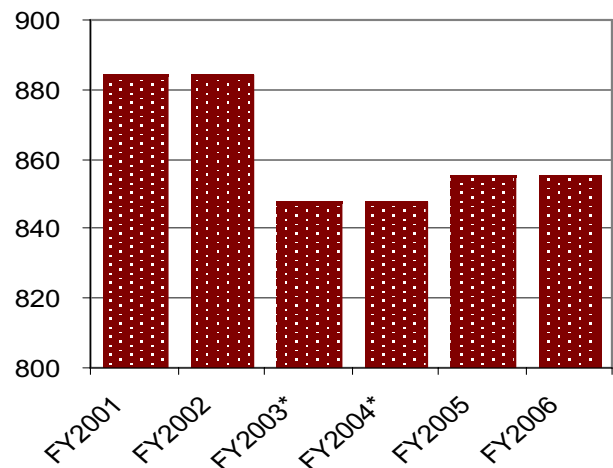
Tax and Motor Vehicle Transactions

Processed by State Tax Commission



Utah State Tax Commission Employees

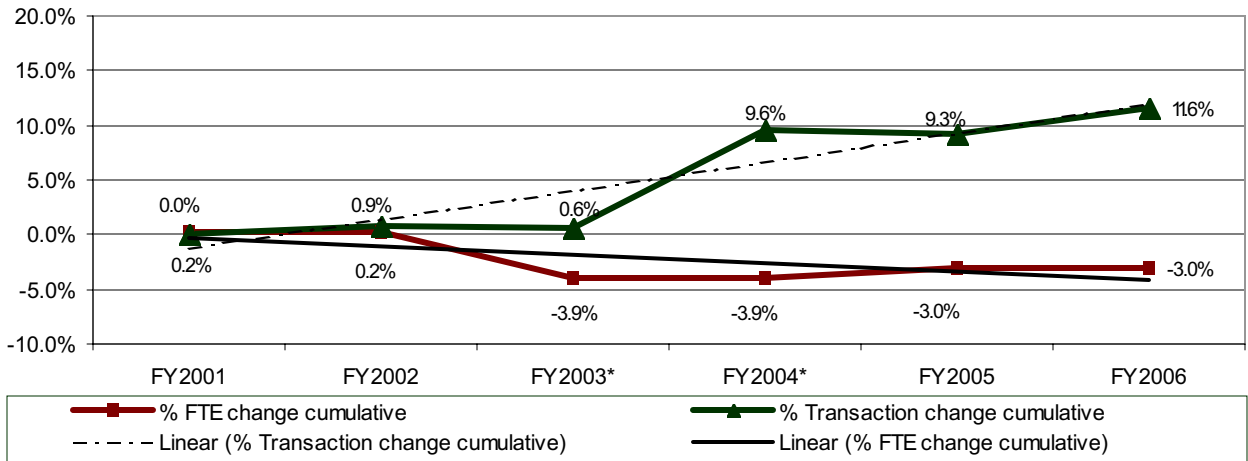
(Authorized Full-Time Employees)



As shown above (left), transactions steadily increase each year. Staffing levels (right) have remained level and were actually lowered in FY03 after statewide budget cuts. Processing efficiencies include on-line filing options that have helped to keep up with workload increases, electronic transfer of documents instead of paper printing and transfer, and scanning of documents.

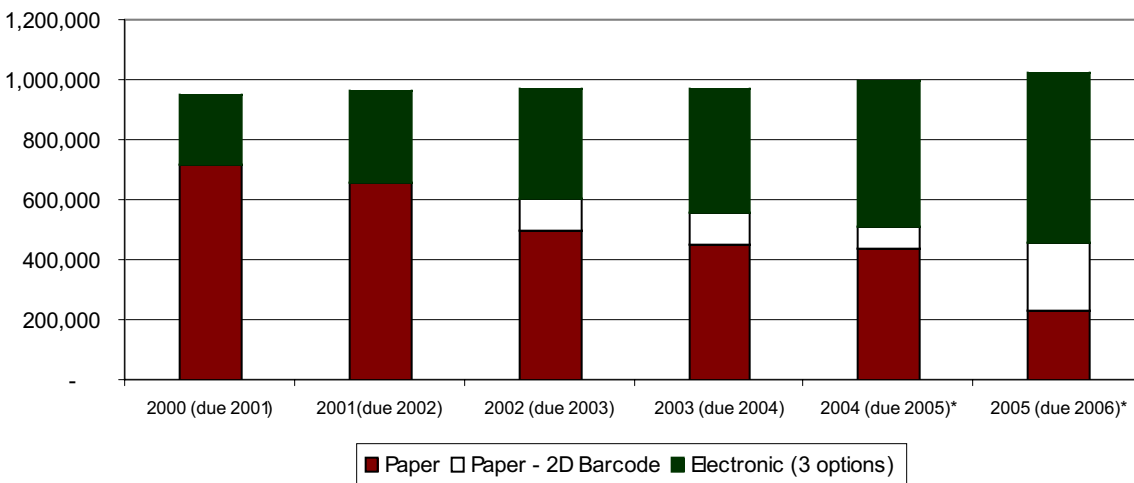
Tax Commission Productivity

Transactions Compared to Full-Time Employees

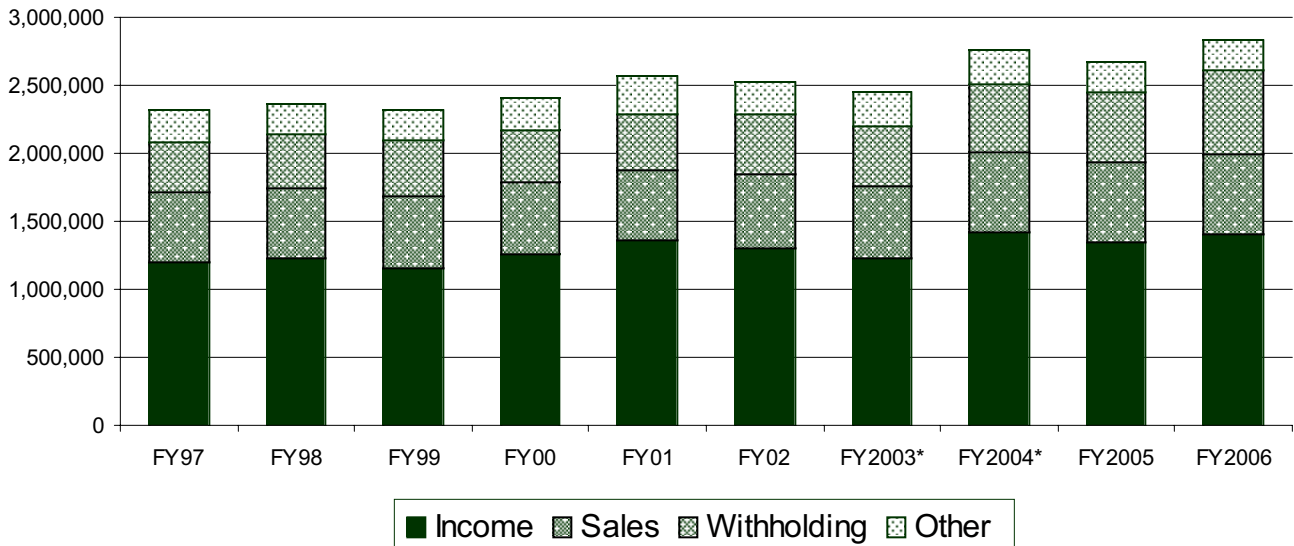


This chart shows the percent increase of Tax Commission transactions compared to the decrease in the number of employees over the past six years.

Electronic Filing Compared to Paper Filing

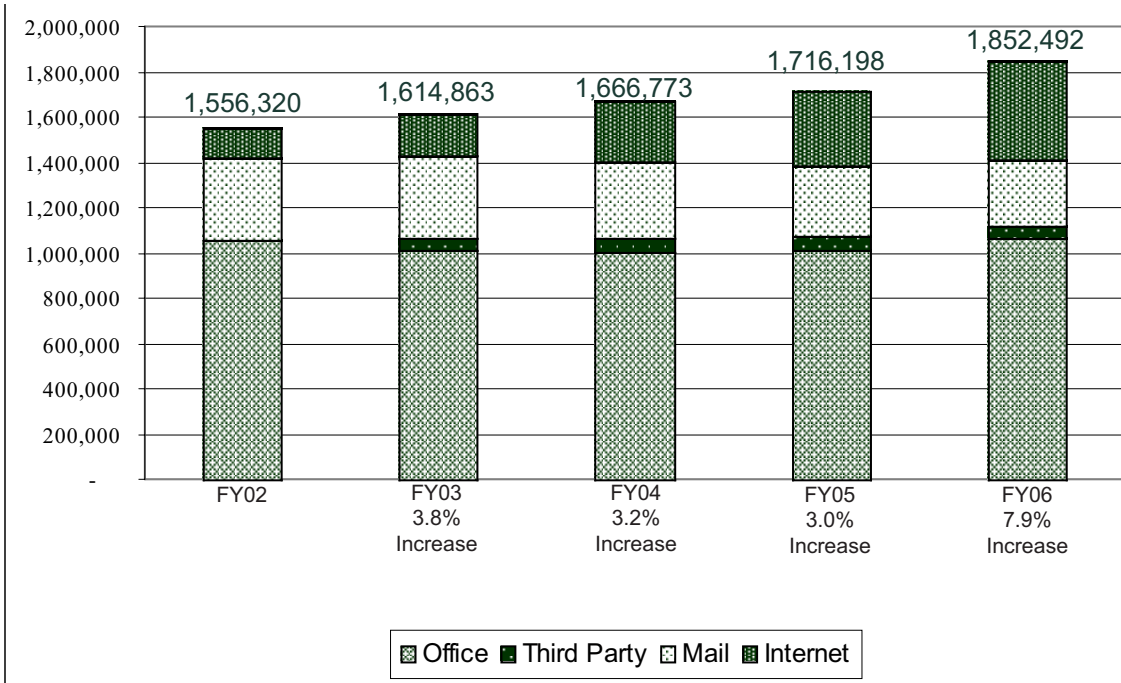


Total Tax Related Documents Processed

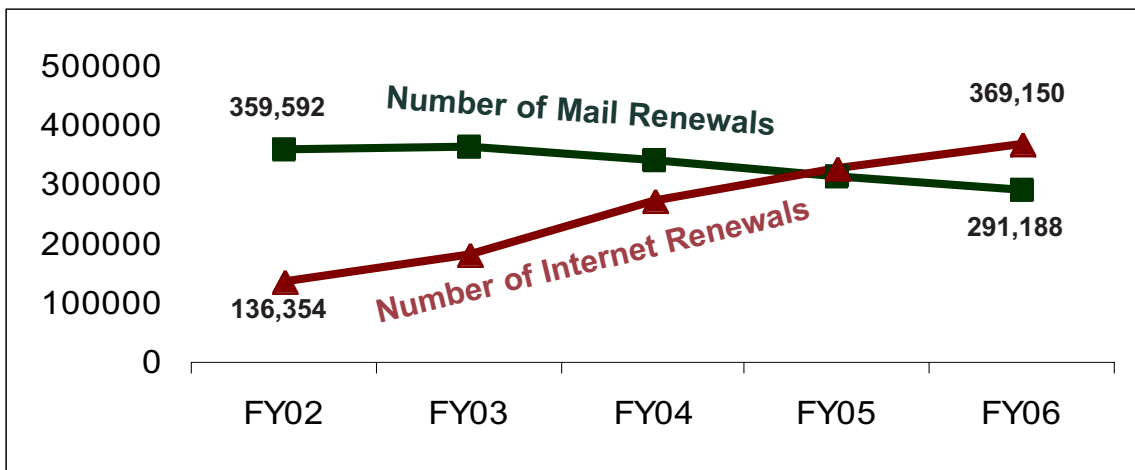


Motor Vehicle Renewal Transactions

By Electronic, Mail, Third Party, and Office

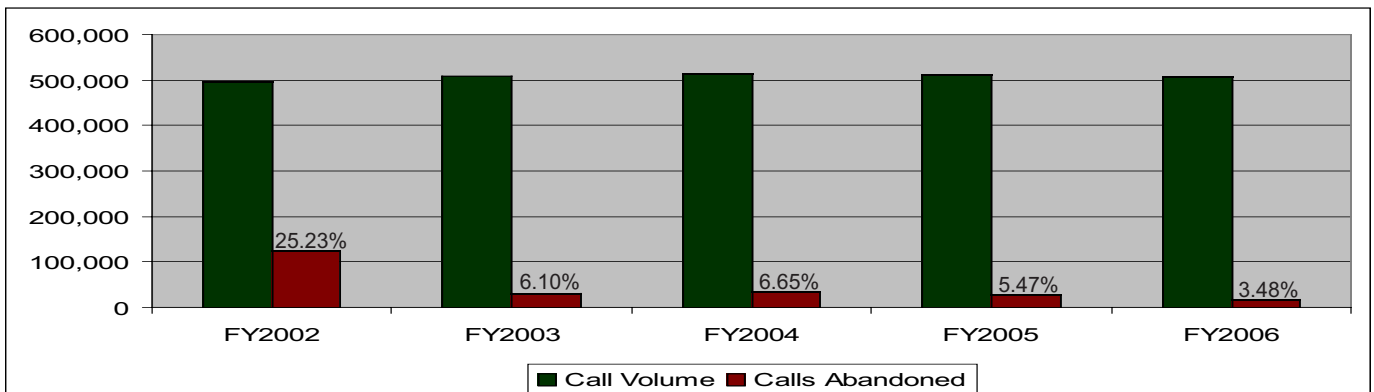


Internet and Mail Transactions Trends



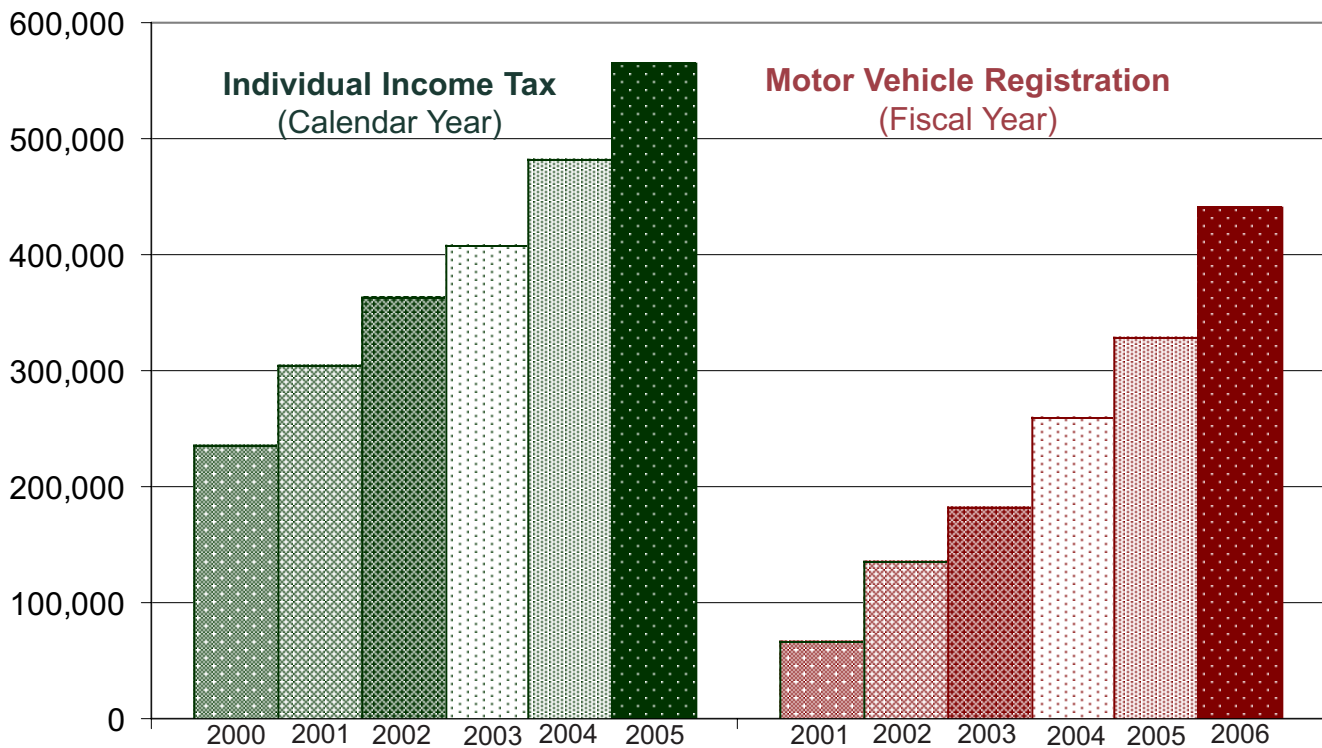
DMV Phone Call Volume and Calls Abandoned

Abandoned Rate is Shown as a Percentage



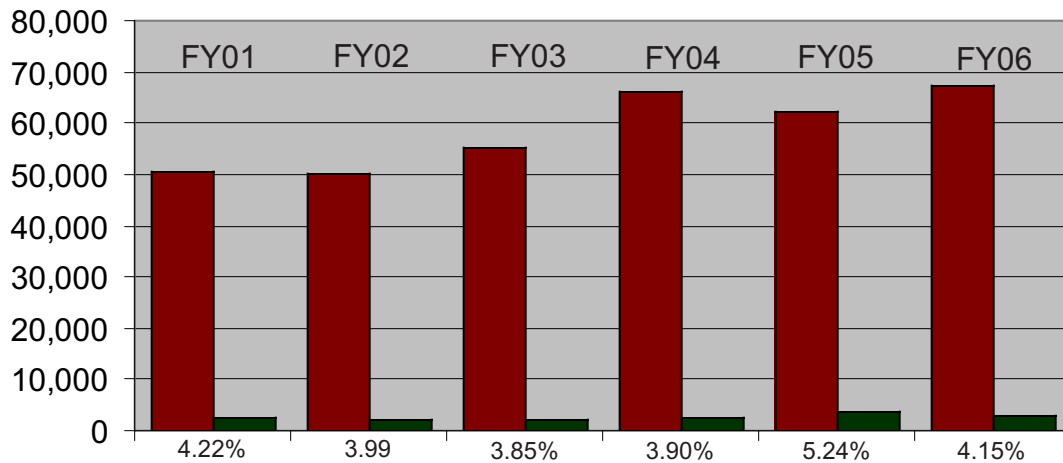
This chart shows the reduction in the number of abandoned calls at DMV in recent years. When a customer abandons a phone inquiry before contacting an employee, it is classified as an abandoned call.

Growth in Electronic Transactions



This chart shows the growth in the number of income tax returns filed and motor vehicle registrations processed by the State Tax Commission in recent years.

Taxpayer Services Volume and Abandoned Rate



When a customer discontinues a phone inquiry before contacting an employee it is classified as an abandoned call. This chart shows the number of calls received by the Taxpayer Services Division in dark red and the number of abandoned calls in dark green. The abandoned rate is shown as a percentage.

“On The Spot”

In May of 2005, the Tax Commission implemented “On The Spot,” a program that allows automobile inspection stations to offer Division of Motor Vehicle renewal service to their customers. This business and state agency partnership gives motor vehicle owners the option of registering their vehicle at an inspection station and saving a visit to the DMV office.

“On The Spot”
 FY2006 Registrations
77,397

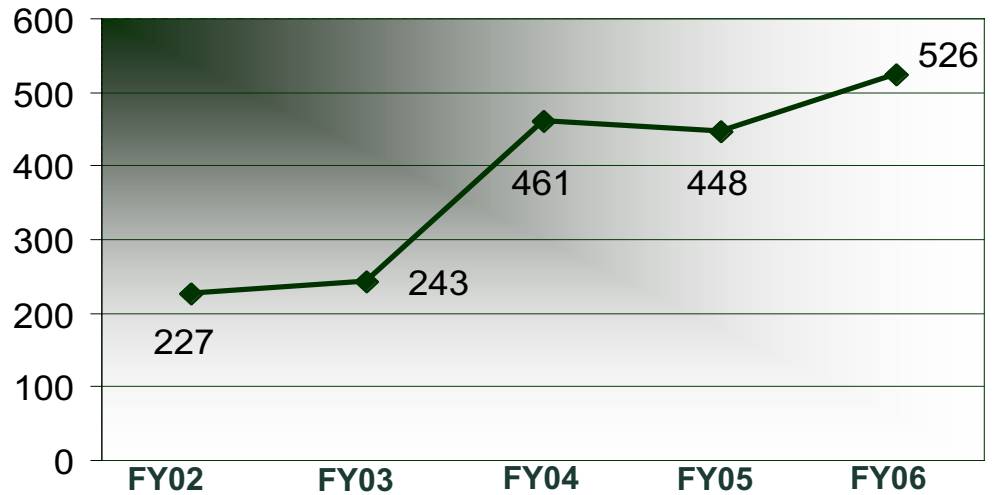
Motor Vehicle Enforcement Division

The Motor Vehicle Enforcement Division of the State Tax Commission investigates violations of the Motor Vehicle and Motor Vehicle Business Regulation Acts.

Utah law enforcement agencies recognize MVED police officers as experts in investigations of vehicle theft rings, chop shops, and fraud involving motor vehicles, titles, odometers, and related documents.

Other duties include consumer complaints against commercial motor vehicle dealers, body shops and dismantlers, regulatory licensing, and registration enforcement. The Division's dedicated investigative staff shares their knowledge with other agencies through shared intelligence and extensive training.

Stolen Cars Recovered



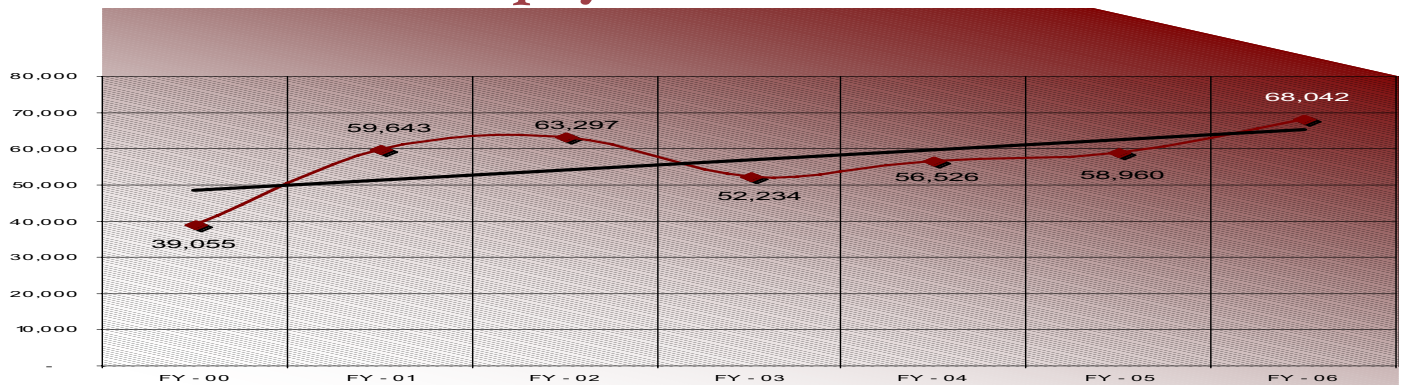
This chart shows the number of stolen vehicles the Motor Vehicle Enforcement Division recovered in recent years. In Utah, rate of recovery for stolen vehicles is 1.3 per police officer during FY2006. This compares to 24.2 stolen vehicles recovered per MVED officer.

MVED FY2006 Statistics

Recovered Stolen Vehicles	526
Value of Recovered Vehicles	\$3,896,000
Motor Vehicle Criminal Counts Filed	546
Registration and Other Enforcement Citations	3,226
Impoundments	532
Temporary Permit Audit Collections	\$261,021
Preliminary NCIC* Investigations	1,946
Complaints and Cases Investigated	2,758

*National Crime Information Center

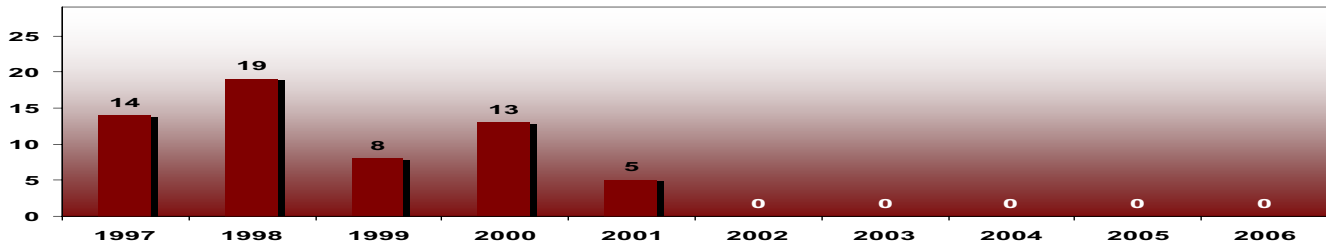
Taxpayer Collections



The chart above shows the number of delinquent cases cleared as citizens work to become current with their tax obligations. State Tax Commission agents work with delinquent taxpayers to arrange for payment and to clear account balances. The dark green line is a trend line over the six-year period.

Locally Assessed Real Property

Counties Out of Compliance and Corrective Action Orders Issued



This chart shows the number of corrective action orders issued by the State Tax Commission to counties in Utah that were out of compliance on local real property assessments. In 2002, the Property Tax Division began a program of working more closely with County Assessors to ensure that property values were regularly updated throughout the year. Since then, year end collection orders have not been necessary.

Auditing

The Utah State Tax Commission conducts audits to ensure compliance and understanding of tax laws. Auditors provide taxpayer education during the audit process. Auditors also enhance voluntary taxpayer compliance as part of the auditing process.

Taxpayer Compliance

<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>
4.39	4.39	4.40	4.38	4.47	4.39

This chart shows the overall satisfaction of citizens following an audit by the Utah State Tax Commission. It is based on a scale of 1 to 5.

Collection And Distribution

FY2006 Tax Revenue Highlights

Tax Revenues

Growth in major state revenue sources accompanied growth across all sectors of Utah's economy. Net tax revenues, collected by the Tax Commission, grew from \$5.54 billion in FY 2005 to \$6.48 billion in FY 2006, a 16.8 percent increase.

Revenues derived from the nine major sources (sales, income, corporate franchise, insurance, beer, cigarette, tobacco, oil and mining severance taxes), which comprise 95 percent of the General Fund and Education Fund, exceeded February 2006 adopted estimates by more than \$362 million in FY2006. The expected 8.9 percent gain was exceeded by an actual 18 percent increase. Individual income taxes were up 18.3 percent. Sales and use taxes, net of restricted funds, grew 3.9 percent. Corporate franchise taxes jumped 77.5 percent. Severance taxes increased by 36.4 percent.

Together, the three major Transportation Fund revenue sources grew by 2.2 percent and surpassed the consensus estimate by \$1.5 million. Special fuel taxes grew 7.7 percent, and exceeded the Legislative estimate by \$2.2 million. Motor vehicle registration fees increased 6.2 percent and barely outpaced the estimate by \$140,000. However, the motor fuel tax decreased 0.4 percent, and under-performed the estimate by \$870,000.

Income Tax

Individual income taxes, which grew 18.3 percent, were up \$167.7 million over February 2006 estimates. Adjusted Gross Incomes grew in FY 2006 with across the board increases in wages, capital gains, partnership income, interest and dividends. While withholding on wages was up 10.8 percent, final payments rose nearly 88.2 percent indicating strength in the non-wage component of income. The corporate franchise and income tax jumped 77.5 percent due in part to the repatriation of foreign profits as a result of a federal tax law change and growth in corporate profits.

Sales Tax

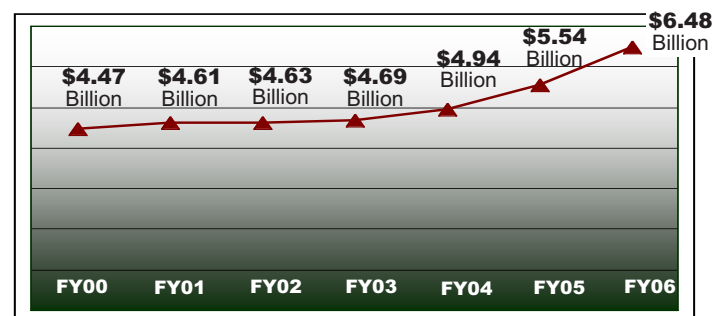
Final fiscal year-end state sales and use taxes, not including restricted funds, grew 3.9 percent. However, when restricted revenue is added, particularly transportation earmarks, state sales and use taxes jumped almost 11 percent. Overall strength in the Utah economy boosted taxable sales and purchases over 12 percent in fiscal year 2006. Taxable business equipment purchases rose in double-digits with mining and construction up 51.1 and 43.3 percent.

Manufacturing and Transportation grew 43.3 and 21.8 percent respectively in FY 2006. Wholesale trade was also strong with 24.5 and 20.1 percent growth in durable and nondurable goods. Retail sales grew nearly 10 percent in FY 2006 with strong increases across the board. The non-durable retail categories general merchandise, apparel, eating and drinking, and food store sales climbed 14.9, 8.8, 14.2 and 8.9 percent, respectively. The housing boom continued to drive certain durable retail sales in FY 2006. Specifically, furniture and building, and garden store sales increased 9.9 and 16.4 percent respectively.

Severance Tax

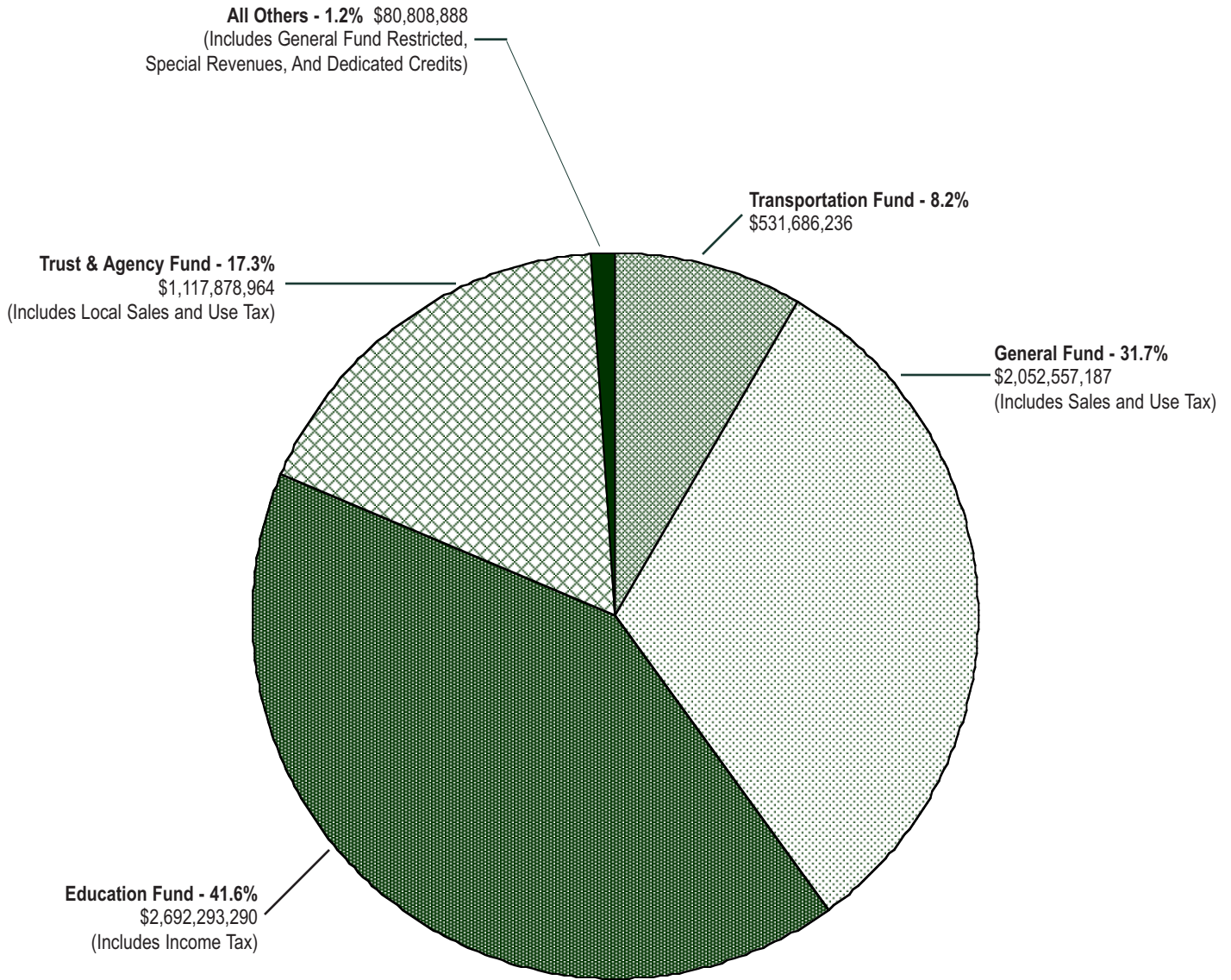
Severance tax collections grew 36.4 percent, which boosted revenues by \$10.6 million above expectation. The impetus for this growth is the increased price and production response to strong local demand and to the nationwide shortages that resulted from Hurricane Katrina. Coal, crude oil and natural gas production increased 10.6 percent, 9.8 percent and 10.8 percent respectively. Coal, crude oil and natural gas prices were up 12.7 percent, 26.4 percent and 3.6 percent respectively.

Net Revenues Collected



Revenue Collection by Fund

Fiscal Year 2006



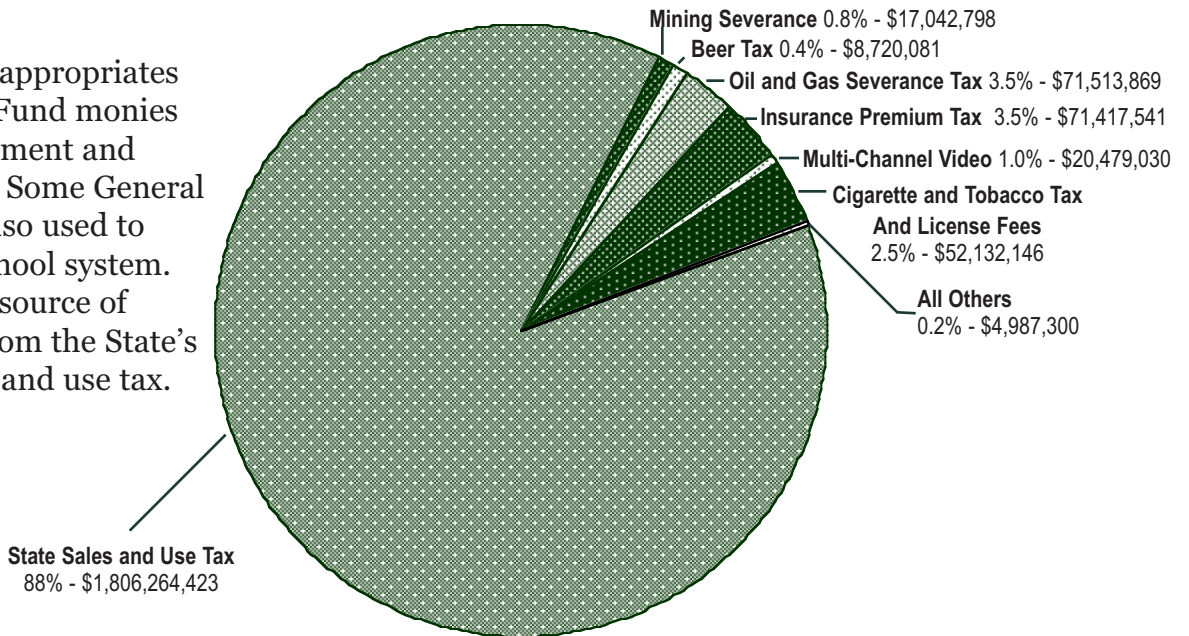
\$6,475,224,565

Total Net Revenue Collected
By The Utah State Tax Commission
Fiscal Year 2006

General Fund

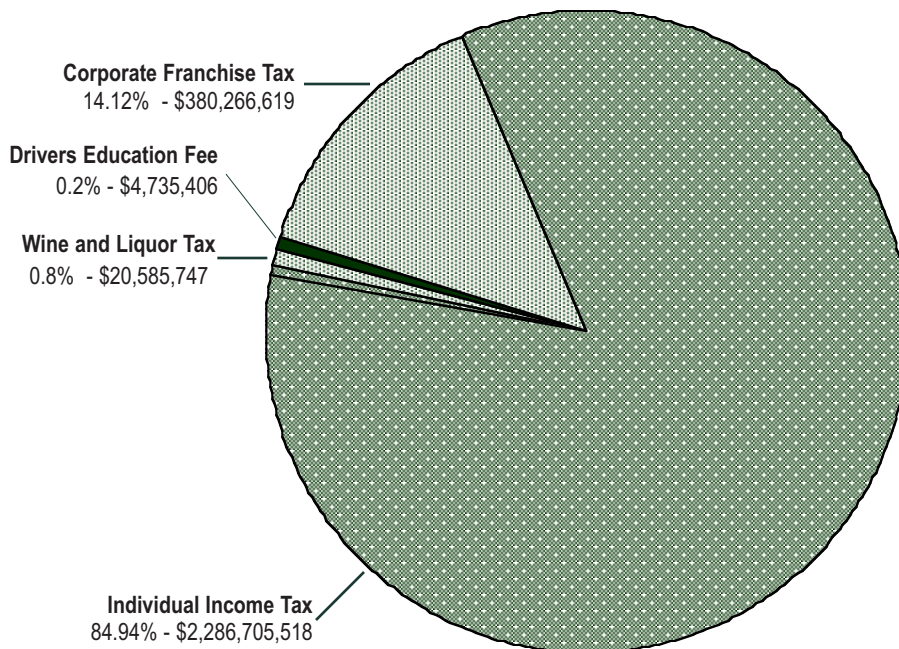
Total Collections - \$2,052,557,187

The Legislature appropriates from the General Fund monies for general government and higher education. Some General Fund revenue is also used to fund the public school system. The largest single source of revenues comes from the State's 4.75 percent sales and use tax.



Education Fund

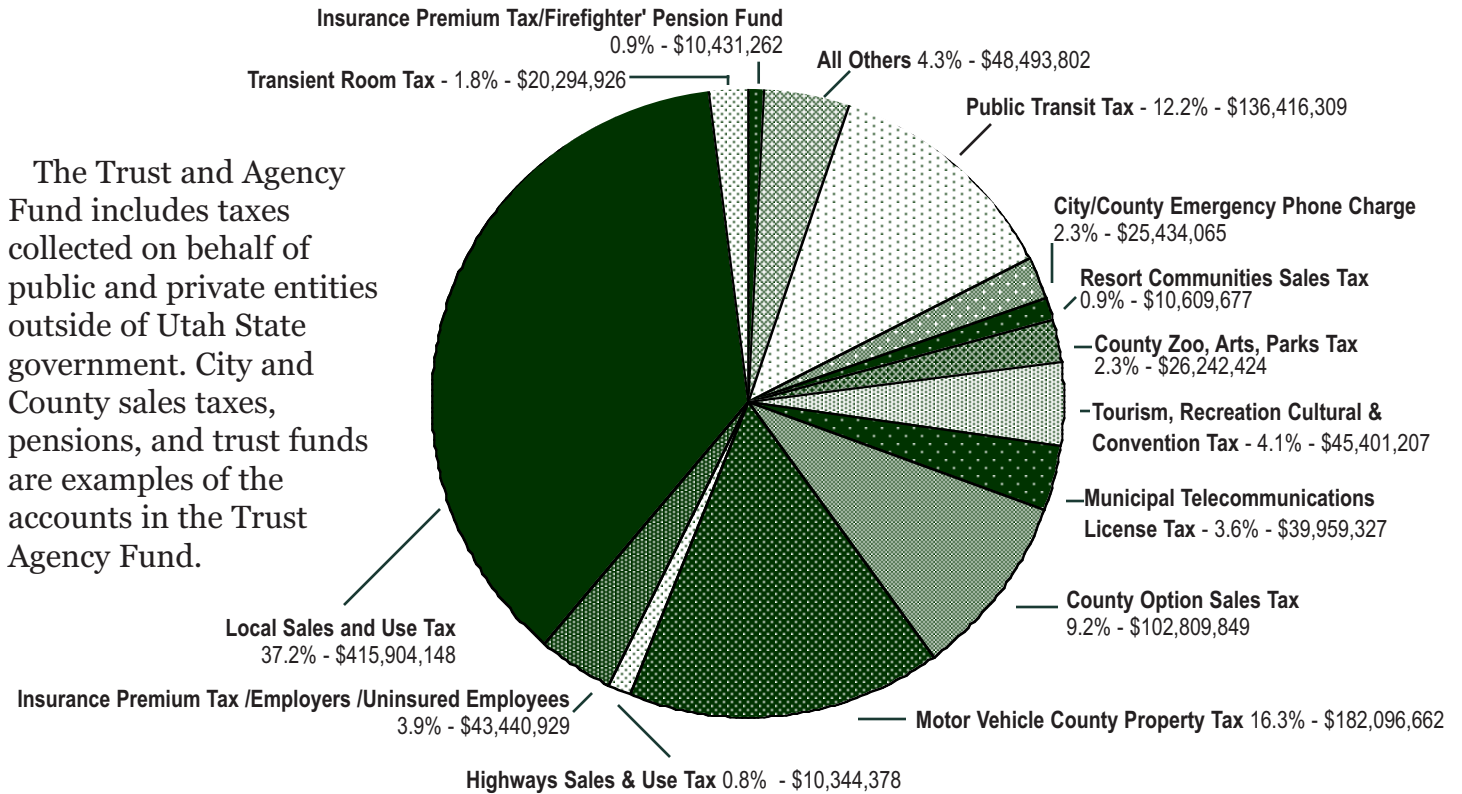
Total Collections - \$2,692,293,290



The Utah Constitution requires that the state income tax only be used to fund the state's public education and higher education systems. As shown in this chart, the Education Fund is largely composed of revenues generated by individual income and corporate franchise taxes.

Trust and Agency Fund

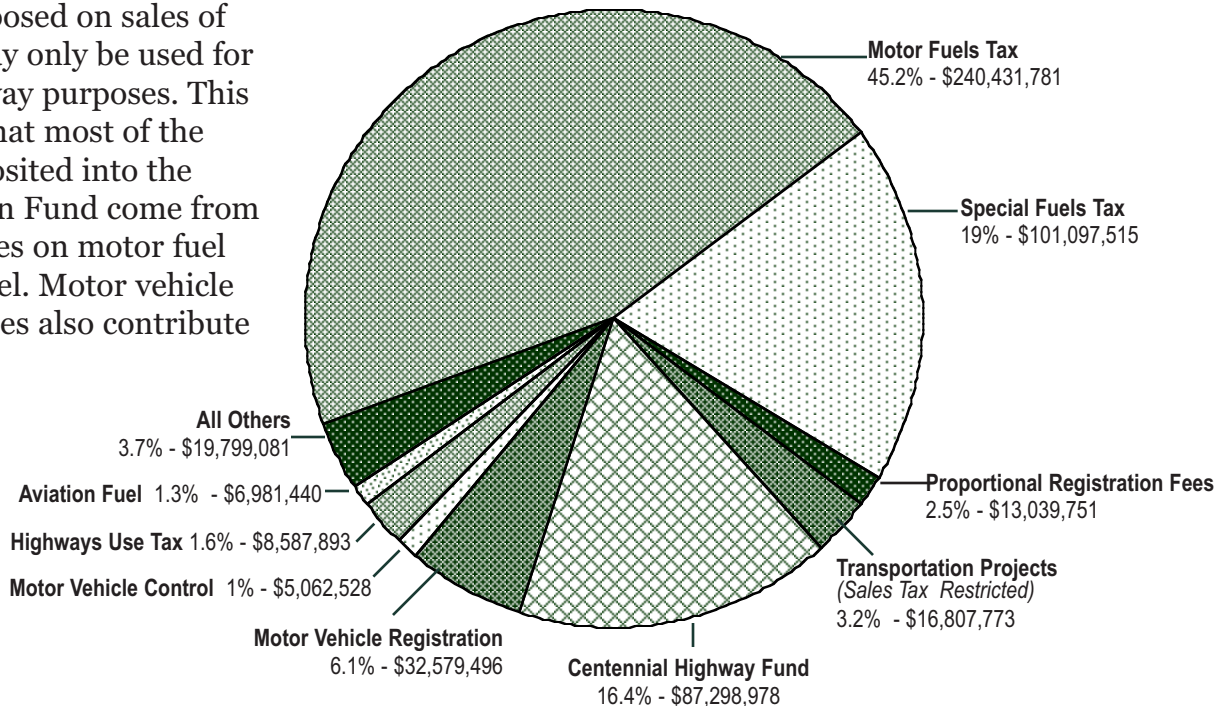
Total Collections - \$1,117,878,964



Transportation Fund

Total Collections - \$531,686,236

The Utah Constitution requires that taxes imposed on sales of motor fuel may only be used for specific highway purposes. This chart shows that most of the revenues deposited into the Transportation Fund come from the state's taxes on motor fuel and special fuel. Motor vehicle registration fees also contribute to this fund.



Net Revenue Comparison

Fiscal Years 2005 and 2006

(TC-23 Report)

Dedicated Credits

Reporting Category Source And Distribution	FY2006 Net Revenue	FY2005 Net Revenue	Net Amount Change	Net % Change
<i>Administrative Allowance Service Charge: Sales Tax</i>	9,047,109	8,680,020	367,089	4.2%
<i>MV Registration/Plate Fees: Plate, Admin Fee</i>	2,597,783	2,483,757	114,025	4.6%
<i>Off Highway Vehicle Registration Fees</i>	537,053	490,676	46,377	9.5%
<i>Federal Revenues & Grants</i>	578,707	707,100	(128,393)	-18.2%
<i>Dedicated Credits: Electronic Payments Offset Fee</i>	34,342	52,886	(18,544)	-35.1%
<i>Dedicated Credits: DNR Plants/Animal Protect: Sales</i>	2,450,000	2,450,000	-	0.0%
<i>Dedicated Credits: Electronic Conv. Fees - Pmt Expres</i>	1,333,661	2,322,540	(988,879)	-42.6%
<i>Miscellaneous Dedicated Credits: Tax Commission</i>	1,247,065	1,249,015	(1,950)	-0.2%
<i>Miscellaneous Dedicated Credits: Other Agencies</i>	197,240	168,764	28,476	16.9%
<i>County Property Tax Transaction Fees</i>	2,146,537	2,017,491	129,046	6.4%
<i>Driving Under Influence Impound Fees</i>	274,336	254,850	19,486	7.6%
<i>30-Day Motor Vehicle Reg Permit</i>	2,282,941	2,049,760	233,181	11.4%
<i>Private Organ Donation Contributions</i>	67,942	72,541	(4,599)	-6.3%
<i>Water & Wastewater Projects: Div of Water Rights</i>	175,000	175,000	-	0.0%
Dedicated Credits Total	22,969,716	23,174,402	(204,687)	-0.9%

Enterprise Funds

<i>Land Grant Management Fund Reg. Fees</i>	117,719	130,211	(12,492)	-9.6%
Enterprise Funds Total	117,719	130,211	(12,492)	-9.6%

General Fund

<i>State Sales And Use Tax</i>	1,806,264,423	1,634,522,084	171,742,339	10.5%
<i>Insurance Premium Tax: Admitted Insurers</i>	71,417,541	67,353,901	4,063,640	6.0%
<i>Cigarette Taxes</i>	45,348,314	46,512,461	(1,164,147)	-2.5%
<i>Inheritance Tax</i>	7,448,037	2,951,780	4,496,257	152.3%
<i>Oil And Gas Severance Tax</i>	71,513,869	53,484,320	18,029,549	33.7%
<i>Beer Tax</i>	8,720,081	8,918,275	(198,195)	-2.2%
<i>Mining Severance Tax</i>	17,042,798	11,447,429	5,595,369	48.9%
<i>Tobacco Products Tax</i>	6,763,963	6,510,897	253,065	3.9%
<i>Motor Vehicle Business Regulation Fees: MVED</i>	2,149,465	1,942,692	206,772	10.6%
<i>DUI Impound Fees</i>	983,827	913,972	69,855	7.6%
<i>Energy Savings Tax Credit</i>	(133,228)	101,302	(234,530)	-231.5%
<i>Property Tax Relief Credits: Circuit Breaker</i>	(5,460,801)	(6,050,659)	589,858	-9.7%
<i>Cigarette Licenses & Fees</i>	19,869	24,255	(4,386)	-18.1%
<i>Multi-Channel Video or Audio Service Tax</i>	20,479,030	11,652,346	8,826,684	75.8%
General Fund Total	2,052,557,187	1,840,285,056	212,272,130	11.5%

Net Revenue Comparison

Fiscal Years 2005 and 2006

(TC-23 Report)

General Restricted Fund

Reporting Category Source And Distribution	FY2006 Net Revenue	FY2005 Net Revenue	Net Amount Change	Net % Change
<i>Cigarette Tax - Tobacco Prevention - Restricted</i>	8,187,942	8,410,558	(222,616)	-2.6%
<i>Insurance Premium & Other - Restricted</i>	1,572,771	1,345,921	226,850	16.9%
<i>Water & Wastewater Projects: Sales - Restricted</i>	14,875,000	14,875,000	-	0.0%
<i>Fire Academy Support Fund - Restricted</i>	5,216,795	5,410,595	(193,800)	-3.6%
<i>Inc. Tax Contrib: Organ, Homeless, Wolf- Rstricted</i>	192,141	116,943	75,198	64.3%
<i>Lubricating Oil Fee: Used Oil - Restricted</i>	642,823	579,534	63,289	10.9%
<i>Oil & Gas Conservation Fee - Restricted</i>	5,560,449	3,631,963	1,928,486	53.1%
<i>Other Miscellaneous - Restricted</i>	936,326	917,264	19,062	2.1%
<i>Boat Registration Fees - Restricted</i>	658,115	620,055	38,060	6.1%
<i>Boat Fuel Tax - Restricted</i>	2,828,682	2,778,251	50,431	1.8%
<i>Off Highway Vehicle Registration Fees - Restricted</i>	2,090,458	1,808,503	281,955	15.6%
<i>Snowmobile Registrations - Restricted</i>	306,971	305,124	1,847	0.6%
<i>Off Highway Vehicle Fuel Tax - Restricted</i>	1,050,000	1,050,055	(55)	0.0%
<i>Alcohol Beverage Enforce/Treatment - Restricted</i>	3,741,888	3,133,777	608,111	19.4%
<i>Statewide Unified E-911 Emergency Services</i>	4,872,791	3,688,386	1,184,405	32.1%
General Restricted Fund Total	52,733,151	48,671,929	4,061,223	8.3%

Special Revenues Fund

<i>Uintah Basin Revitalization Fund</i>	3,000,000	3,000,000	-	0.0%
<i>Navajo Revitalization Fund</i>	1,988,076	1,451,427	536,649	37.0%
<i>Sexually Explicit Business/Escort Service Tax</i>	226	-	226	
Special Revenues Fund Total	4,988,302	4,451,427	536,875	12.1%

Transportation Fund

<i>Motor Fuel Tax</i>	240,431,781	241,484,099	(1,052,318)	-0.4%
<i>Special Fuel Tax</i>	101,097,515	93,836,149	7,261,366	7.7%
<i>Motor Vehicle Registration Fees</i>	32,579,496	30,689,653	1,889,843	6.2%
<i>Proportional Registration Fees</i>	13,039,751	12,121,908	917,843	7.6%
<i>Proportional Registration: Highway Use Tax</i>	8,587,893	8,421,109	166,784	2.0%
<i>Aviation Fuel Tax - Restricted</i>	6,981,440	6,156,152	825,287	13.4%
<i>Motor Vehicle Control Fees</i>	5,062,528	4,757,020	305,508	6.4%
<i>Uninsured Motorist Fees - Restricted</i>	2,492,301	2,469,130	23,171	0.9%
<i>DUI Impound Fees - Restricted</i>	917,607	852,392	65,215	7.7%
<i>Motorcycle Safety Fees - Dedicated Credit</i>	289,804	241,421	48,383	20.0%
<i>Transportation Projects: Sales Tax - Restricted</i>	16,807,773	18,968,668	(2,160,895)	-11.4%
<i>Public Trans Sys Tax Hwy: Sales - Restricted</i>	11,817,674	10,476,368	1,341,306	12.8%
<i>Motor Vehicle Rental Tax - Restricted</i>	4,243,466	3,320,001	923,465	27.8%
<i>Centennial Highway MV Registration Fee</i>	21,447,542	20,390,645	1,056,897	5.2%
<i>Centennial Highway 1/64% Sales Tax & Transfers</i>	65,851,436	5,518,659	60,332,777	1093.3%
<i>Clean Fuel Incentive Surcharge</i>	38,229	31,955	6,274	19.6%
Transportation Fund Total	531,686,236	459,735,330	71,950,907	15.7%

Net Revenue Comparison

Fiscal Years 2005 and 2006

(TC-23 Report)

Trust and Agency Fund

Reporting Category Source And Distribution	FY2006 Net Revenue	FY2005 Net Revenue	Net Amount Change	Net % Change
<i>Local Sales And Use Tax</i>	415,904,148	361,096,500	54,807,648	15.2%
<i>Transient Room Tax</i>	20,294,926	18,105,021	2,189,906	12.1%
<i>Municipality Transient Room Tax</i>	1,089,242	900,145	189,097	21.0%
<i>Resort Communities Tax</i>	10,609,677	9,707,339	902,338	9.3%
<i>Public Transit Tax</i>	136,416,309	120,563,263	15,853,046	13.1%
<i>Tourism, Recreation, Cultural, Convention Tax</i>	45,401,207	36,255,996	9,145,212	25.2%
<i>County Option Zoo, Arts Parks</i>	26,242,424	19,916,601	6,325,822	31.8%
<i>Rural County Hospital Tax</i>	6,443,531	5,060,736	1,382,794	27.3%
<i>Highways Sales & Use Tax</i>	10,344,378	8,432,989	1,911,389	22.7%
<i>County Option Sales & Use Tax</i>	102,809,849	89,475,269	13,334,580	14.9%
<i>Town Option Sales & Use Tax</i>	33,112	32,812	300	0.9%
<i>Municipal Energy Sales & Use Tax</i>	4,961,214	3,726,302	1,234,912	33.1%
<i>MV County Collections - MVA</i>	182,096,662	173,364,340	8,732,323	5.0%
<i>Waste Tire Recycling Fees</i>	2,872,276	2,848,607	23,669	0.8%
<i>Employers Reins. & Uninsured Employers</i>	43,440,929	47,175,376	(3,734,447)	-7.9%
<i>Environmental Surcharge On Petroleum</i>	6,904,367	5,681,904	1,222,463	21.5%
<i>Firefighters' Pension Fund</i>	10,431,262	10,823,428	(392,166)	-3.6%
<i>Car & Bus Tax</i>	7,001,318	6,013,451	987,866	16.4%
<i>Local Sports/Recreational Bonding (1/64)</i>	207,572	185,498	22,074	11.9%
<i>Collegiate License Plate Fees</i>	263,750	195,081	68,669	35.2%
<i>Illegal Drug Stamp Tax: Law Enforcement</i>	-	450	(450)	-100.0%
<i>Municipal Telecommunications License Tax</i>	39,959,327	30,580,552	9,378,775	30.7%
<i>Emergency Services Phone Charge</i>	25,434,065	22,449,218	2,984,848	13.3%
<i>Income Tax Contributions: Education</i>	34,106	52,752	(18,646)	-35.3%
<i>Income Tax Contributions: Election Campaign</i>	132,866	148,780	(15,914)	-10.7%
<i>Motor Vehicle Blindness Prevention Checkoff</i>	27,683	24,338	3,346	13.7%
<i>Childrens License Plate Fees</i>	42,640	40,962	1,678	4.1%
<i>Boy Scout License Plate Fees</i>	10,169	9,257	912	9.8%
<i>Other License Plate and Contributions</i>	64,820	56,302	8,518	15.1%
<i>Tax Commission Suspense</i>	18,405,136	23,917,919	(5,512,783)	-23.0%
Trust and Agency Fund Total	1,117,878,964	996,841,187	121,037,777	12.1%

Uniform School Fund

<i>Individual Income Tax: Withholding</i>	1,929,550,629	1,741,637,031	187,913,598	10.8%
<i>Individual Income Tax: Final Payments</i>	348,061,013	184,958,583	163,102,430	88.2%
<i>Corporate Franchise, Radioactive Waste / Income</i>	366,625,805	204,186,982	162,438,824	79.6%
<i>Mineral Production Tax Withholding</i>	22,734,690	16,736,761	5,997,929	35.8%
<i>Driver Education Fees - Dedicated Credits</i>	4,735,406	4,545,996	189,410	4.2%
<i>Wine And Liquor Tax - Dedicated Credits</i>	20,585,747	18,123,110	2,462,637	13.6%
Uniform School Fund Total	2,692,293,290	2,170,188,463	522,104,827	24.1%

FY2006 Net Revenue

\$6,475,224,565 **\$5,543,478,005** **\$931,746,560** **16.8%**

Major Tax Revenue Sources

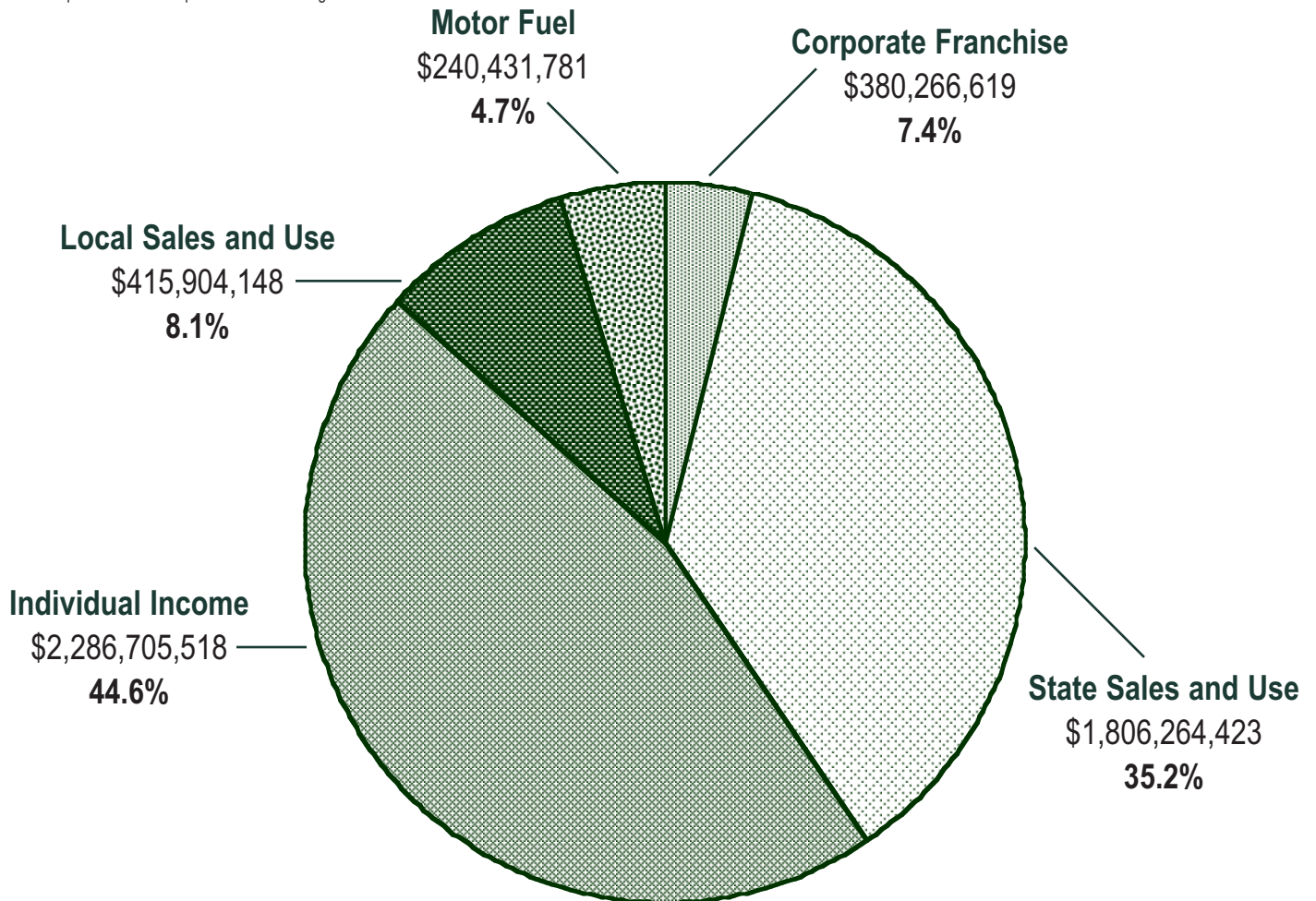
In Millions of Dollars

Fiscal Year	State Sales & Use¹	Individual Income²	Local Sales & Use	Motor Fuel	Corporate Franchise³
2006	1806.3	2286.7	415.9	240.4	380.3
2005	1634.5	1933.3	361.1	241.5	198.9
2004	1501.9	1699.2	331.6	239.9	155.4
2003	1444.0	1575.4	325.2	236.6	152.5
2002	1441.3	1610.6	318.0	237.9	118.9
2001	1431.4	1713.1	314.3	229.4	174.4
2000	1369.6	1654.9	301.7	237.6	179.6
1999	1316.4	1463.9	284.5	225.2	184.3
1998	1251.8	1377.6	263.5	217.7	189.0
1997	1252.1	1237.3	258.1	168.4	182.9
1996	1162.5	1139.1	225.6	163.2	168.4
1995	1055.1	1026.9	212.6	155.5	153.5

¹ Beginning July 1, 1997, this excludes the annual amount of Sales and Use tax generated by 1/8 of 1 percent tax rate for water and transportation projects as prescribed by state statute.

² Includes 40 percent of mineral production withholding tax.

³ Includes 60 percent of mineral production withholding tax.



Percentages shown above are of the total major tax revenue sources and do not include other tax revenues.

Income Tax

Individual income tax, corporate income, and franchise taxes in Utah are based on income. Between 1947 and 1996, all income taxes were constitutionally required to be used for public education. In 1996, Utah voters approved a change to the state's Constitution providing that these revenues could also be used for higher education. Utah is the only state where this constitutional mandate exists. Information in this report does not reflect changes made by the 2006 State Legislature.

Individual Income Tax

Utah levies an income tax tied directly to the federal tax system. This allows Utah taxpayers to claim the federal standard deduction or itemized deductions, and 75 percent of the federal personal exemption. For the 2005 tax year, Utah had six tax brackets for income tax. The highest rate was 7 percent for the top bracket on income over \$8,626 for married filing jointly, head of household, or qualifying widows or widowers. The 7 percent rate was also levied on taxable income greater than \$4,313 for single taxpayers or married filing separate returns.

Fiscal Year 2006 Revenues - \$2,286,705,518

Individual income tax revenues include withholding amounts and \$9,093,876 in mineral production withholding taxes.

Individual Income Tax Withholding

An employer must withhold state income tax from employee earnings if the employer

- Does business in Utah, or obtains any income from Utah sources; and
- Pays wages to individuals who perform services for that employer, within or outside the State of Utah on an employer/employee basis.

Employers are liable for withholding employee wages per schedules distributed by the State Tax Commission.

Corporate Franchise, Gross Receipts, and Radioactive Waste Taxes

The Corporate Franchise and Income Tax rate is 5 percent of Utah apportioned net income, with a \$100 minimum tax per corporation included in a combined report.

The Gross Receipts Tax is an in-lieu tax imposed on the gross receipts of corporations - other than religious or charitable institutions - operating in the State of Utah, that are not otherwise required to pay income or franchise taxes to the State.

The Legislature also imposed the Gross Receipts Tax on electrical corporations whose property tax liability was decreased as a result of property tax reductions authorized by the 1995 Utah Legislature.

A percentage tax on gross receipts at radioactive waste facilities is imposed on specific types of waste. These percentages range from 5 to 12 percent, depending on the specific type of waste received.

Fiscal year 2006 Revenues - \$380,266,619

Corporate franchise tax, gross receipts tax, and the radioactive waste tax revenues include \$13,640,814 in mineral production withholding tax.

Individual Income Tax Collected

(Net FY87 to FY06)

2006	\$2,286,705,518
2005	\$1,933,290,318
2004	\$1,699,183,228
2003	\$1,575,386,384
2002	\$1,610,598,033
2001	\$1,713,051,786
2000	\$1,654,948,944
1999	\$1,463,897,285
1998	\$1,377,582,984
1997	\$1,237,331,651
1996	\$1,139,080,026
1995	\$1,026,894,837
1994	\$925,301,613
1993	\$842,275,277
1992	\$784,430,264
1991	\$717,599,792
1990	\$647,593,113
1989	\$615,603,770
1988	\$569,853,201
1987	\$533,287,567

Income Tax by Utah Residents

From 2004 State Tax Returns by Tax Line/Full-Year Resident

<u>TAX LINE</u>	<u>RETURNS</u>	<u>AMOUNT</u>	<u>AVERAGE</u>
Total Number of Exemptions	832,791	2,137,055	2.57
Adjusted Gross Income	910,271	\$43,723,611,414	\$48,034
All Additions	5,315	\$26,006,409	\$4,893
Federal Deductions	917,830	\$12,053,869,009	\$13,133
Personal Exemptions	826,347	\$4,925,011,628	\$5,960
One-Half Federal Tax	613,239	\$2,141,255,590	\$3,492
Retirement Exemption	78,121	\$671,408,532	\$8,594
Total Other Deductions	86,301	\$287,757,501	\$3,334
Utah Taxable Income	723,396	\$26,766,341,834	\$37,001
Utah Income Tax Liability	703,179	\$1,739,921,709	\$2,474
Total Non-Refundable Credits	18,490	\$48,138,959	\$2,604
Total Contributions	9,971	\$214,153	\$21
Withholding	808,786	\$1,563,181,696	\$1,933
Prepaid Taxes	18,376	\$200,728,330	\$10,923
Net Refund	690,731	\$348,355,679	\$504
Taxes Due with Return	173,754	\$270,732,012	\$1,558

2004 Income Taxes of Utah Residents

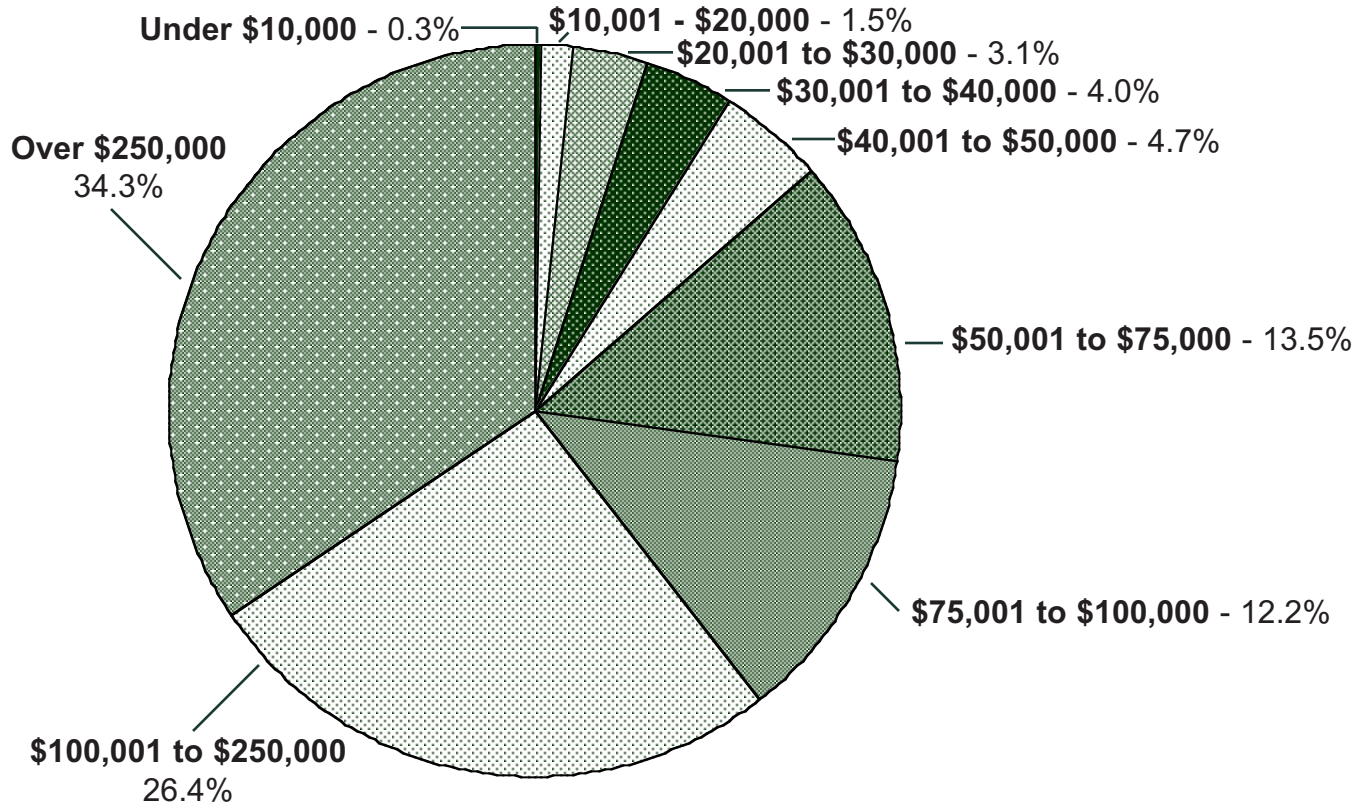
Paid by AGI Groups

<u>Adjusted Gross Income (AGI)</u>	<u>Number Of Federal Returns</u>	<u>Percent Of Federal Taxes Paid</u>	<u>Number State Returns*</u>	<u>Percent Of State Taxes Paid*</u>
Under \$10,000	196,747	0.3	174,977	0.2
\$10,001 - \$20,000	169,720	1.5	156,231	1.9
\$20,001 - \$30,000	137,601	3.1	128,567	4.1
\$30,001 - \$40,000	105,021	4.0	98,924	5.8
\$40,001 - \$50,000	85,336	4.7	80,980	7.1
\$50,001 - \$75,000	145,791	13.5	138,905	19.4
\$75,000 - \$100,000	73,993	12.2	70,810	15.5
\$100,001 - \$250,000	63,432	26.4	60,481	22.9
Over \$250,000	<u>10,273</u>	<u>34.3</u>	<u>10,274</u>	<u>23.1</u>
TOTALS	987,914	100.0	920,149	100.0

* State return data is for full-year residents.

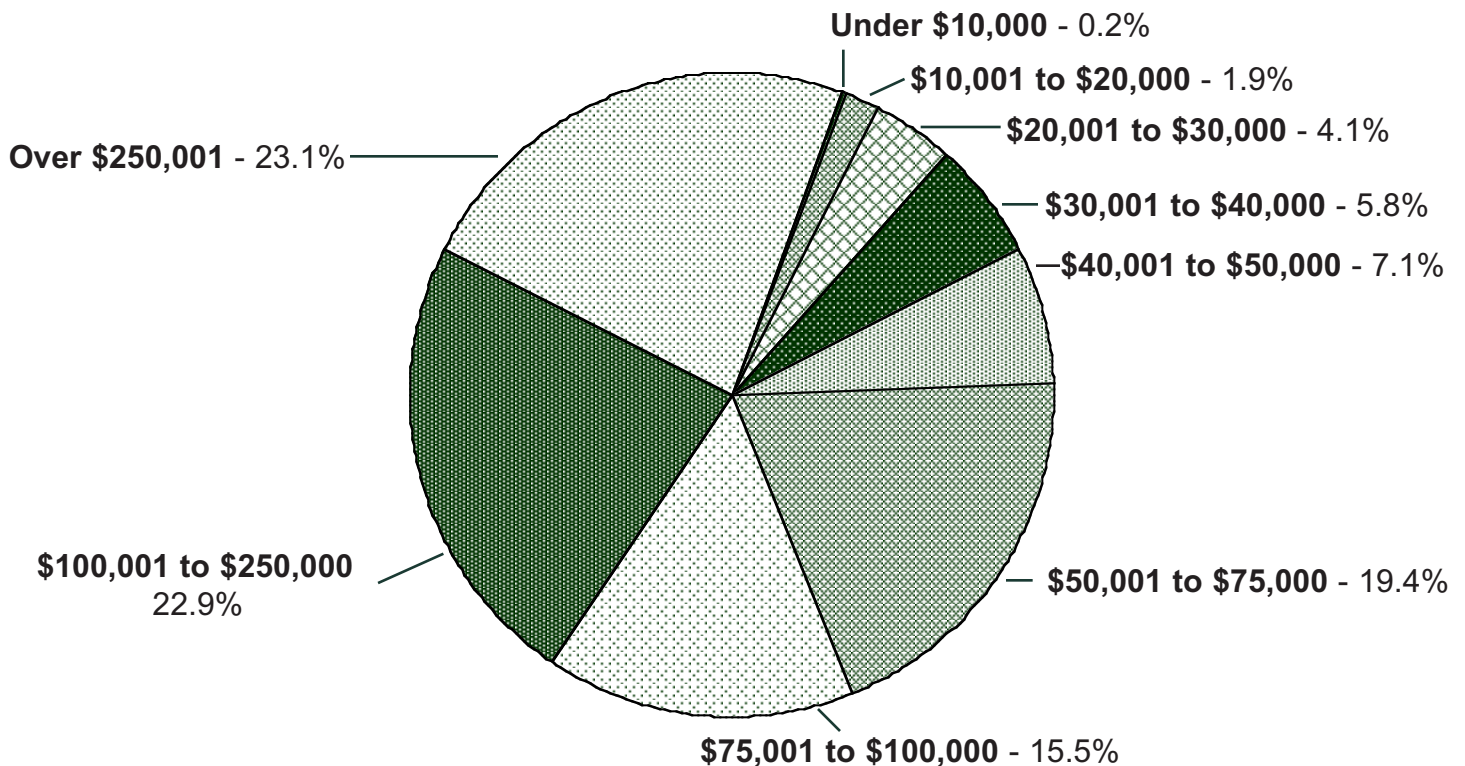
2004 Federal Income Tax

Percent Paid by Adjusted Gross Income Classes/Utah



2004 State Income Tax Distribution

Percent Paid Among Adjusted Gross Income Groups/Full Year Residents Only



Percentages may not equal 100% because of rounding.

2004 Income Tax Returns (Utah Residents Only)

Federal Returns

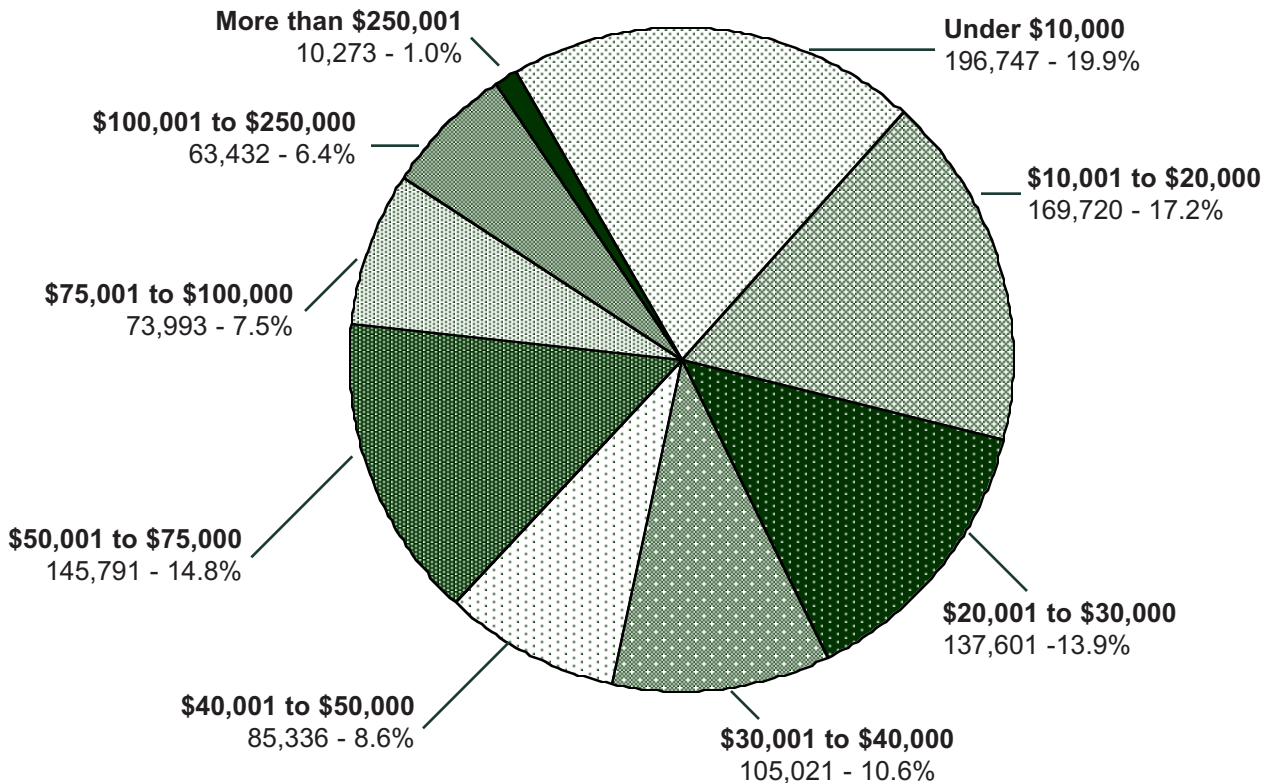
State Returns

(Full-Year Residents)

<u>Adjusted Gross Income (AGI)</u>	<u>Number Of Federal Returns</u>	<u>Total Federal Taxes</u>	<u>Average Federal Tax Per Return</u>	<u>Number Of State Returns</u>	<u>Total State Tax</u>	<u>Average State Tax</u>
Under \$1	12,439	\$1,660,646	\$134	10,552	\$1,253	\$0
\$1 - \$5,000	91,336	870,813	10	80,119	182,771	2
\$5,001 - \$10,000	92,972	8,752,767	94	84,306	2,938,611	35
\$10,001 - \$15,000	86,848	23,210,831	267	79,432	11,271,349	142
\$15,001 - \$20,000	82,872	41,611,334	502	76,799	21,597,131	281
\$20,000 - \$25,000	73,974	59,199,225	800	68,981	31,612,478	458
\$25,001 - \$30,000	63,627	71,654,214	1,126	59,586	39,924,192	670
\$30,001 - \$35,001	55,475	80,588,481	1,453	52,201	46,924,635	899
\$35,001 - \$40,000	49,546	88,314,732	1,782	46,723	53,463,619	1,144
\$40,001 - \$45,000	44,794	96,337,069	2,151	42,430	59,481,194	1,402
\$45,001 - \$50,000	40,542	104,568,916	2,579	38,550	64,611,470	1,676
\$50,001 - \$75,000	145,791	573,215,236	3,932	138,905	337,904,495	2,433
\$75,001 - \$100,000	73,993	519,556,874	7,022	70,810	269,254,115	3,802
\$100,000 - \$250,000	63,432	1,118,066,856	17,626	60,481	398,775,609	6,593
Over \$250,000	<u>10,273</u>	<u>1,456,070,220</u>	<u>141,738</u>	<u>10,274</u>	<u>401,168,913</u>	<u>39,047</u>
TOTAL	987,914	\$4,243,678,214	\$4,296	920,149	\$1,739,111,834	\$1,890

Adjusted Gross Income

Percent of Federal Income Tax Returns Filed by AGI Groups



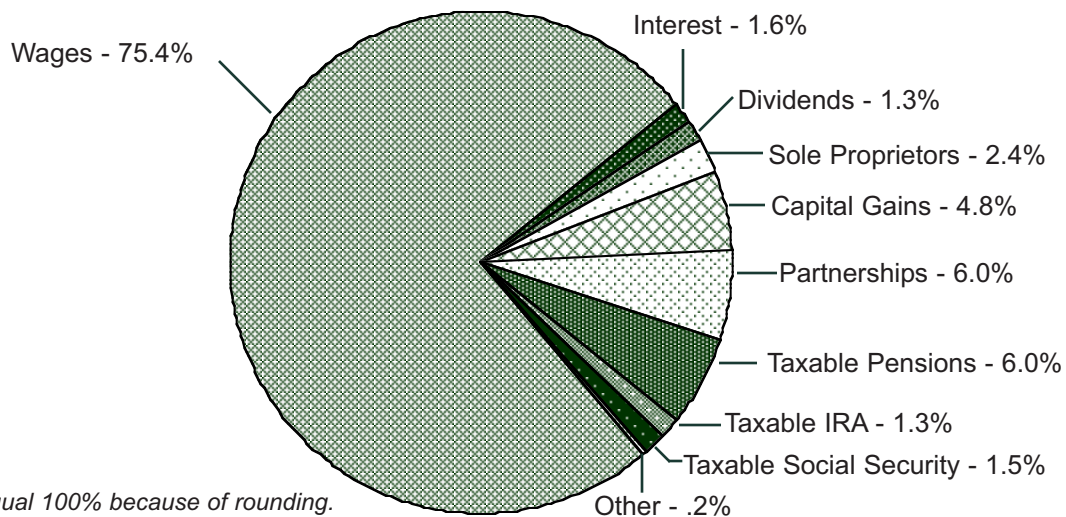
Percentages may not equal 100% because of rounding.

2004 Federal Income Tax Data

	2002	2003	2004	% Change '03 - '04
Returns	949,322	964,687	987,914	2.4%
Adjusted Gross Income (in millions of dollars)	\$39,316	\$40,940	\$44,084	7.7%
Personal Exemptions (number)	2,158,213	2,226,549	2,281,001	2.5%
Federal Taxes (in millions of dollars)	\$4,128	\$4,019	\$4,244	5.6%
Itemized Deductions (in millions of dollars)	\$7,893	\$7,891	\$8,313	5.4%
Itemized Deductions (number)	399,999	388,707	401,392	3.3%
Share Itemized	42.1%	40.3%	40.6%	0.8%
Itemized/AGI	20.1%	19.3%	18.9%	-2.2%
AGI/Return	\$41,415	\$42,439	\$44,624	5.2%

Sources of Income (In Millions of Dollars)

Source	2002	2003	2004	% Change '03 - '04
Total Income	\$39,527	\$41,532	\$44,627	7.5%
Wages	\$30,729	\$31,680	\$33,656	6.2%
Interest	\$867	\$749	\$706	-5.8%
Dividends	\$462	\$511	\$567	10.8%
Sole Proprietors	\$962	\$983	\$1,054	7.1%
Capital Gains	\$1,332	\$1,470	\$2,144	45.9%
Partnerships	\$2,084	\$2,175	\$2,631	21.0%
Taxable Pensions	\$2,399	\$2,518	\$2,693	7.0%
Taxable IRA	\$515	\$537	\$591	10.2%
Taxable Social Security	\$545	\$582	\$657	12.9%
Other	-\$368	\$326	-\$72	-122.1%



Percentages may not equal 100% because of rounding.

2004 Federal Income Tax Data

By County

<u>County</u>	<u>Number Of Returns</u>	<u>Average AGI</u>	<u>AGI County Rank</u>	<u>Average Federal Taxes</u>	<u>Average Net Exemptions</u>
BEAVER	2,235	\$33,501	21	\$3,718	2.76
BOX ELDER	17,687	\$38,421	12	\$4,018	2.69
CACHE	36,423	\$37,860	14	\$4,500	2.63
CARBON	7,641	\$38,313	13	\$4,738	2.40
DAGGETT	333	\$39,507	10	\$5,265	2.34
DAVIS	102,734	\$47,915	3	\$6,088	2.63
DUCHESNE	5,847	\$34,698	17	\$4,080	2.70
EMERY	3,798	\$36,201	15	\$3,913	2.77
GARFIELD	1,820	\$29,101	29	\$2,990	2.50
GRAND	3,779	\$33,191	22	\$4,453	2.03
IRON	13,530	\$35,353	16	\$4,609	2.58
JUAB	3,069	\$34,313	19	\$3,481	2.87
KANE	2,428	\$32,791	23	\$3,624	2.35
MILLARD	4,209	\$32,096	24	\$3,614	2.86
MORGAN	3,189	\$48,862	2	\$5,752	2.71
PIUTE	477	\$29,522	28	\$3,292	2.48
RICH	743	\$34,285	20	\$3,806	2.69
SALT LAKE	378,942	\$44,608	5	\$6,284	2.40
SAN JUAN	3,058	\$30,624	26	\$3,731	2.82
SANPETE	7,379	\$31,918	25	\$3,584	2.88
SEVIER	6,848	\$34,381	18	\$3,963	2.70
SUMMIT	14,425	\$72,935	1	\$14,878	2.34
TOOELE	17,970	\$42,144	6	\$4,293	2.68
UINTAH	9,227	\$39,358	11	\$5,210	2.62
UTAH	143,641	\$41,261	8	\$5,427	2.82
WASATCH	6,628	\$47,060	4	\$6,630	2.72
WAYNE	898	\$29,851	27	\$3,478	2.49
WASHINGTON	41,305	\$40,213	8	\$5,223	2.49
WEBER	86,459	\$41,981	7	\$5,122	2.42
STATE OF UTAH	987,914	\$44,624	-	\$4,296	2.56

Individual Income Tax Liability

By County

<u>COUNTY</u>	<u>INCOME TAX LIABILITY</u>	<u>FULL-YEAR RESIDENT</u>	<u>NON- OR PART-YEAR RESIDENT</u>
BEAVER	\$2,520,395	\$2,483,546	\$36,849
BOX ELDER	\$26,421,464	\$26,187,675	\$233,789
CACHE	\$54,106,303	\$53,540,846	\$565,457
CARBON	\$11,362,502	\$11,288,446	\$74,056
DAGGETT	\$481,102	\$456,353	\$24,748
DAVIS	\$208,612,076	\$206,269,238	\$2,342,838
DUCHESNE	\$7,762,676	\$7,670,459	\$92,217
EMERY	\$5,001,343	\$4,975,863	\$25,480
GARFIELD	\$1,809,428	\$1,744,169	\$65,259
GRAND	\$5,312,591	\$5,146,825	\$165,766
IRON	\$16,182,304	\$15,849,125	\$333,180
JUAB	\$3,708,367	\$3,687,890	\$20,477
KANE	\$2,618,023	\$2,537,220	\$80,803
MILLARD	\$5,118,801	\$5,082,118	\$36,683
MORGAN	\$6,789,690	\$6,725,520	\$64,170
PIUTE	\$404,843	\$397,715	\$7,128
RICH	\$1,120,851	\$1,106,859	\$13,992
SALT LAKE	\$762,771,259	\$753,633,001	\$9,138,259
SAN JUAN	\$2,773,192	\$2,750,157	\$23,035
SANPETE	\$7,943,350	\$7,884,209	\$59,142
SEVIER	\$8,342,986	\$8,280,144	\$62,842
SUMMIT	\$57,288,750	\$55,912,995	\$1,375,755
TOOELE	\$28,106,443	\$27,769,847	\$336,596
UINTAH	\$15,770,743	\$15,617,870	\$152,873
UTAH	\$251,915,576	\$248,999,482	\$2,916,094
WASATCH	\$16,133,432	\$15,941,539	\$191,893
WASHINGTON	\$65,805,003	\$64,020,554	\$1,784,449
WAYNE	\$939,242	\$924,725	\$14,517
WEBER	\$144,579,841	\$143,120,677	\$1,459,163
OUT OF STATE	\$98,644,831	\$38,879,935	\$59,764,897
OTHER UTAH	\$237,070	\$226,831	\$10,239
STATE OF UTAH	\$1,820,584,479	\$1,739,111,834	\$81,472,645

2004 State Voluntary Checkoffs

<u>Category</u>	<u>Number Of Returns</u>	<u>Amount Contributed</u>
Non-Game Wildlife Fund	3,274	\$35,690
Homeless Assistance	4,083	\$69,185
Children's Organ Transplant	6,185	\$70,719
School District Foundations	1,972	\$30,833
Applied Technology Centers	303	\$3,128
Uniform School Fund	407	\$4,926
Wolf Depredation Fund	<u>1,106</u>	<u>\$9,669</u>
TOTAL	17,330	\$224,150

Sales Tax

Sales taxes were first introduced in Utah as a revenue source in 1933 when property tax collections dropped dramatically because of the Great Depression. The use tax was added in 1937 to complement the existing sales tax. Use tax is imposed on taxable transactions involving tangible personal property purchased outside Utah that the purchaser stores, uses, or consumes within the state. The Utah State Commission administers all state and local sales and use taxes, for which it imposes an administrative fee.

State Sales and Use Tax

The Utah Sales and Use Tax rate has been 4.75 percent since July 1, 1997. The same rate applies to retail sales of meals, admissions to places of amusement, intrastate communication and passenger service, gas and heat utility service, commercial electric, hotel and motel accommodations, and certain other services.

Retailer licenses are issued without a fee. Retailers are required to collect the tax from customers. Charges for residential use of electricity and fuel are taxed at a rate of 2 percent. The Tax Commission collects the tax from retailers.

Use tax is imposed on taxable transactions where the purchaser remits the tax directly to the Tax Commission. The two taxes are compensating taxes, one supplementing the other, but cannot be applicable to the same transaction. The rate of the tax is the same.

Utah Code Ann. §59-12-101

FY2006 Revenues: \$1,806,264,423

State law designated an additional \$100,159,209 as dedicated credits and restricted funds. These included natural resource protection, water, wastewater, and transportation projects. This amount excludes \$11,817,674 of the Public Transportation System Tax and Transfer because this amount applies to a local memorandum of understanding.

State Sales Tax Collected

(Net FY87 to FY06)

2006	\$1,806,264,423
2005.	\$1,634,522,084
2004.	\$1,501,937,738
2003.	\$1,443,974,180
2002.	\$1,441,318,271
2001.	\$1,431,419,465
2000.	\$1,369,637,021
1999	\$1,316,403,921
1998	\$1,251,765,342
1997.	\$1,252,131,165
1996	\$1,162,524,830
1995.	\$1,055,060,896
1994.	\$978,247,622
1993.	\$881,917,156
1992	\$802,391,187
1991.	\$740,306,985
1990	\$707,443,441
1989	\$667,402,562
1988	\$617,624,358
1987	\$558,998,211

Local Sales and Use Tax

All counties, cities, and towns in Utah have adopted ordinances to impose a 1 percent option of the Local Sales and Use Tax. This tax applies to the purchase price on the same transactions as the State Sales and Use Tax and is collected in the same manner as the state sales tax.

Utah Code Ann. §59-12-201

FY2006 Revenues - \$415,904,148

Local Sales and Use Tax Collected

(Net FY87 to FY06)

2006	\$415,904,148	1996	\$225,576,867
2005.	\$361,096,500	1995.	\$212,640,426
2004.	\$331,554,140	1994.	\$188,542,186
2003.	\$325,159,963	1993.	\$173,142,246
2002.	\$317,978,847	1992	\$157,949,323
2001.	\$314,336,985	1991.	\$147,184,955
2000.	\$301,728,683	1990	\$127,393,793
1999	\$284,525,922	1989	\$117,229,769
1998	\$263,504,219	1988	\$107,911,328
1997.	\$258,148,104	1987	\$107,965,991

Local Sales and Use Tax Distribution

<u>Community</u>	FY 2004 Jul 03 - Jun 04	FY 2005 Jul 04 - Jun 05	FY 2005 % Change	Jul 05 - Jun 06	FY 2006 % Change
Beaver County	\$113,327	\$113,650	0.3%	\$132,673	16.7%
Beaver City	339,696	312,017	-8.1%	383,865	23.0%
Milford	157,210	180,661	14.9%	139,119	-23.0%
Minersville	65,031	66,517	2.3%	73,850	11.0%
Total County and Cities	\$675,264	\$672,845	-0.4%	\$729,507	8.4%
Total Cities and Towns	\$561,937	\$559,195	-0.5%	\$596,834	6.7%
Box Elder County	\$779,463	\$765,574	-1.8%	\$979,558	28.0%
Bear River	55,810	59,901	7.3%	66,754	11.4%
Brigham	2,227,153	2,176,763	-2.3%	2,405,302	10.5%
Corinne	68,251	73,651	7.9%	79,168	7.5%
Deweyville	21,564	23,728	10.0%	27,230	14.8%
Elwood	55,871	60,584	8.4%	75,004	23.8%
Fielding	35,254	38,054	7.9%	40,195	5.6%
Garland	150,540	161,746	7.4%	174,881	8.1%
Honeyville	95,117	100,710	5.9%	110,719	9.9%
Howell	15,244	18,086	18.6%	18,239	0.8%
Mantua	55,641	60,034	7.9%	63,847	6.4%
Perry	382,956	578,242	51.0%	644,460	11.5%
Plymouth	35,040	38,780	10.7%	41,913	8.1%
Portage	18,485	18,713	1.2%	21,770	16.3%
Snowville	28,718	29,909	4.1%	31,169	4.2%
Tremonton	875,609	891,200	1.8%	989,818	11.1%
Willard	146,762	178,685	21.8%	184,609	3.3%
Total County and Cities	\$5,047,479	\$5,274,361	4.5%	\$5,954,634	12.9%
Total Cities and Towns	\$4,268,015	\$4,508,787	5.6%	\$4,975,076	10.3%
Cache County	\$553,908	\$573,432	3.5%	\$620,456	8.2%
Amalga	31,997	42,181	31.8%	39,711	-5.9%
Clarkston	46,745	50,082	7.1%	53,469	6.8%
Cornish	19,024	20,342	6.9%	21,036	3.4%
Hyde Park	289,867	346,073	19.4%	357,655	3.3%
Hyrum	546,534	594,690	8.8%	650,878	9.4%
Lewiston	146,894	159,690	8.7%	169,232	6.0%
Logan	6,309,441	6,788,023	7.6%	7,403,073	9.1%
Mendon	68,830	75,214	9.3%	82,142	9.2%
Millville	120,566	132,940	10.3%	146,255	10.0%
Newton	49,887	53,203	6.6%	58,907	10.7%
North Logan	1,356,651	1,419,898	4.7%	1,577,550	11.1%
Paradise	54,477	58,068	6.6%	62,143	7.0%
Providence	393,706	433,541	10.1%	495,106	14.2%
Richmond	163,340	173,068	6.0%	186,558	7.8%
River Heights	102,156	107,341	5.1%	134,865	25.6%
Smithfield	755,900	839,624	11.1%	915,679	9.1%
Wellsville	210,229	225,810	7.4%	246,962	9.4%
Trenton	31,876	33,467	5.0%	35,401	5.8%
Nibley	168,310	184,904	9.9%	243,890	31.9%
Total County and Cities	\$11,420,339	\$12,311,595	7.8%	\$13,500,968	9.7%
Total Cities and Towns	\$10,866,431	\$11,738,162	8.0%	12,880,512	9.7%

Local Sales and Use Tax Distribution

Community	FY 2004 Jul 03 - Jun 04	FY 2005 Jul 04 - Jun 05	FY 2005 % Change	Jul 05 - Jun 06	FY 2006 % Change
Carbon County	\$769,370	\$750,043	-2.5%	\$961,326	28.2%
Helper	240,016	280,892	17.0%	319,759	13.8%
Price	1,784,174	1,863,281	4.4%	2,130,794	14.4%
Scotfield	2,720	2,442	-10.2%	3,124	27.9%
Sunnyside	39,850	40,977	2.8%	44,225	7.9%
Wellington	239,300	243,607	1.8%	310,018	27.3%
E Carbon	94,919	101,799	7.2%	108,993	7.1%
Total County and Cities	\$3,170,350	\$3,283,043	3.6%	\$3,878,239	18.1%
Total Cities and Towns	\$2,400,980	\$2,532,999	5.5%	\$2,916,913	15.2%
Daggett County	\$83,519	\$82,003	-1.8%	\$144,409	76.1%
Manila	34,605	38,160	10.3%	42,029	10.1%
Total County and Cities	\$118,124	\$120,164	1.7%	\$186,437	55.2%
Total Cities and Towns	\$34,605	\$38,160	10.3%	\$42,029	10.1%
Davis County	\$722,801	\$682,203	-5.6%	\$759,330	11.3%
Bountiful	4,802,997	4,938,165	2.8%	5,412,521	9.6%
Centerville	2,214,650	2,464,102	11.3%	2,688,152	9.1%
Clearfield	2,534,700	2,727,480	7.6%	3,041,477	11.5%
Fruit Heights	350,145	373,250	6.6%	409,634	9.7%
Farmington	1,261,958	1,327,419	5.2%	1,512,790	14.0%
Kaysville	2,180,856	2,343,716	7.5%	2,633,554	12.4%
Layton	9,459,415	10,249,747	8.4%	11,043,415	7.7%
North Salt Lake	1,456,410	1,682,459	15.5%	1,890,707	12.4%
South Weber	417,563	472,540	13.2%	543,272	15.0%
Sunset	506,463	519,704	2.6%	568,762	9.4%
Syracuse	1,177,148	1,348,826	14.6%	1,668,126	23.7%
West Point	431,591	470,227	9.0%	567,576	20.7%
Woods Cross	1,602,601	1,703,381	6.3%	1,960,085	15.1%
Clinton	1,192,180	1,613,848	35.4%	1,957,809	21.3%
West Bountiful	705,884	727,886	3.1%	981,256	34.8%
Total County and Cities	\$31,017,361	\$33,644,952	8.5%	\$37,638,468	11.9%
Total Cities and Towns	\$30,294,560	\$32,962,750	8.8%	\$36,879,138	11.9%
Duchesne County	\$774,978	\$975,870	25.9%	\$1,117,610	14.5%
Altamont	31,776	43,674	37.4%	38,706	-11.4%
Duchesne	182,002	197,855	8.7%	236,129	19.3%
Myton	42,456	70,765	66.7%	112,596	59.1%
Roosevelt	805,947	966,271	19.9%	1,255,486	29.9%
Tabiona	11,796	12,961	9.9%	14,508	11.9%
Total County and Cities	\$1,848,954	\$2,267,397	22.6%	\$2,775,036	22.4%
Total Cities and Towns	\$1,073,976	\$1,291,526	20.3%	\$1,657,426	28.3%

Local Sales and Use Tax Distribution

<u>Community</u>	FY 2004 Jul 03 - Jun 04	FY 2005 Jul 04 - Jun 05	FY 2005 % Change	Jul 05 - Jun 06	FY 2006 % Change
Emery County	\$141,935	\$191,569	35.0%	\$219,158	14.4%
Castle Dale	211,423	267,526	26.5%	296,986	11.0%
Clawson	11,757	12,431	5.7%	12,970	4.3%
Cleveland	53,492	62,666	17.1%	69,375	10.7%
Elmo	25,848	30,457	17.8%	31,060	2.0%
Emery City	21,887	26,256	20.0%	26,271	0.1%
Ferron	127,088	151,025	18.8%	152,690	1.1%
Green River	181,712	211,678	16.5%	209,369	-1.1%
Huntington	329,667	341,019	3.4%	413,966	21.4%
Orangeville	134,403	159,985	19.0%	162,284	1.4%
Total County and Cities	\$1,239,213	\$1,454,610	17.4%	\$1,594,129	9.6%
Total Cities and Towns	\$1,097,278	\$1,263,041	15.1%	\$1,374,971	8.9%
Garfield County	\$317,007	\$333,996	5.4%	\$373,804	11.9%
Antimony	11,182	12,027	7.6%	13,469	12.0%
Boulder	23,564	26,516	12.5%	28,987	9.3%
Cannonville	15,870	16,989	7.1%	16,542	-2.6%
Escalante	81,230	85,968	5.8%	97,960	13.9%
Hatch	13,221	16,545	25.1%	16,742	1.2%
Henrieville	11,281	11,019	-2.3%	12,294	11.6%
Panguitch	178,874	190,269	6.4%	193,975	1.9%
Tropic	48,545	65,382	34.7%	62,126	-5.0%
Total County and Cities	\$700,774	\$758,711	8.3%	\$815,898	7.5%
Total Cities and Towns	\$383,767	\$424,715	10.7%	\$442,094	4.1%
Grand County	\$421,412	\$482,542	14.5%	\$563,040	16.7%
Castle Valley	24,183	27,188	12.4%	31,714	16.6%
Moab	985,990	1,069,820	8.5%	1,175,900	9.9%
E Green River	1,148	165	-85.6%	0	-100.0%
Total County and Cities	\$1,432,733	\$1,579,715	10.3%	\$1,770,654	12.1%
Total Cities and Towns	\$1,011,321	\$1,097,173	8.5%	\$1,207,614	10.1%
Iron County	\$504,881	\$554,243	9.8%	\$619,172	11.7%
Cedar City	3,413,302	3,847,900	12.7%	4,577,496	19.0%
Enoch	256,607	284,288	10.8%	321,829	13.2%
Kanarraville	22,985	27,229	18.5%	29,962	10.0%
Paragonah	37,875	41,287	9.0%	46,504	12.6%
Parowan	240,415	256,893	6.9%	281,215	9.5%
Brian Head	101,822	125,753	23.5%	113,742	-9.6%
Total County and Cities	\$4,577,888	\$5,137,593	12.2%	\$5,989,921	16.6%
Total Cities and Towns	\$4,073,006	\$4,583,350	12.5%	\$5,370,749	17.2%
Juab County	\$77,159	\$664,475	761.2%	\$129,969	-80.4%
Eureka	56,162	59,212	5.4%	66,755	12.7%
Levan	55,074	59,773	8.5%	68,608	14.8%
Mona	70,849	51,390	-27.5%	100,800	96.1%
Nephi	611,426	666,250	9.0%	798,188	19.8%
Rocky Ridge	35,079	36,538	4.2%	49,207	34.7%
Total County and Cities	\$905,749	\$1,537,638	69.8%	\$1,213,528	-21.1%
Total Cities and Towns	\$828,590	\$873,164	5.4%	\$1,083,558	24.1%

Local Sales and Use Tax Distribution

Community	FY 2004 Jul 03 - Jun 04	FY 2005 Jul 04 - Jun 05	FY 2005 % Change	FY 2006 Jul 05 - Jun 06	FY 2006 % Change
Kane County	\$331,311	\$331,823	0.2%	\$387,505	16.8%
Alton	9,591	9,987	4.1%	11,231	12.5%
Glendale	25,818	26,368	2.1%	28,884	9.5%
Kanab	484,188	513,148	6.0%	590,241	15.0%
Orderville	70,315	73,610	4.7%	83,236	13.1%
Big Water	34,760	36,684	5.5%	40,197	9.6%
Total County and Cities	\$955,982	\$991,619	3.7%	\$1,141,293	15.1%
Total Cities and Towns	\$624,671	\$659,796	5.6%	\$753,788	14.2%
Millard County	\$600,860	\$448,222	-25.4%	\$463,847	3.5%
Delta	527,923	538,210	1.9%	589,854	9.6%
Fillmore	323,170	319,220	-1.2%	355,168	11.3%
Hinckley	51,383	55,915	8.8%	60,012	7.3%
Holden	29,319	31,140	6.2%	34,014	9.2%
Kanosh	35,333	43,423	22.9%	41,178	-5.2%
Leamington	14,619	15,480	5.9%	17,217	11.2%
Lynndyl	11,167	11,519	3.1%	13,003	12.9%
Meadow	22,762	24,589	8.0%	26,291	6.9%
Oak City	44,604	47,867	7.3%	50,814	6.2%
Scipio	25,145	28,297	12.5%	42,652	50.7%
Total County and Cities	\$1,686,285	\$1,563,882	-7.3%	\$1,694,049	8.3%
Total Cities and Towns	\$1,085,425	\$1,115,660	2.8%	\$1,230,202	10.3%
Morgan County	\$407,211	\$446,768	9.7%	\$500,913	12.1%
Morgan	336,367	352,856	4.9%	394,141	11.7%
Total County and Cities	\$743,578	\$799,625	7.5%	\$895,055	11.9%
Total Cities and Towns	336,367	352,856	4.9%	394,141	11.7%
Piute County	\$18,731	\$19,543	4.3%	\$22,647	15.9%
Circleville	42,446	44,840	5.6%	48,687	8.6%
Junction	15,135	14,630	-3.3%	15,964	9.1%
Kingston	9,360	10,177	8.7%	11,141	9.5%
Marysvale	35,201	37,654	7.0%	40,992	8.9%
Total County and Cities	\$120,872	\$126,844	4.9%	\$139,430	9.9%
Total Cities and Towns	\$102,141	\$107,301	5.1%	\$116,783	8.8%
Rich County	\$63,443	\$68,190	7.5%	\$78,816	15.6%
Garden City	78,515	78,627	0.1%	101,667	29.3%
Laketown	19,400	22,745	17.2%	24,989	9.9%
Randolph	45,269	46,506	2.7%	50,615	8.8%
Woodruff	20,339	21,985	8.1%	24,340	10.7%
Total County and Cities	\$226,966	\$238,053	4.9%	\$280,427	17.8%
Total Cities and Towns	\$163,523	\$169,863	3.9%	\$201,611	18.7%
San Juan County	763,739	802,348	5.1%	888,543	10.7%
Blanding	354,125	381,301	7.7%	440,713	15.6%
Monticello	212,573	241,860	13.8%	272,196	12.5%
Total County and Cities	\$1,330,437	\$1,425,509	7.1%	\$1,601,452	12.3%
Total Cities and Towns	\$566,697	\$623,161	10.0%	\$712,910	14.4%

Local Sales and Use Tax Distribution

Community	FY 2004 Jul 03 - Jun 04	FY 2005 Jul 04 - Jun 05	FY 2005 % Change	FY 2006 Jul 05 - Jun 06	FY 2006 % Change
Salt Lake County	\$21,478,597	\$22,770,753	6.0%	\$21,103,686	-7.3%
Alta	262,023	303,713	15.9%	344,293	13.4%
Bluffdale	458,660	520,621	13.5%	660,679	26.9%
Cottonwood Heights	0	0	N.A.	3,894,016	N.A.
Draper	3,863,654	4,454,259	15.3%	5,257,077	18.0%
Herriman	362,440	513,001	41.5%	841,313	64.0%
Holladay	2,609,245	2,693,589	3.2%	3,070,236	14.0%
Midvale	4,600,796	4,943,460	7.4%	5,355,235	8.3%
Murray	11,855,714	12,413,234	4.7%	13,322,730	7.3%
Riverton	2,414,727	2,583,949	7.0%	3,140,020	21.5%
Salt Lake City	35,657,054	38,078,950	6.8%	41,502,433	9.0%
Sandy	15,018,633	15,687,181	4.5%	17,352,034	10.6%
South Jordan	3,194,899	3,566,851	11.6%	4,536,810	27.2%
South Salt Lake	9,788,900	10,731,620	9.6%	12,170,263	13.4%
Taylorsville	6,278,198	6,487,198	3.3%	7,013,354	8.1%
West Jordan	11,088,162	12,237,435	10.4%	13,533,077	10.6%
West Valley	15,081,775	16,598,466	10.1%	18,746,452	12.9%
Total County and Cities	\$144,013,478	\$154,584,282	7.3%	\$171,843,710	11.2%
Total Cities and Towns	\$122,534,881	\$131,813,528	7.6%	\$150,740,024	14.4%
<i>Note: Effective July 1, 2005, Cottonwood Heights incorporated as a city and imposed the local option sales and use tax.</i>					
Sanpete County	\$283,550	\$308,795	8.9%	\$340,562	10.3%
Centerfield	87,710	92,964	6.0%	97,240	4.6%
Ephraim	687,402	711,936	3.6%	778,708	9.4%
Fairview	114,644	125,625	9.6%	138,761	10.5%
Fayette	14,915	17,681	18.5%	17,811	0.7%
Fountain Green	68,589	72,846	6.2%	84,650	16.2%
Gunnison	263,258	278,626	5.8%	317,466	13.9%
Manti	263,535	276,563	4.9%	307,602	11.2%
Mayfield	28,917	32,411	12.1%	36,437	12.4%
Moroni	115,561	122,474	6.0%	133,625	9.1%
Mount Pleasant	312,771	328,992	5.2%	353,950	7.6%
Spring City	68,629	73,409	7.0%	85,947	17.1%
Sterling	25,704	24,655	-4.1%	25,917	5.1%
Wales	15,786	17,183	8.9%	19,877	15.7%
Total County and Cities	\$2,350,971	\$2,484,161	5.7%	\$2,738,552	10.2%
Total Cities and Towns	\$2,067,421	\$2,175,365	5.2%	\$2,397,990	10.2%
Sevier County					
Annabella	\$283,472	\$304,486	7.4%	\$315,838	3.7%
Aurora	45,859	50,932	11.1%	56,022	10.0%
Aurora	85,844	100,507	17.1%	114,946	14.4%
Central Valley	0	0	N.A.	29,515	N.A.
Elsinore	54,156	58,523	8.1%	64,469	10.2%
Glenwood	29,580	32,179	8.8%	35,581	10.6%
Joseph	20,674	22,531	9.0%	24,460	8.6%
Koosharem	25,307	28,673	13.3%	35,002	22.1%
Monroe	143,768	150,720	4.8%	169,268	12.3%
Redmond	63,542	76,705	20.7%	95,474	24.5%
Richfield	1,306,008	1,461,305	11.9%	1,656,620	13.4%
Salina	340,311	346,895	1.9%	377,495	8.8%
Sigurd	30,212	33,039	9.4%	38,744	17.3%
Total County and Cities	\$2,428,733	\$2,666,496	9.8%	\$3,013,433	13.0%
Total Cities and Towns	\$2,145,260	\$2,362,010	10.1%	\$2,697,596	14.2%

Note: Effective July 1, 2005, Central Valley incorporated as a city and imposed the local option sales and use tax.

Local Sales and Use Tax Distribution

Community	FY 2004	FY 2005	FY 2005	FY 2006	
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change	Jul 05 - Jun 06	% Change
	3,271,644	3,694,163	12.9%	4,462,049	20.8%
Coalville	153,955	164,006	6.5%	179,535	9.5%
Francis	55,321	61,363	10.9%	75,631	23.3%
Henefer	55,676	60,085	7.9%	64,818	7.9%
Kamas	189,312	216,429	14.3%	244,324	12.9%
Oakley	85,777	99,865	16.4%	119,606	19.8%
Park City	3,400,610	3,892,101	14.5%	4,267,017	9.6%
Total County and Cities	\$7,212,294	\$8,188,012	13.5%	\$9,412,980	15.0%
Total Cities and Towns	\$3,940,650	\$4,493,849	14.0%	\$4,950,931	10.2%
Tooele County	\$944,438	\$1,060,677	12.3%	\$1,335,880	25.9%
Grantsville	537,583	622,503	15.8%	729,139	17.1%
Ophir	1,542	1,722	11.6%	2,072	20.3%
Stockton	37,308	41,384	10.9%	47,738	15.4%
Tooele	3,221,448	3,564,708	10.7%	4,141,158	16.2%
Vernon	16,996	19,682	15.8%	21,963	11.6%
Wendover	147,759	153,801	4.1%	167,156	8.7%
Rush Valley	32,296	36,196	12.1%	41,636	15.0%
Total County and Cities	\$4,939,371	\$5,500,673	11.4%	\$6,486,740	17.9%
Total Cities and Towns	\$3,994,933	\$4,439,996	11.1%	\$5,150,861	16.0%
Utah County	1,132,685	1,140,615	0.7%	1,301,048	14.1%
Alpine	577,092	620,709	7.6%	737,835	18.9%
American Fork	3,659,898	4,225,068	15.4%	4,810,204	13.8%
Cedar Fort	25,925	33,807	30.4%	22,562	-33.3%
Draper City South	277	14,499	5136.6%	61,549	324.5%
Eagle Mountain	410,299	497,212	21.2%	706,991	42.2%
Fairfield	0	0	N.A.	9,382	N.A.
Genola	73,003	87,545	19.9%	101,778	16.3%
Goshen	59,015	62,780	6.4%	67,013	6.7%
Lehi	2,342,409	2,608,032	11.3%	3,696,183	41.7%
Lindon	1,635,728	2,218,892	35.7%	3,071,388	38.4%
Mapleton	490,331	534,862	9.1%	594,324	11.1%
Orem	13,897,477	15,162,913	9.1%	17,012,663	12.2%
Payson	1,495,234	1,823,073	21.9%	2,069,835	13.5%
Pleasant Grove	2,241,093	2,484,660	10.9%	2,936,246	18.2%
Provo	12,434,374	13,161,259	5.8%	14,854,536	12.9%
Salem	393,946	456,112	15.8%	434,547	-4.7%
Santaquin	406,509	452,351	11.3%	560,904	24.0%
Saratoga Springs	294,274	352,803	19.9%	565,646	60.3%
Highland	895,081	1,006,104	12.4%	1,231,263	22.4%
Spanish Fork	2,707,153	2,898,442	7.1%	3,369,458	16.3%
Springville	2,815,542	2,988,693	6.1%	3,402,385	13.8%
Vineyard	43,577	64,132	47.2%	39,291	-38.7%
Cedar Hills	308,291	353,228	14.6%	518,712	46.8%
Elk Ridge	139,922	151,691	8.4%	162,622	7.2%
Woodland Hills	73,697	86,480	17.3%	96,205	11.2%
Total County and Cities	\$48,552,832	\$53,485,961	10.2%	\$62,434,570	16.7%
Total Cities and Towns	\$47,420,147	\$52,345,346	10.4%	\$61,133,523	16.8%

Notes: Effective July 1, 2004, Draper City annexed a portion of Utah County. The section of Draper City that is located in Utah County is called Draper City South. Effective July 1, 2005, Fairfield incorporated and imposed the local option sales and use tax.

Local Sales and Use Tax Distribution

Community	FY 2004 Jul 03 - Jun 04	FY 2005 Jul 04 - Jun 05	FY 2005 % Change	Jul 05 - Jun 06	FY 2006 % Change
Uintah County	1,379,574	1,593,255	15.5%	1,875,441	17.7%
Naples	790,340	1,380,488	74.7%	2,008,068	45.5%
Vernal	2,514,853	3,162,192	25.7%	4,099,736	29.6%
Ballard	112,546	145,922	29.7%	172,305	18.1%
Total County and Cities	\$4,797,314	\$6,281,857	30.9%	\$8,155,551	29.8%
Total Cities and Towns	\$3,417,739	\$4,688,601	37.2%	\$6,280,109	33.9%
Wasatch County	\$519,011	\$569,092	9.6%	\$694,304	22.0%
Charleston	67,875	76,754	13.1%	94,154	22.7%
Heber	1,182,662	1,281,159	8.3%	1,502,780	17.3%
Midway	261,704	278,009	6.2%	353,129	27.0%
Park City East	267	302	13.2%	1,680	455.7%
Wallsburg	20,407	24,392	19.5%	27,145	11.3%
Total County and Cities	\$2,051,926	\$2,229,709	8.7%	\$2,673,191	19.9%
Total Cities and Towns	\$1,532,915	\$1,660,617	8.3%	\$1,978,888	19.2%
<i>Note: Effective July 1, 2004, Park City annexed a portion of Wasatch County. The section of Park City that is located in Wasatch County is called Park City East</i>					
Washington County	\$579,135	\$638,505	10.3%	\$692,393	8.4%
Apple Valley	0	2,815	N.A.	43,118	1431.6%
Enterprise	112,988	131,268	16.2%	147,246	12.2%
Hurricane	1,051,266	1,228,967	16.9%	1,503,173	22.3%
Ivins	419,238	490,287	16.9%	579,968	18.3%
La Verkin	283,540	324,210	14.3%	364,898	12.5%
Leeds	48,608	56,060	15.3%	63,626	13.5%
New Harmony	18,314	18,814	2.7%	21,436	13.9%
Rockville	17,768	19,522	9.9%	21,716	11.2%
St George	10,158,952	11,848,249	16.6%	14,308,045	20.8%
Santa Clara	384,318	450,403	17.2%	512,757	13.8%
Springdale	216,098	250,779	16.0%	272,573	8.7%
Toquerville	66,485	75,433	13.5%	86,397	14.5%
Virgin	34,589	38,585	11.6%	44,561	15.5%
Washington	1,672,622	2,106,711	26.0%	2,620,392	24.4%
Hildale	183,442	195,651	6.7%	232,152	18.7%
Total County and Cities	15,247,363	17,876,259	17.2%	21,514,449	20.4%
Total Cities and Towns	14,668,228	17,234,939	17.5%	20,778,938	20.6%
<i>Note: Effective July 1, 2005, Apple Valley incorporated as a town and imposed the local option sales and use tax.</i>					
Wayne County	\$124,173	\$112,128	-9.7%	\$114,590	2.2%
Bicknell	44,299	51,411	16.1%	58,109	13.0%
Hanksville	28,309	28,991	2.4%	29,709	2.5%
Loa	77,277	82,993	7.4%	95,678	15.3%
Lyman	17,264	54,304	214.5%	8,249	-84.8%
Torrey	25,446	25,266	-0.7%	26,761	5.9%
Total County and Cities	\$316,769	\$355,093	12.1%	\$333,096	-6.2%
Total Cities and Towns	\$192,595	\$242,965	26.2%	\$218,506	-10.1%

Local Sales and Use Tax Distribution

Community	FY 2004	FY 2005	FY 2005	FY 2006	
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change	Jul 05 - Jun 06	% Change
Weber County	\$1,554,336	\$1,579,914	1.6%	\$1,828,125	15.7%
Farr West	428,500	548,519	28.0%	667,961	21.8%
Harrisville	856,350	933,658	9.0%	1,038,798	11.3%
Hooper	332,367	350,724	5.5%	391,243	11.6%
Huntsville	65,839	71,117	8.0%	79,662	12.0%
Marriott-Slaterville	235,953	271,795	15.2%	308,831	13.6%
North Ogden	1,301,205	1,408,050	8.2%	1,566,740	11.3%
Ogden	11,396,651	12,009,089	5.4%	12,779,905	6.4%
Plain City	271,299	327,247	20.6%	310,418	-5.1%
Pleasant View	472,081	500,322	6.0%	565,421	13.0%
Riverdale	4,440,112	4,562,943	2.8%	4,939,651	8.3%
Roy	3,282,534	3,467,306	5.6%	3,733,697	7.7%
South Ogden	1,727,062	1,999,796	15.8%	2,254,779	12.8%
Uintah	110,353	120,934	9.6%	114,117	-5.6%
Washington Terrace	619,779	655,940	5.8%	711,445	8.5%
West Haven	682,939	848,084	24.2%	1,151,457	35.8%
Total County and Cities	\$27,777,360	\$29,655,438	6.8%	\$32,442,251	9.4%
Total Cities and Towns	\$26,223,024	\$28,075,523	7.1%	\$30,614,127	9.0%
Grand Total					
Counties and Cities	\$326,906,759	\$356,496,094	9.1%	\$402,847,650	13.0%
Grand Total					
Cities and Towns	\$287,911,085	\$314,434,400	9.2%	\$359,777,840	14.4%

Public Transit Tax

The 0.25 percent Public Transit Tax applies to the purchase price on transactions subject to the state sales tax. This tax, however, applies only in localities where voters have approved the tax to finance public transportation service. The Legislature authorized an additional 0.25 percent Public Transit Tax to fund a fixed guideway and expand the transportation system. Salt Lake, Davis, and Weber counties have approved this additional public transit tax.

Utah Code Ann. §59-12-501 and 502

FY2006 Revenues - \$136,416,309

County or Municipality	FY 2004	FY 2005	FY 2005	FY 2006	FY 2006
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change	Jul 05 - Jun 06	% Change
Brigham	487,836	438,885	-10.0%	467,945	6.6%
Perry	91,508	163,769	79.0%	177,472	8.4%
Willard	19,345	28,874	49.3%	23,903	-17.2%
Cache County	6,595	5,775	-12.4%	6,812	18.0%
Hyde Park	49,991	67,309	34.6%	62,254	-7.5%
Hyrum	76,534	86,395	12.9%	89,395	3.5%
Logan	1,652,040	1,736,429	5.1%	1,838,655	5.9%
Millville	12,551	15,622	24.5%	20,477	31.1%
North Logan	427,009	434,539	1.8%	483,538	11.3%
Providence	45,214	49,781	10.1%	52,280	5.0%
Richmond	19,184	19,057	-0.7%	21,967	15.3%
River Heights	5,475	4,905	-10.4%	11,605	136.6%
Smithfield	125,226	142,687	13.9%	155,792	9.2%
Nibley	15,603	19,370	24.1%	23,573	21.7%
Davis County	14,012,533	15,055,953	7.4%	16,598,687	10.2%
Salt Lake County	67,761,909	72,489,754	7.0%	80,639,445	11.2%
Summit County	0	663,318	N.A.	1,072,019	61.6%
Park City	1,166,405	1,332,387	14.2%	1,442,733	8.3%
Tooele County	136,289	175,481	28.8%	185,405	5.7%
Tooele	680,135	722,092	6.2%	783,426	8.5%
Utah County	39,183	48,703	24.3%	20,318	-58.3%
Alpine	51,811	53,340	2.9%	62,721	17.6%
American Fork	1,026,868	1,067,907	4.0%	1,173,778	9.9%
Lehi	442,585	501,641	13.3%	777,350	55.0%
Lindon	512,648	721,156	40.7%	987,462	36.9%
Mapleton	52,027	61,560	18.3%	69,911	13.6%
Orem	3,838,296	4,142,349	7.9%	4,721,300	14.0%
Payson	279,119	378,145	35.5%	409,295	8.2%
Pleasant Grove	347,084	378,588	9.1%	438,735	15.9%
Provo	2,631,041	2,735,301	4.0%	2,990,720	9.3%
Salem	43,046	52,607	22.2%	43,462	-17.4%
Highland	132,700	129,408	-2.5%	151,092	16.8%
Spanish Fork	588,925	739,788	25.6%	907,870	22.7%
Springville	645,803	668,375	3.5%	727,478	8.8%
Cedar Hills	17,953	21,801	21.4%	28,974	32.9%
Park City East	191	4,832	2433.0%	8,337	72.5%
Weber County	12,937,505	13,719,804	6.0%	14,746,301	7.5%
Total Public Transit	110,378,167	119,077,687	7.9%	132,422,488	11.2%

Public Transit Tax Collected

(Net FY87 to FY06)

2006	\$136,416,309	1996	\$52,007,888
2005.	\$120,563,263	1995.	\$44,771,182
2004.	\$111,983,867	1994.	\$39,787,580
2003.	\$109,799,340	1993.	\$36,467,153
2002.	\$109,584,228	1992.	\$32,827,350
2001.	\$69,934,273	1991.	\$30,330,496
2000.	\$63,515,772	1990	\$27,107,639
1999	\$60,449,471	1989	\$25,237,562
1998	\$56,157,620	1988	\$23,494,431
1997.	\$54,994,824	1987	\$23,848,184

The amounts collected as shown in the shaded box above are accrued revenues for the Public Transit Tax. The revenues shown by 'County or Municipality' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

County Option Sales and Use Tax

A County that reduces its certified property tax rate by the same amount it expects to gain in sales tax, may impose a county option sales and use tax of 0.25 percent. Public hearings, advertising and voter approval are required.

Retailers are liable to collect the tax under the same conditions as the sales and use tax. The Tax Commission acts as the agent for the participating localities. All counties - with the exception of Emery, Kane, and Millard - have imposed this tax.

Utah Code Ann. §59-12-1102

FY2006 Revenues - \$102,809,849

County Option Tax Collected (Net FY98 to FY06)	
2006	\$102,809,849
2005.	\$89,475,269
2004.	\$82,569,380
2003.	\$81,075,363
2002.	\$78,993,477
2001.	\$77,306,326
2000.	\$74,014,757
1999	\$71,832,982
1998	\$21,807,595

County	FY 2004	FY 2005	FY 2005	FY 2006
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change	Jul 05 - Jun 06
Beaver County	175,547	168,765	-3.9%	195,961
Box Elder County	1,304,979	1,372,012	5.1%	1,542,086
Cache County	2,981,626	3,203,675	7.4%	3,505,839
Carbon County	800,124	832,808	4.1%	962,940
Daggett County	74,030	77,742	5.0%	73,558
Davis County	7,958,454	8,577,243	7.8%	9,599,011
Duchesne County	477,005	574,482	20.4%	685,442
Garfield County	169,099	181,753	7.5%	195,811
Grand County	356,471	391,118	9.7%	434,968
Iron County	1,170,880	1,304,284	11.4%	1,517,248
Juab County	236,422	332,434	40.6%	313,116
Morgan County	195,282	209,091	7.1%	234,098
Piute County	74,170	75,152	1.3%	75,225
Rich County	74,362	75,372	1.4%	76,964
Salt Lake County	35,877,374	38,377,772	7.0%	42,561,480
San Juan County	351,996	372,647	5.9%	421,483
Sanpete County	617,682	652,595	5.7%	719,227
Sevier County	628,004	686,317	9.3%	772,750
Summit County	1,671,228	1,886,047	12.9%	2,171,188
Tooele County	1,282,111	1,422,458	10.9%	1,705,859
Uintah County	1,118,953	1,396,940	24.8%	1,745,220
Utah County	12,456,172	13,653,794	9.6%	15,909,184
Wasatch County	526,071	570,940	8.5%	680,828
Washington County	3,874,658	4,510,449	16.4%	5,419,322
Wayne County	81,032	82,806	2.2%	90,412
Weber County	6,887,134	7,347,663	6.7%	8,036,968
Total County Option	81,420,863	88,336,356	8.5%	99,646,189

The amounts collected as shown in the shaded at the top of this page are accrued revenues for the County Option Sales and Use Tax. The revenues shown by 'County' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

Tourism, Recreation, Cultural And Convention Tax

The Tourism, Recreation, Cultural, and Convention Facilities Tax permits counties to impose any or all of the following options:

Restaurant - A tax of up to 1 percent on all sales of prepared foods and beverages sold by a restaurant for immediate consumption.

Leasing - A tax of up to 3 percent of all short-term leases and rentals of motor vehicles not exceeding 30 days. There is an exception when the rental vehicle is replacing a motor vehicle that is being repaired pursuant to a repair or insurance agreement. Counties that have imposed the motor vehicle short-term lease and rental tax may impose an additional 4 percent tax on these vehicles.

Room Rental - A tax of up to 0.50 of 1

Tourism, Recreation, Cultural And Convention Tax Collected

(Net FY91 to FY06)

2006	\$45,401,207	1998	\$22,323,767
2005	\$36,255,996	1997	\$21,805,637
2004	\$34,037,735	1996	\$18,726,270
2003	\$33,774,470	1995	\$16,677,406
2002	\$33,037,909	1994	\$15,037,582
2001	\$32,287,809	1993	\$13,480,252
2000	\$30,926,333	1992	\$7,766,386
1999	\$26,693,041	1991	\$1,297,131

percent (one-half of one percent) of the rent for every occupancy of a suite, room or rooms in motels, hotels, inns or similar public accommodations. Only Salt Lake County imposes this tax.

Utah Code Ann. §59-12-603

FY2006 Revenues - \$45,401,207

Restaurant Tax

<u>County</u>	<u>FY 2004 Jul 03 - Jun 04</u>	<u>FY 2005 Jul 04 - Jun 05</u>	<u>FY 2005 % Change</u>	<u>FY 2006 Jul 05 - Jun 06</u>	<u>FY 2006 % Change</u>
Beaver County	58,168	64,319	10.6%	83,091	29.2%
Box Elder County	299,876	308,270	2.8%	323,724	5.0%
Cache County	677,729	786,764	16.1%	794,633	1.0%
Carbon County	168,271	165,811	-1.5%	187,441	13.0%
Daggett County	15,115	11,432	-24.4%	15,392	34.6%
Davis County	1,948,293	2,084,634	7.0%	2,308,665	10.7%
Duchesne County	74,201	79,861	7.6%	93,450	17.0%
Garfield County	116,056	129,758	11.8%	153,724	18.5%
Grand County	221,604	220,235	-0.6%	277,034	25.8%
Iron County	334,117	392,426	17.5%	427,731	9.0%
Juab County	75,965	79,486	4.6%	83,379	4.9%
Kane County	86,343	84,780	-1.8%	100,660	18.7%
Morgan County	24,468	25,606	4.7%	31,044	21.2%
Rich County	31,558	0	-100.0%	6,961	N.A.
Salt Lake County	11,804,791	12,514,137	6.0%	13,755,419	9.9%
Sanpete County	74,950	85,401	13.9%	78,600	-8.0%
Sevier County	137,114	150,327	9.6%	168,449	12.1%
Summit County	1,099,972	1,243,204	13.0%	1,445,167	16.2%
Tooele County	284,750	301,066	5.7%	329,266	9.4%
Uintah County	200,861	216,282	7.7%	253,264	17.1%
Utah County	3,031,541	3,278,770	8.2%	3,173,699	-3.2%
Wasatch County	199,581	207,351	3.9%	210,278	1.4%
Washington County	1,132,036	1,334,011	17.8%	1,575,611	18.1%
Wayne County	38,067	33,102	-13.0%	33,286	0.6%
Weber County	1,798,714	1,825,916	1.5%	1,975,752	8.2%
Total Restaurant	23,934,143	25,622,947	7.1%	27,885,719	8.8%

The amounts collected as shown in the shaded at the top of this page are accrued revenues for the "Tourism, Cultural, Recreation, and Convention Tax. The revenues shown by 'County' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences. The "Tourism, Cultural, Recreation, and Convention" tax includes the total collected amounts from the Restaurant, Leasing and Room Rental taxes.

Leasing Tax

<u>County</u>	FY 2004	FY 2005	FY 2005	Jul 05 - Jun 06	FY 2006
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change		% Change
Davis County	321,656	279,548	-13.1%	348,352	24.6%
Duchesne County	1,629	548	-66.4%	0	-100.0%
Grand County	14,419	19,234	33.4%	24,051	25.0%
Morgan County	6,998	6,030	-13.8%	7,465	23.8%
Salt Lake County	7,516,024	7,640,004	1.6%	9,564,224	25.2%
Sevier County	20,191	19,654	-2.7%	19,661	0.0%
Uintah County	2,387	2,182	-8.6%	2,864	31.2%
Utah County	22,921	501,901	2089.7%	615,450	22.6%
Washington County	214,339	220,833	3.0%	286,856	29.9%
Weber County	252,797	228,299	-9.7%	274,095	20.1%
Total Leasing	8,373,362	8,918,232	6.5%	11,143,018	24.9%

Room Rental Tax

Salt Lake County	1,248,887	1,302,456	4.3%	1,513,006	16.2%
Total Tourism Transient	1,248,887	1,302,456	4.3%	1,513,006	16.2%

Statewide Motor Vehicle Rental Tax

The Motor Vehicle Rental Tax is a statewide 2.5 percent tax on all short-term leases and rentals of motor vehicles not exceeding 30 days. There is an exception for rental vehicles replacing a motor vehicle that is being repaired pursuant to a repair or insurance agreement or a motor vehicle rental as a personal household goods moving van. It does not apply to rentals of vehicles registered by gross vehicle weight in excess of 12,000 pounds.

Motor Vehicle Rental Tax Collected

(Net FY98 to FY06)

2006	\$4,243,466	2001.	\$3,743,275
2005.	\$3,320,001	2000.	\$3,562,155
2004.	\$2,852,060	1999	\$3,165,196
2003.	\$3,149,264	1998	\$2,822,573
2002.	\$3,510,375		

The amounts collected as shown in the shaded box above are accrued revenues for the County Option Sales and Use Tax. The revenues shown by 'County' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

	FY 2004	FY 2005	FY 2005	Jul 05 - Jun 06	FY 2006
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change		% Change
Statewide MV Rental	3,150,820	3,287,398	4.3%	4,092,241	24.5%
Total MV Rental	3,150,820	3,287,398	4.3%	4,092,241	24.5%

Botanical, Cultural and Zoological Tax

The Botanical, Cultural and Zoological Tax - often referred to as "ZAP" and various other acronyms - may be imposed at the rate of 0.10 percent (1/10th of one percent) of the purchase price on transactions taxed under the state's sales and use tax laws. This tax may be adopted in any county or city in which voters have approved the tax to fund recreational facilities and botanical, cultural and zoological organizations. Retailers are liable to collect the tax under the same conditions as applicable for sales and use tax. The Tax Commission acts as the agent for the participating localities. On April 1, 2006, Cedar City, Brian Head, Roosevelt, Orem, Redmond, Salina, and Aurora imposed this tax for the first time following a election in their respective cities.

Utah Code Ann. §59-12-701 and §59-12-1401

FY2006 Revenues - \$26,242,424

Botanical, Cultural And Zoological Tax Collected

(Net FY97 to FY06)

2006	\$26,242,424
2005	\$19,916,601
2004	\$18,448,162
2003	\$16,947,739
2002	\$16,916,716
2001	\$16,273,984
2000	\$15,606,955
1999	\$14,864,307
1998	\$14,378,151
1997	\$4,018,574

The amounts collected as shown in the shaded box above are accrued revenues for the Botanical, Cultural and Zoological Tax. The revenues shown by 'County or Municipality' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

<u>County or Municipality</u>	<u>FY 2004 Jul 03 - Jun 04</u>	<u>FY 2005 Jul 04 - Jun 05</u>	<u>FY 2005 % Change</u>	<u>Jul 05 - Jun 06</u>	<u>FY 2006 % Change</u>
Cache County	1,036,483	1,087,086	N.A.	1,172,365	7.8%
Roosevelt	0	0	N.A.	10,309	N.A.
Cedar City	0	0	N.A.	32,054	N.A.
Brian Head	0	0	N.A.	1,006	N.A.
Salt Lake County	15,646,195	16,602,492	6.1%	18,423,712	11.0%
Aurora	0	0	N.A.	406	N.A.
Redmond	0	0	N.A.	985	N.A.
Salina	0	0	N.A.	2,584	N.A.
Summit County	881,580	1,015,349	15.2%	1,171,631	15.4%
Tooele City	0	24,427	N.A.	311,163	1173.8%
Uintah County	524,058	716,931	36.8%	951,506	32.7%
Orem	0	0	N.A.	150,798	N.A.
Weber County	0	210,764	N.A.	2,934,281	1292.2%
Total Arts & Zoo	18,088,317	19,657,050	8.7%	25,162,800	28.0%

Note 1: Effective April 1, 2003, Cache County imposed the zoo, arts and parks tax.

Note 2: Effective April 4, 2005, Weber County and Tooele City imposed the zoo, arts and parks tax.

Note 3: Effective 04/01/2006, Cedar City, Brian Head, Roosevelt, Orem, Redmond, Salina and Aurora imposed this tax.

County Transient Room Tax

The Transient Room Tax is applied to the rental charge for any suite, room or rooms in a motel, motor court, inn, campground, or similar public accommodation for fewer than 30 consecutive days. This tax is in addition to the applicable sales tax. The Tax Commission acts as the agent for the counties, but 1990 legislation allows counties to collect the tax themselves. Davis, Duchesne, Emery, Grand, Utah, and Rich counties collect their own Transient Room Tax. All counties assess the 3 percent maximum rate.

Utah Code Ann. §59-12-301

FY2006 Revenues - \$20,294,926

County Transient Room Tax Collected

(Net FY87 to FY06)

2006	\$20,294,926	1996	\$13,364,431
2005	\$18,105,021	1995	\$11,784,423
2004	\$17,521,252	1994	\$10,826,711
2003	\$17,569,762	1993	\$10,051,735
2002	\$18,486,394	1992	\$8,169,169
2001	\$17,489,451	1991	\$8,266,512
2000	\$16,342,724	1990	\$6,852,411
1999	\$15,429,323	1989	\$6,699,420
1998	\$15,036,402	1988	\$6,003,309
1997	\$14,948,604	1987	\$5,124,968

The amounts collected as shown in the shaded box above are accrued revenues for the County Transient Room Tax. The revenues shown by 'County' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

County	FY 2004	FY 2005	FY 2005	FY 2006	FY 2006
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change	Jul 05 - Jun 06	% Change
Beaver County	89,234	95,535	7.1%	103,346	8.2%
Box Elder County	82,804	80,068	-3.3%	82,709	3.3%
Cache County	236,150	256,838	8.8%	266,196	3.6%
Carbon County	132,163	156,520	18.4%	173,405	10.8%
Daggett County	55,027	49,661	-9.8%	76,611	54.3%
Davis County	487,143	355,984	-26.9%	7,924	-97.8%
Duchesne County	30,345	30,133	-0.7%	1,466	-95.1%
Emery County	144,619	117,868	-18.5%	3,610	-96.9%
Garfield County	462,932	500,675	8.2%	560,618	12.0%
Grand County	0	909	N.A.	3,490	283.8%
Iron County	445,533	510,312	14.5%	517,765	1.5%
Juab County	56,051	64,876	15.7%	62,241	-4.1%
Kane County	270,540	317,170	17.2%	358,539	13.0%
Millard County	81,263	82,379	1.4%	89,438	8.6%
Morgan County	1,286	1,463	13.7%	1,510	3.2%
Piute County	7,654	16,638	117.4%	6,585	-60.4%
Rich County	56,577	56,976	0.7%	34,672	-39.1%
Salt Lake County	7,493,756	7,815,193	4.3%	9,078,234	16.2%
San Juan County	217,916	228,802	5.0%	263,556	15.2%
Sanpete County	40,397	36,199	-10.4%	39,863	10.1%
Sevier County	201,093	206,588	2.7%	220,945	7.0%
Summit County	3,270,086	4,021,013	23.0%	4,518,478	12.4%
Tooele County	117,190	134,804	15.0%	144,631	7.3%
Uintah County	167,940	207,206	23.4%	281,360	35.8%
Utah County	934,563	225,842	-75.8%	10,734	-95.2%
Wasatch County	209,326	231,117	10.4%	271,906	17.6%
Washington County	1,410,194	1,539,509	9.2%	1,840,377	19.5%
Wayne County	90,480	96,435	6.6%	104,019	7.9%
Weber County	525,898	508,846	-3.2%	574,084	12.8%
Total County Transient	17,318,161	17,945,556	3.6%	19,698,314	9.8%

Note 1: Grand County collects its own transient room tax. The amounts are primarily due to Tax Commission audits.

Note 2: Effective April 1, 2005, Davis, Duchesne and Emery Counties began collecting their transient room tax locally.

Note 3: Effective July 1, 2004, Utah County began collecting its transient room tax locally.

Note 4: Effective July 1, 2005, Rich County began collecting its transient room tax locally.

Municipality Transient Room Tax

A city or town may impose a Municipality Transient Room Tax of up to 1 percent of the rents charged for any suite, room or rooms in a motel, hotel, motor court, inn. or similar public accommodation for fewer than 30 days. A municipality may also impose an additional Transient Room Tax of up to 0.5 percent if it meets specific bond indebtedness requirements before Jan. 1, 1996.

Utah Code Ann. §59-12-352 and 353

FY2006 Revenues - \$1,089,242

Municipality Transient Room Tax Collected

(Net FY02 to FY06)

2006	\$1,089,242
2005	\$900,145
2004	\$761,964
2003	\$679,520
2002	\$655,494

The amounts collected as shown in the shaded box above are accrued revenues for the Municipality Transient Room Tax. The revenues shown by 'City or Town' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

<u>City or Town</u>	<u>FY 2004 Jul 03 - Jun 04</u>	<u>FY 2005 Jul 04 - Jun 05</u>	<u>FY 2005 % Change</u>	<u>Jul 05 - Jun 06</u>	<u>FY 2006 % Change</u>
Milford	0	350	N.A.	838	139.2%
Brigham	15,036	14,469	-3.8%	15,383	6.3%
North Logan	0	0	N.A.	6,731	N.A.
Price	37,562	48,952	30.3%	53,590	9.5%
Layton	21,248	106,659	402.0%	122,719	15.1%
Roosevelt	6,312	7,353	16.5%	11,358	54.5%
Green River	45,787	46,758	2.1%	49,288	5.4%
Moab	315,204	314,925	-0.1%	354,855	12.7%
E. Green River	0	0	N.A.	0	N.A.
Cottonwood Heights	0	0	N.A.	20,843	N.A.
Holladay	30,387	35,109	15.5%	37,857	7.8%
South Salt Lake	24,637	20,967	-14.9%	30,152	43.8%
Blanding	13,988	15,795	12.9%	18,633	18.0%
Monticello	10,002	12,707	27.0%	15,298	20.4%
Tooele	7,477	16,221	116.9%	23,785	46.6%
Richfield	0	0	N.A.	0	N.A.
Salina	0	0	N.A.	0	N.A.
Lindon	349	0	-100.0%	226	N.A.
Orem	49,255	52,044	5.7%	66,393	27.6%
Springville	0	0	N.A.	281	N.A.
Heber	18,819	21,963	16.7%	25,551	16.3%
Midway	34,891	35,553	1.9%	42,521	19.6%
Santa Clara	393	317	-19.4%	0	-100.0%
Springdale	96,613	115,565	19.6%	132,876	15.0%
Hanksville	0	299	N.A.	2,954	887.0%
Marriott-Slaterville	17,374	14,755	-15.1%	17,795	20.6%
Ogden	0	0	N.A.	2,763	N.A.
Municipal Transient	745,334	880,762	18.2%	1,052,691	19.5%
Combined County & Municipality Transient	18,063,496	18,826,318	4.2%	20,751,004	10.2%

Resort Communities Tax

A municipality may levy the Resort Communities Tax if the municipality's transient room capacity is greater than or equal to 66 percent of its Census population. Qualifying municipalities may impose a tax levy of up to 1 percent of the purchase price on a transaction in the state sales tax. An additional 0.50 percent may be imposed upon voter approval, or if a municipality imposed a license fee or tax based on gross receipts under Section 10-1-203 on or before Jan. 1, 1996. Those municipalities may impose the additional 0.50 percent without voter approval if they meet certain statutory criteria. Retailers are liable for the collection of

Resort Communities Tax Collected					
(Net FY87 to FY06)					
2006	\$10,609,677	1996	.....	\$3,399,742
2005	\$9,707,339	1995	.....	\$3,183,933
2004	\$7,882,031	1994	.....	\$2,506,247
2003	\$7,684,387	1993	.....	\$2,586,230
2002	\$7,324,859	1992	.....	\$2,183,536
2001	\$7,328,211	1991	.....	\$2,448,835
2000	\$6,764,468	1990	.....	\$1,659,993
1999	\$6,432,922	1989	.....	\$1,243,240
1998	\$4,585,539	1988	.....	\$1,556,413
1997	\$3,975,439	1987	.....	\$1,366,658

the taxes. The Tax Commission collects and distributes the tax for local governmental units.

Utah Code Ann. §59-12-401

FY2006 Revenues - \$10,609,677

<u>City or Town</u>	FY 2004		FY 2005		FY 2006	
	<u>Jul 03 - Jun 04</u>	<u>Jul 04 - Jun 05</u>	<u>% Change</u>	<u>Jul 05 - Jun 06</u>	<u>% Change</u>	
Green River	260,225	277,204	6.5%	295,708	6.7%	
Boulder	18,729	29,174	55.8%	30,614	4.9%	
Panguitch	109,483	124,876	14.1%	128,017	2.5%	
Tropic	37,739	56,386	49.4%	66,842	18.5%	
Moab	1,629,035	1,825,073	12.0%	1,987,107	8.9%	
E Green River	2	0	-100.0%		N.A.	
Brian Head	186,417	231,539	24.2%	218,139	-5.8%	
Kanab	391,373	436,944	11.6%	517,714	18.5%	
Orderville	52,274	60,830	16.4%	65,859	8.3%	
Garden City	73,232	79,620	8.7%	104,306	31.0%	
Alta	331,327	545,784	64.7%	636,942	16.7%	
Monticello	61,732	68,008	10.2%	81,124	19.3%	
Park City	4,054,761	5,208,306	28.4%	5,648,573	8.5%	
Park City East	156,950	64,774	-58.7%	33,008	-49.0%	
Springdale	400,811	470,177	17.3%	512,999	9.1%	
Total Resort	7,764,087	9,478,694	22.1%	10,326,954	8.9%	

The amounts collected as shown in the shaded at the top of this page are accrued revenues for the Resort Communities Tax. The revenues shown by 'City or Town' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

Transient Room Tax for Convention Facilities

Salt Lake County - Total	0	0	N.A.	3,214,834	N.A.
Convention Transient	0	0	N.A.	3,214,834	N.A.

Note: The Transient Room Tax for Convention Facilities was repealed effective October 1, 2006.

Municipal Highways Tax

A municipality in which the Public Transit Tax is not levied may impose a sales and use tax of 0.25 percent of the purchase price on transactions subject to the state sales tax. Voter approval may be required under certain circumstances. Revenues from this tax must be used for the construction and maintenance of highways under the jurisdiction of the municipality. Retailers are liable to collect the tax under the same conditions as the sales and use tax. The Tax Commission collects and distributes this tax for participating localities.

Utah Code Ann. §59-12-1001

FY2006 Revenues - \$10,344,378

Municipal Highways Tax Collected	
(Net FY98d to FY06)	
2006	\$10,344,378
2005.	\$8,432,989
2004.	\$7,151,822
2003.	\$6,612,983
2002.	\$6,270,817
2001.	\$5,744,043
2000.	\$5,521,262
1999	\$2,284,742
1998	\$254,990

<u>City or Town</u>	FY 2004	FY 2005	FY 2005	FY 2006	FY 2006
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change	Jul 05 - Jun 06	% Change
Price	532,993	562,064	5.5%	655,642	16.6%
Wellington	58,737	60,762	3.4%	84,104	38.4%
Roosevelt	219,616	269,440	22.7%	328,014	21.7%
Green River	45,334	47,947	5.8%	50,581	5.5%
Moab	300,346	323,234	7.6%	350,188	8.3%
E Green River	50	0	-100.0%	0	N.A.
Brian Head	31,752	39,986	25.9%	37,383	-6.5%
Nephi	123,402	138,175	12.0%	144,850	4.8%
Ephraim	162,801	163,896	0.7%	186,201	13.6%
Gunnison	50,059	50,870	1.6%	55,481	9.1%
Richfield	395,807	452,547	14.3%	503,199	11.2%
Salina	84,328	80,643	-4.4%	87,856	8.9%
Vernal	778,533	936,287	20.3%	1,254,206	34.0%
Heber	288,589	312,676	8.3%	368,156	17.7%
Hurricane	224,128	300,065	33.9%	354,020	18.0%
Ivins	42,245	48,791	15.5%	59,803	22.6%
La Verkin	29,533	54,071	83.1%	58,846	8.8%
St George	3,114,963	3,710,823	19.1%	4,456,795	20.1%
Santa Clara	35,081	42,964	22.5%	55,394	28.9%
Washington	493,074	668,203	35.5%	875,256	31.0%
Total Highway	7,011,369	8,263,443	17.9%	9,965,975	20.6%

Note: Effective April 1, 2003, the portion of Green River City previously located in Grand County was annexed into Emery County.

The amounts collected as shown in the shaded box above are accrued revenues for the Municipal Highways Tax. The revenues shown by 'City or Town' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

Rural Hospital Tax

A county of the fourth, fifth, or sixth class - or a city within those classes of counties - may impose a sales tax of up to 1 percent to fund rural county or city health care facilities. Facilities located in fourth (population 11,001 to 31,000), fifth (population 4,000 to 11,000), or sixth class (population less than 4,000) counties that are not in "Standard Metropolitan Areas" are eligible to impose the tax. Garfield, Kane, and Uintah counties as well as Beaver City impose the tax.

Utah Code Ann. §59-12-801

FY2006 Revenues - \$6,443,531

The amounts collected as shown in the shaded box to the right are accrued revenues for the Rural Hospital Tax. The revenues shown by 'County or City' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

Rural Hospitals Tax Collected

(Net FY93 to FY06)

2006	\$6,443,531
2005	\$5,060,736
2004	\$4,172,178
2003	\$3,848,322
2002	\$3,950,749
2001	\$4,084,883
2000	\$1,503,135
1999	\$1,220,444
1998	\$1,159,936
1997	\$1,121,861
1996	\$988,227
1995	\$742,985
1994	\$501,684
1993	\$184,881

<u>County or City</u>	FY 2004	FY 2005	FY 2005	Jul 05 - Jun 06	FY 2006
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change		% Change
Beaver City	318,392	328,302	3.1%	371,138	13.0%
Garfield County	697,133	754,207	8.2%	819,470	8.7%
Kane County	979,272	995,650	1.7%	1,185,724	19.1%
Uintah County	2,094,509	2,869,715	37.0%	3,808,552	32.7%
Total Hospital	4,089,306	4,947,873	21.0%	6,184,883	25.0%

Town Option Sales and Use Tax

A town may impose a tax of up to 1 percent if a town imposed a license fee or business gross receipts tax on or before Jan. 1, 1996. Only the town of Snowville imposed this tax in fiscal year 2006.

Utah Code Ann. §59-12-1301

FY2006 Revenues - \$33,112

Town Option Sales Tax Collected

(Net FY87 to FY06)

2006	\$33,112	2001	\$30,751
2005	\$32,812	2000	\$28,542
2004	\$29,845	1999	\$24,526
2003	\$25,041	1998	\$2,709
2002	\$28,089		

<u>Town</u>	FY 2004	FY 2005	FY 2005	Jul 05 - Jun 06	FY 2006
	Jul 03 - Jun 04	Jul 04 - Jun 05	% Change		% Change
Snowville	17,480	30,632	75.2%	32,890	7.4%
Total Town Option	17,480	30,632	75.2%	32,890	7.4%

The amounts collected as shown in the shaded box above are accrued revenues for the Town Option Sales and Use Tax. The revenues shown by 'Town' reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

Retail Sales, Services, And Business Equipment Purchases By Major Industry

MAJOR INDUSTRY

<u>(STANDARD INDUSTRIAL CODE)</u>	<u>CY2005</u>	<u>CY2004</u>	<u>CY2003</u>	<u>CY2002</u>	<u>CY2001</u>
AGRICULTURE, FORESTRY & FISH (111-973)	\$69,101,784	44,956,671	41,251,134	37,667,039	35,595,845
MINING (1011-1499)	\$284,634,492	195,448,300	141,246,125	157,344,140	207,660,044
CONSTRUCTION (1521-1799)	\$512,074,685	368,876,094	305,795,047	315,094,656	368,364,019
MANUFACTURING (2011-3999)	\$2,027,777,269	1,691,532,844	1,392,412,189	1,369,020,754	1,587,075,123
TRANSPORTATION (4011-4789)	\$171,897,709	128,218,065	89,823,361	96,433,958	144,105,928
COMMUNICATIONS (4812-4899)	\$1,489,981,376	1,560,694,394	1,446,259,789	1,439,856,405	1,557,601,739
ELECTRIC & GAS (4911 -4971)	\$1,758,737,381	1,519,636,453	1,387,049,181	1,523,791,251	1,409,269,559

WHOLESALE

DURABLE GOODS (5012-5099)	\$3,499,130,388	2,943,218,295	2,485,790,553	2,458,353,020	2,591,677,094
NONDURABLE (5111-5199)	\$766,623,301	668,254,422	619,210,678	641,636,112	686,598,109

RETAIL

BUILDING & GARDEN (5211-5271)	\$2,251,474,128	1,959,691,410	1,614,034,048	1,486,673,553	1,458,472,365
GENERAL MERCHANDISE (5311-5399)	\$4,479,023,678	4,171,005,342	3,820,217,212	3,598,471,630	3,109,893,216
FOOD STORES (5411-5499)	\$3,306,503,500	3,121,582,430	3,053,660,897	3,202,859,198	3,517,793,412
MOTOR VEHICLES (5511-5599)	\$4,329,039,868	4,042,713,773	3,812,401,318	3,734,294,586	3,576,619,896
APPAREL & ACCESSORIES. (5611-56-99)	\$1,020,620,985	928,206,743	853,364,222	831,991,715	803,017,539
FURNITURE (5712-5736)	\$1,752,025,533	1,532,701,879	1,392,367,544	1,366,026,299	1,312,754,439
EATING & DRINKING (5812-5826)	\$2,452,262,014	2,245,103,115	2,067,533,612	2,013,284,690	1,945,537,598
MISCELLANEOUS (5912-5999)	\$2,599,572,706	2,350,223,997	2,195,189,258	2,122,603,483	2,023,516,976

FINANCE

FIN., INSURANCE & REAL ESTATE (6011-6799)	\$384,754,346	355,011,751	390,056,751	457,361,171	442,356,771
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SERVICE

HOTEL & LODGING (7011-7041)	\$753,689,699	660,606,509	599,476,406	673,868,602	599,113,092
PERSONAL (7211-7299)	\$226,679,589	211,340,243	210,602,858	211,603,992	208,377,275
BUSINESS (7311-7389)	\$1,189,932,074	989,789,029	973,215,323	1,004,714,224	1,147,354,992
AUTO & REPAIR (7513-7699)	\$1,378,740,528	1,213,454,019	1,173,559,316	1,210,831,322	1,263,276,206
AMUSEMENT & RECREATION (7812-7999)	\$804,812,381	748,018,822	729,539,514	731,443,202	727,114,423
HEALTH (8011-8099)	\$119,153,845	110,630,799	113,895,618	104,390,004	96,294,844
EDUCATION, LEGAL, SOCIAL (8111-8999)	\$274,376,577	245,415,595	205,385,830	220,365,347	225,477,466

OTHER

PUBLIC ADMINISTRATION (9111-9721)	\$106,940,549	83,973,082	93,453,103	77,846,186	67,042,504
PRIVATE MOTOR VEHICLE SALES	\$625,087,227	578,562,468	668,029,261	597,281,597	613,687,363
OCCASIONAL RETAIL SALES	\$81,831,509	84,057,902	82,742,924	96,476,568	110,828,394
NONDISCLOSABLE\ NONCLASSIFIABLE	\$33,593,129	19,571,811	26,724,022	34,312,624	36,437,854
PRIOR-PERIOD PAYMENTS & REFUNDS	<u>491,179,280</u>	<u>538,378,712</u>	<u>575,755,083</u>	<u>696,253,973</u>	<u>553,274,506</u>

TOTAL	\$39,241,251,530	\$35,310,874,969	\$32,560,042,177	\$32,512,151,301	\$32,426,188,591
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Retail Sales, Services, and Business Equipment

Purchases In Counties

<u>COUNTY</u>	<u>CY2005</u>	<u>CY2004</u>	<u>CY2003</u>	<u>CY2002</u>	<u>CY2001</u>
BEAVER	\$61,907,733	\$42,100,390	\$78,321,295	\$78,643,822	\$57,150,257
BOX ELDER	\$459,062,917	414,721,757	414,494,710	397,597,890	387,021,110
CACHE	\$1,160,479,762	1,103,940,836	1,029,987,061	991,873,325	936,524,543
CARBON	\$430,474,206	379,035,713	333,785,502	351,112,861	361,995,352
DAGGETT	\$21,411,605	8,850,106	11,692,322	14,748,590	14,635,105
DAVIS	\$3,261,967,966	3,026,293,503	2,795,943,681	2,759,164,731	2,690,459,983
DUCHESNE	\$279,289,618	217,723,687	157,009,682	145,071,558	163,956,901
EMERY	\$138,622,969	128,437,780	104,310,439	106,343,423	102,774,219
GARFIELD	\$79,464,207	77,648,666	68,752,485	67,872,943	66,630,018
GRAND	\$199,608,808	180,031,694	163,637,016	174,635,577	166,019,643
IRON	\$597,072,920	456,541,704	480,123,467	457,128,755	420,501,521
JUAB	\$164,217,678	81,415,135	99,188,624	104,467,036	69,528,286
KANE	\$114,130,492	100,715,909	97,504,725	99,787,339	101,852,245
MILLARD	\$137,482,489	135,398,480	128,822,920	128,805,095	120,662,495
MORGAN	\$57,853,958	54,461,648	49,300,117	48,655,061	55,255,017
PIUTE	\$6,408,632	6,186,763	6,617,576	6,183,485	5,672,633
RICH	\$21,515,302	18,482,439	18,373,609	17,302,794	16,224,980
SALT LAKE	\$18,010,925,661	16,576,588,112	15,445,006,387	15,706,919,505	15,864,887,932
SAN JUAN	\$98,930,079	86,002,913	85,238,249	88,823,783	87,476,582
SANPETE	\$174,326,274	162,631,076	162,116,042	158,154,750	158,395,663
SEVIER	\$288,088,853	252,351,206	225,887,000	229,937,800	219,577,652
SUMMIT	\$1,123,304,124	972,492,127	854,703,303	862,281,570	830,104,320
TOOELE	\$447,669,827	418,310,455	325,233,649	408,234,189	363,273,243
UINTAH	\$868,768,656	663,674,391	484,733,738	452,556,426	497,920,681
UTAH	\$5,432,300,221	4,791,033,296	4,433,228,375	4,394,333,416	4,326,455,093
WASATCH	\$226,488,203	190,080,778	184,211,496	186,566,663	174,016,839
WASHINGTON	\$2,401,940,382	1,958,528,256	1,626,273,410	1,503,264,367	1,376,922,982
WAYNE	\$26,935,429	30,348,445	27,607,530	23,570,949	23,595,162
WEBER	\$2,895,409,713	2,758,768,928	2,599,184,450	2,552,414,748	2,510,725,246
USE TAX-Out of State	\$55,192,842	18,078,794	68,753,302	(4,301,122)	255,972,886
TOTAL	\$39,241,251,526	\$35,310,874,987	\$32,560,042,162	\$32,512,151,329	\$32,426,188,589

Direct Retail Sales in Selected Cities

<u>CITY</u>	<u>CY2005</u>	<u>CY2004</u>	<u>CY2003</u>	<u>CY2002</u>	<u>CY2001</u>
American Fork	\$522,522,596	\$444,946,407	\$366,115,948	\$313,095,337	\$312,547,631
Beaver City	33,075,538	30,563,748	27,885,055	26,515,923	23,636,531
Blanding	26,500,702	23,302,922			
Bountiful	386,470,251	376,189,728	368,306,030	347,385,682	340,579,276
Brigham City	166,776,420	158,776,176	179,966,711	150,449,577	174,435,088
Cedar City	501,392,771	387,351,986	367,737,710	326,129,004	317,131,290
Centerville	264,584,248	258,861,264	205,825,143	197,927,845	193,069,956
Clearfield	168,630,988	160,158,372	139,992,545	134,635,780	131,269,874
Delta	51,034,279	47,384,577	46,202,234	44,441,299	43,634,273
Draper	451,641,772	387,895,117	329,519,829	319,664,451	293,431,237
Farmington	78,867,681	74,997,637	76,017,573	70,531,446	73,725,251
Heber City	132,562,375	116,428,986	108,378,377	112,363,847	101,597,760
Holladay	215,334,501	234,044,773	230,272,140	191,174,814	190,447,723
Hurricane	122,899,757	95,760,929	77,651,882	69,197,778	64,711,294
Kanab	54,115,206	46,956,385	44,081,162	39,387,115	38,656,384
Kaysville	166,292,267	150,239,810	146,561,438	124,996,740	111,994,597
Layton	1,103,256,510	1,030,687,281	959,281,670	920,202,551	874,673,526
Lehi	251,683,912	167,087,359	175,218,788	152,790,171	153,979,551
Lindon	348,623,015	241,094,202	188,545,035	163,332,713	151,179,624
Logan	677,519,247	652,373,891	610,163,077	544,441,404	530,254,786
Midvale	557,235,907	526,831,928	478,697,001	510,746,440	591,737,581
Moab	133,666,171	120,930,080	111,905,550	104,381,809	100,125,413
Monticello	16,557,433	15,030,407			
Murray	1,600,312,502	1,510,284,737	1,427,407,898	1,288,622,091	1,343,277,399
Naples	194,153,454	130,079,369	66,772,399	51,141,151	62,069,533
Nephi	54,274,175	51,659,864	46,400,354	49,719,302	45,357,582
North Salt Lake	201,633,305	172,416,530	146,216,755	140,991,709	147,486,321
Ogden	1,157,054,559	1,148,518,071	1,080,222,273	1,071,559,259	1,113,602,751
Orem	1,712,285,910	1,571,989,866	1,445,548,785	1,392,852,462	1,340,057,284
Park City	513,037,273	450,101,993	393,996,700	397,724,619	365,172,183
Payson	146,469,801	133,231,511	91,889,730	83,571,470	76,886,304
Pleasant Grove	148,326,292	136,401,549	122,357,728	100,884,439	81,935,127
Price	239,492,593	210,672,914	200,145,102	195,870,565	194,342,709
Provo	1,089,256,641	1,013,559,220	979,382,417	957,531,474	1,014,519,522
Richfield	188,594,176	173,447,314	145,462,573	138,328,828	132,665,139
Riverdale	607,840,939	572,136,611	564,224,288	481,201,011	422,747,136
Riverton	136,547,591	107,468,366	104,265,248	85,556,958	87,268,535
Roosevelt	108,394,756	89,922,324	72,585,819	68,725,743	73,601,955
Roy	189,481,230	187,866,222	182,720,814	157,081,952	150,747,812
Salt Lake City	4,771,241,786	4,366,531,264	4,054,943,034	3,908,158,466	3,998,395,466
Sandy	1,757,204,717	1,634,356,530	1,540,871,084	1,462,847,896	1,379,238,412
South Jordan	254,595,713	213,058,735	187,039,949	120,871,584	97,341,504
South Ogden	191,858,268	163,168,757	128,317,429	125,634,555	132,540,452
South Salt Lake	1,436,862,768	1,291,713,056	1,176,476,281	1,155,604,656	1,218,047,076
Spanish Fork	243,459,408	227,595,952	213,064,178	205,970,481	219,420,180
Springdale	33,711,248	29,952,415	26,568,901	23,131,538	21,218,798
Springville	265,698,409	247,595,445	246,155,671	202,071,023	165,259,833
St. George	1,686,461,645	1,365,046,357	1,145,353,381	1,011,001,516	952,774,348
Taylorsville	426,434,344	427,097,698	416,576,123	407,993,552	447,731,959
Tooele	285,536,771	265,617,159	255,277,449	223,047,702	218,003,716
Tremonton	83,227,909	79,200,813	79,881,564	72,589,239	74,272,279
Vernal	386,933,925	310,294,790	257,492,641	245,607,751	267,248,161
West Bountiful	82,890,018	76,328,682	71,921,254	76,351,892	73,374,026
West Jordan	1,124,411,724	1,028,970,717	974,823,363	842,758,864	685,154,381
West Valley City	1,648,057,184	1,462,869,341	1,284,065,597	1,278,001,396	1,240,832,499
Woods Cross	229,996,679	211,970,219	193,285,846	190,959,179	183,142,096

Sales Tax Exemptions

Utah law exempts certain purchases from the sales and use tax. The following are exemptions by legal category and estimated sales tax exemption amounts for fiscal year 2006. *See Utah Code Ann. 59-12-104.*

	<u>Exempt Revenue</u>		
A. ECONOMIC DEVELOPMENT			
1. a. Manufacturing machinery and equipment	\$68,400,000 ¹	19. Intrastate transportation to an employer's employee	25,000
2. Airline food	280,000	20. Sales of natural gas, electricity, coal, fuel, oil for industrial use	28,440,000
3. Airline equipment	175,000	21. Telephone service from prepaid calling card	27,000
4. Aerospace tools	406,000	22. Tangible personal property shipped out of the state which becomes part of real property in another state	n/a
5. Motion picture rentals & radio broadcast tapes	30,000		n/a
6. Machinery and equipment purchases used by non-live motion picture and television programs, music videos, commercials or documentaries	20,000	23. Pawnbroker repurchases or redemptions	n/a
7. Intrastate movement of freight by common carrier or people by taxicabs	250,000	SUBTOTAL ECONOMIC EFFICIENCY	\$284,585,000
8. Farm machinery and irrigation equipment	2,413,000	C. GOVERNMENTAL	
9. Commercial sprays & insecticides	16,107,000	1. State government purchases	\$19,411,000
10. Sales of hay	625,000	Local government purchases	22,717,000
11. Sales of aircraft manufactured in Utah	2,845,000	2. Fares charged to persons transported by public transit	1,083,000
12. Electricity sales to ski resorts for all lifts	0	3. Admissions to college athletic events	505,000
13. Ski resort equipment	94,000	4. Sales by state & local photocopies or copies of records	10,000
14. Steel mill non-durable equipment	637,000	5. Sales by the Heber Creeper Railroad	10,000
15. Semiconductor manufacturing	100,000	SUBTOTAL: GOVERNMENTAL	\$43,736,000
16. Renewable energy production facilities	<1,255,000	D. SOCIAL SERVICE, HEALTH, CHARITABLE & OTHER	
17. Waste energy production facilities	n/a	1. Food stamps	\$6,628,000
18. Biomass energy production facilities	n/a	2. WIC program food purchases	1,654,000
19. Media machinery and equipment	\$1,631,000	3. Meals served by schools, churches	496,000
SUBTOTAL ECONOMIC DEVELOPMENT	<\$95,268,000	Meals served by nursing homes & hospitals	484,000
B. ECONOMIC EFFICIENCY			
1. a. Motor & special fuels	\$144,837,000	4. Pollution control	218,000
b. Aviation fuel	18,069,000	5. Prescription drugs	35,707,000
2. Vending machine sales < \$1 of food or beverages	1,056,000	6. Oxygen & stoma supplies	51,000
3. Coin-operated Laundromats	263,000	7. Religious or charitable sales > \$1,000 & purchases < \$1,000	5,323,000
4. Coin-operated car washing	584,000	8. Newspaper sales or subscriptions	2,386,000
5. Nonresident vehicles	5,865,000	9. Leases to authorized carriers	1,500,000
6. Nonresident boats	161,000	10. School & fund raising sales	50,000
7. Occasional sales	2,732,000	11. Home medical equipment and prosthetic	521,000
8. Tangible personal property trades	n/a	12. Hearing aids	330,000
9. Exclusive sales of locally grown farm produce	1,425,000	13. Sales by area aging services	1,000
10. Containers, labels, casings	30,224,000	14. Wind, geothermal, solar energy sales	n/a
11. Property stored in the state for resale	n/a	15. Water in a pipe, conduit, ditch or reservoir	n/a
12. Property brought in by a nonresident for use	3,135,000	16. Currency or coinage which is legal tender in U.S.	n/a
13. Property purchased for resale or as an ingredient or component part of manufactured products	30,357,000	17. Gold, silver, platinum ingots, bars medallions	n/a
14. Property upon which sales tax was paid to another state	n/a	18. Prescribed prosthetic devices	2,200,000
15. Sales of transportation, interstate telephone, telegraph, or fuel for use in compounding a taxable service	15,393,000	19. Manufacturers' rebates for new vehicles	500,000
16. Personal property shipped out of state & incorporated into real property	298,000	20. Direct mail electronic databases	877,000
17. Coin-operated amusement devices	694,000	SUBTOTAL: SOCIAL SERVICES, HEALTH & CHARITABLE	\$63,361,000
18. 45% of new and 100% of used manufactured homes	1,000,000	TOTAL STATE SALES TAX:	\$486,950,000
		ESTIMATED LOCAL SALES TAX	\$183,994,903
		GRAND TOTAL STATE & LOCAL SALES TAXES	\$670,944,903

¹Excludes sales for resale at \$1.0 billion

Property Tax

Property taxes are levied at the local level, based on valuations established by county assessors and - in the case of certain properties - by the State Tax Commission. Counties collect the taxes and distribute them to the individual taxing entities. The Tax Commission values centrally assessed property, which includes utilities, mines, and railroads. All monies collected from property taxes are distributed to school districts, local government entities, and special districts.

Real and Personal Property Taxes and Rates

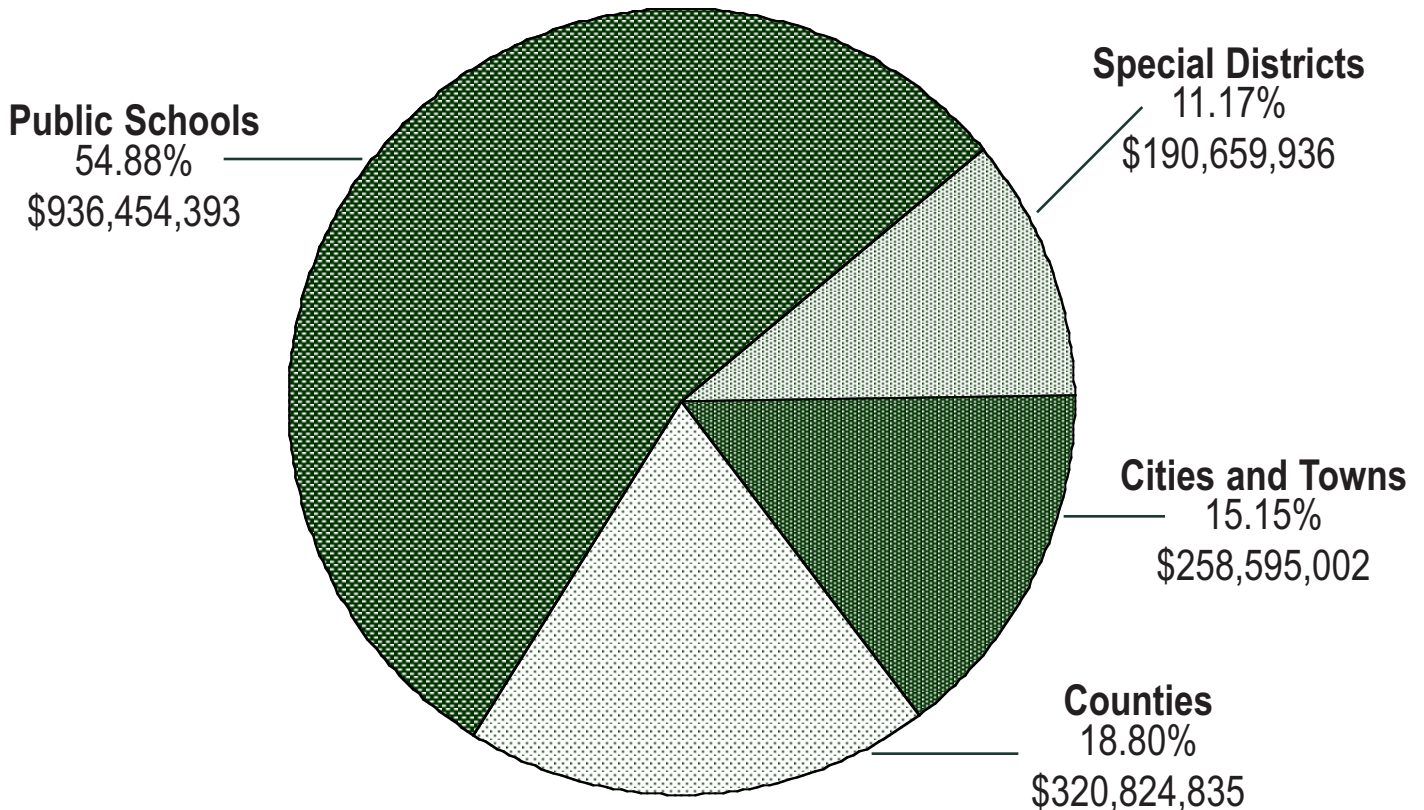
Property tax rates are set by local entities, such as counties, cities and towns, school districts, and special taxing districts. A statewide rate also is levied to finance Utah's schools through the Uniform School Fund. Those rates are applied against the taxable value of real and personal property, with the exception of motor vehicles.

Motor Vehicle Fees

Utah motor vehicles - including most boats, recreational vehicles and trailers - are subject to a fee-in-lieu of the personal property tax. Passenger vehicles are assessed using a fee schedule based on the age of the vehicle. Boats, trailers, and recreational vehicles are subject to fees based on age, length, and other factors.

Distribution of 2005 Property Taxes Charged

\$1,706,517,417



Property Tax Values and Rates

With the exception of some state-assessed properties, County Assessors value all taxable real property, personal property, and motor vehicles. These classifications are referred to as locally assessed property. The Property Tax Division of the State Tax Commission values centrally assessed property which includes utilities, mines, and railroads.

All taxable property in Utah is valued at 100 percent of its fair market value, based upon its locale and status of January 1 of each year. Fair market value less any exemptions equals taxable value. Taxable value is the value against which the tax rate is applied to compute taxes charged. Agricultural land is taxed at the value for agricultural purposes.

By state law, primary residential properties receive a 45% exemption. Primary residential property is any dwelling used as a person's primary residence. These include homes, condominiums, apartments, rental properties, and up to one acre of land. The taxable value of all other properties - except some agricultural land is - 100% of fair market value.

Utah motor vehicles are charged a fee-in-lieu of property taxes. These fees for most vehicles are based on the age of the vehicle.

Tax rates are expressed as a percentage of taxable value. Rates are set under a statutory process known as "Truth in Taxation." This process requires public notice and hearings in the event a taxing entity plans to increase its budgeted revenues above the previous year's budget, exclusive of tax revenue from new growth.

The table below summarizes taxes charged and average tax rates by class of property. More detailed information is available at www.propertytax.utah.gov.

<u>Class of Property</u>	<u>Taxable Value</u>	<u>Market Value</u>	<u>Taxes Charged</u>	<u>Actual Tax Rate</u>	<u>**Effective Tax Rate</u>
Primary Residential	\$66.36 billion	\$120.65 billion	\$875.20 million	1.32%	0.73%
Commercial	28.60 billion	28.60 billion	381.93 million	1.34%	1.34%
Other Real	14.90 billion	14.90 billion	166.58 million	1.12%	1.12%
Personal	8.32 billion	8.49 billion	111.54 million	1.34%	1.31%
Motor Vehicles	12.15 billion	12.15 billion	182.20 million	1.50%	1.50%
Natural Resources	4.90 billion	4.90 billion	56.91 million	1.16%	1.16%
Utilities	9.29 billion	9.29 billion	114.36 million	1.23%	1.23%
*Statewide	\$144.52 billion	\$198.98 billion	\$1,888.72 million	1.29%	0.95%

* Totals of columns may not equal because of rounding

** Effective tax rates are a percentage of fair market value

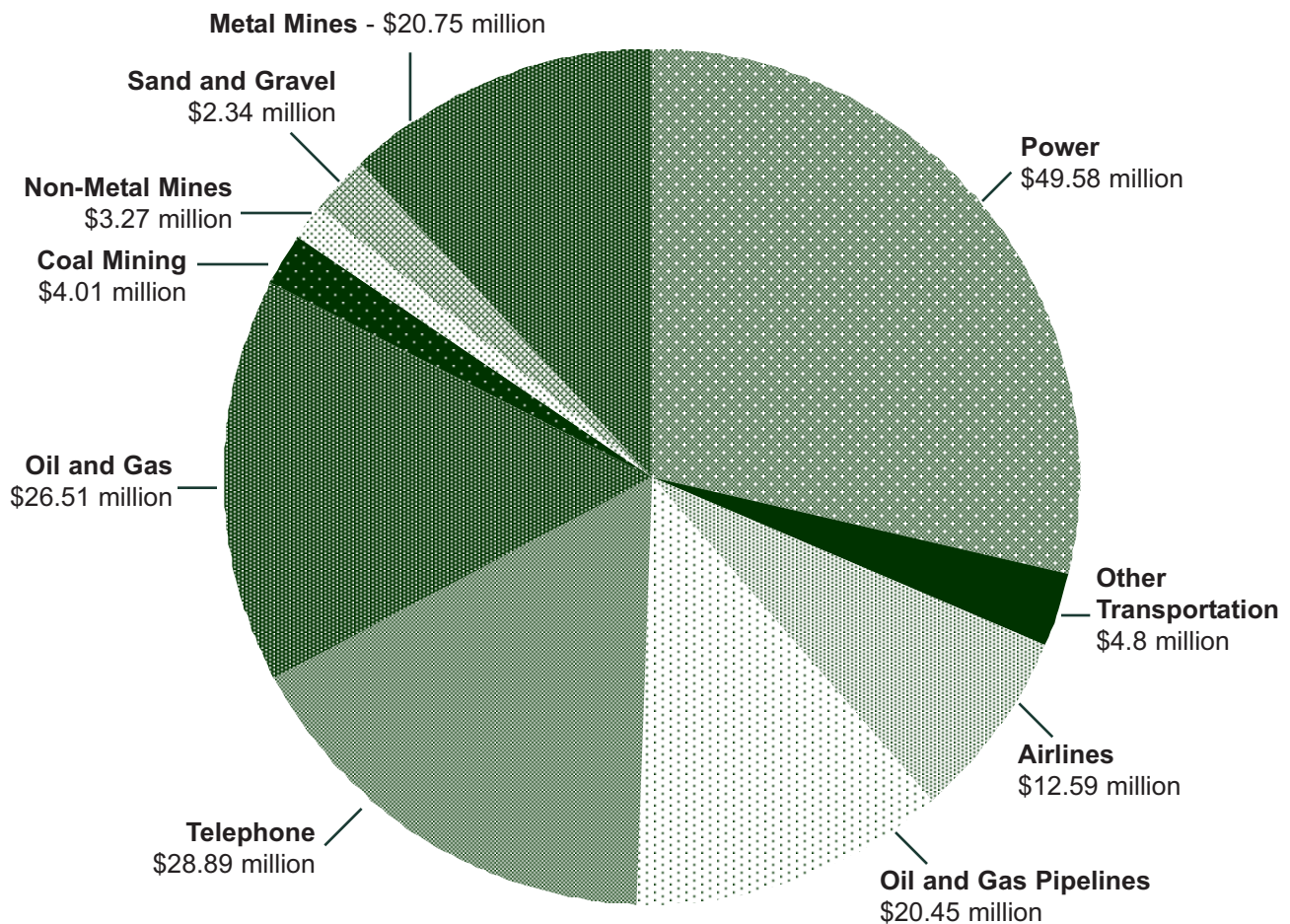
Centrally Assessed Property

The Property Tax Division of the State Tax Commission is responsible for the valuation of mines, utilities, airlines, and motor and rail carriers. The market value of multistate utilities is determined by unit value. This approach values all intrastate or interstate properties as a unit, then allocates the value to the State of Utah, and then to the counties where the property is located.

Properties of mining, gas and oil companies are physically valued to arrive at fair market value. Active mines, oil and gas wells are valued by discounting future estimated cash flows to present value or by capitalizing net revenue. Patented mining claims are valued at fair market value of the surface property. Listed below are the 24 largest centrally assessed companies for 2005 based on property taxes charged by the State of Utah. The ranking of the following centrally assessed property owners is of May 1, 2005, and may change following an appeal.

- | | | |
|--------------------------------|---|---|
| 1. PacifiCorp | 9. Union Pacific Railroad | 17. Cingular (<i>AT&T Wireless</i>) |
| 2. Kennecott Utah Copper | 10. Sky West Airlines | 18. Canyon Fuel, LLC Sufco 35 |
| 3. Intermountain Power Agency | 11. Delta Airlines | 19. Newfield Production Co. |
| 4. Qwest Corp | 12. Anadarko Petroleum Corp. | 20. T-Mobile (<i>Voice Stream</i>) |
| 5. Kern River Gas Transmission | 13. Westport Oil & Gas | 21. QEP Uintah Basin Inc. |
| 6. ConocoPhillips Company | 14. Questar Pipelines | 22. EOG Resources Inc |
| 7. Questar Gas | 15. Verizon Wireless (<i>Air Touch</i>) | 23. Dominion Exploration |
| 8. Deseret Generation & Trans | 16. Merit Energy Company | 24. Mobil Exploration |
- () indicate 'formerly known as'

2005 Centrally Assessed Taxes Charged By Industry



Property Taxes Charged By Class

(Continues on next page)

<u>COUNTY</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Locally Assessed</u>	<u>Utilities</u>	<u>Natural Resources</u>
BEAVER	3,393,282	104,049	3,497,331	1,636,371	343,147
BOX ELDER	16,956,269	4,311,371	21,267,640	1,945,880	584,457
CACHE	35,090,414	4,016,454	39,106,869	1,243,518	45,800
CARBON	7,333,124	739,532	8,072,656	1,927,972	8,997,701
DAGGETT	691,426	38,061	729,487	583,030	215,296
DAVIS	125,382,510	10,601,512	135,984,022	3,639,020	198,304
DUCHESNE	6,291,219	469,059	6,760,277	994,412	3,667,525
EMERY	2,513,075	193,082	2,706,158	11,656,226	2,776,117
GARFIELD	3,300,901	117,353	3,418,255	315,570	134,735
GRAND	5,013,918	230,601	5,244,518	897,001	586,289
IRON	22,516,596	1,758,261	24,274,858	2,349,252	89,380
JUAB	3,745,096	264,700	4,009,796	2,491,831	199,956
KANE	5,528,479	143,818	5,672,298	177,265	11,923
MILLARD	4,093,647	321,631	4,415,278	14,315,706	575,854
MORGAN	3,957,123	627,156	4,584,280	500,478	79,654
PIUTE	498,071	15,994	514,065	97,834	8,981
RICH	2,648,936	28,014	2,676,950	321,002	7,496
SALT LAKE	665,328,497	54,669,285	719,997,781	42,701,902	20,862,577
SAN JUAN	3,054,119	205,533	3,259,653	1,306,019	2,278,556
SANPETE	8,364,389	345,960	8,710,349	581,683	66,332
SEVIER	6,607,439	407,389	7,014,827	750,524	1,748,468
SUMMIT	79,861,521	1,789,930	81,651,451	2,519,799	2,548,189
TOOELE	19,577,412	1,659,779	21,237,191	1,754,358	813,603
UINTAH	8,085,297	1,499,197	9,584,494	4,344,439	8,868,359
UTAH	186,619,571	12,763,149	199,382,720	7,395,227	372,377
WASATCH	20,225,262	347,418	20,572,680	549,478	117,748
WASHINGTON	70,050,505	3,043,063	73,093,568	3,027,445	215,383
WAYNE	1,062,298	33,422	1,095,721	69,200	3,009
WEBER	<u>105,920,133</u>	<u>10,791,515</u>	<u>116,711,647</u>	<u>4,266,721</u>	<u>494,216</u>
STATEWIDE	1,423,710,530	111,536,289	1,535,246,819	114,359,164	56,911,434

Property Taxes Charged By Class

(Continued from previous page)

<u>COUNTY</u>	<u>Centrally Assessed</u>	<u>Locally & Centrally</u>	<u>Motor Vehicle</u>	<u>Property Tax & Fee In Lieu</u>
BEAVER	1,979,518	5,476,849	396,387	5,873,236
BOX ELDER	2,530,337	23,797,977	3,351,067	27,149,044
CACHE	1,289,318	40,396,186	5,576,244	45,972,431
CARBON	10,925,673	18,998,329	172,732	19,171,061
DAGGETT	798,327	1,527,813	147,977	1,675,790
DAVIS	3,837,323	139,821,346	18,047,702	157,869,048
DUCHESNE	4,661,937	11,422,214	1,659,676	13,081,890
EMERY	14,432,343	17,138,501	859,426	17,997,927
GARFIELD	450,306	3,868,580	423,194	4,291,755
GRAND	1,483,290	6,727,808	652,902	7,380,710
IRON	2,438,633	26,713,490	2,538,933	29,252,423
JUAB	2,691,787	6,701,483	710,787	7,412,370
KANE	189,187	5,861,485	1,112,788	6,974,273
MILLARD	14,891,560	19,306,838	653,964	19,960,802
MORGAN	580,132	5,164,412	809,039	5,973,451
PIUTE	106,814	620,879	127,860	748,740
RICH	328,499	3,005,449	305,667	3,311,115
SALT LAKE	63,564,479	783,562,261	82,577,041	866,139,301
SAN JUAN	3,584,576	6,844,228	612,872	7,457,101
SANPETE	648,015	9,358,364	1,446,304	10,804,668
SEVIER	2,498,992	9,513,819	1,634,605	11,148,424
SUMMIT	5,067,988	86,719,439	3,685,381	90,404,821
TOOELE	2,567,962	23,805,153	3,331,918	27,137,071
UINTAH	13,212,798	22,797,291	2,141,836	24,939,127
UTAH	7,767,604	207,150,324	24,314,183	231,464,507
WASATCH	667,226	21,239,906	1,648,721	22,888,627
WASHINGTON	3,242,829	76,336,397	9,339,629	85,676,025
WAYNE	72,209	1,167,929	240,642	1,408,571
WEBER	<u>4,760,937</u>	<u>121,472,585</u>	<u>13,679,656</u>	<u>135,152,241</u>
STATEWIDE	171,270,598	1,706,517,417	182,199,133	1,888,716,549

The figures on these two pages include revenue distributed or charged against value in a Redevelopment Agency (RDA).

Property Tax Relief

Tax Relief By County

County	Relief
Beaver	\$62,044
Box Elder	353,296
Cache	465,301
Carbon	183,802
Daggett	4,528
Davis	2,170,773
Duchesne	131,909
Emery	50,928
Garfield	55,060
Grand	88,609
Iron	236,754
Juab	102,277
Kane	58,760
Millard	83,387
Morgan	50,614
Piute	21,398
Rich	13,068
Salt Lake	5,703,417
San Juan	91,786
Sanpete	253,342
Sevier	228,593
Summit	213,429
Tooele	351,522
Uintah	180,575
Utah	2,294,571
Wasatch	99,600
Washington	947,663
Wayne	13,695
Weber	2,067,069
STATEWIDE	\$16,577,770

The State of Utah and county governments provided \$16,577,770 in property tax relief to 44,842 individuals in 2005. (Utah Code Ann. §59-2-1104 to 1109 and §59-2-1202 to 1220)

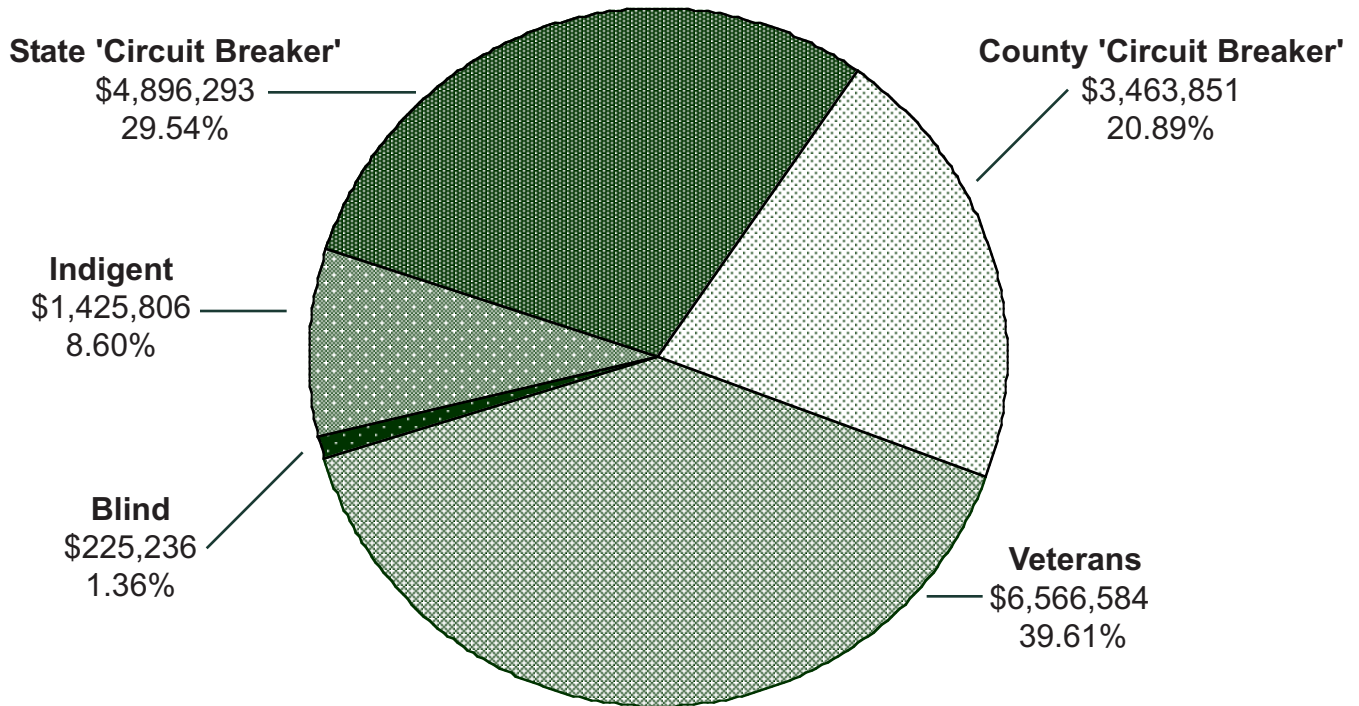
An exemption of up to \$206,214 in taxable value on a primary residence or personal property may be granted to a **disabled veteran**, to the veteran's unmarried widow or widower, and/or to minor orphans.

Up to \$11,500 taxable value of real and/or personal property owned by **blind** persons, their unmarried widow or widower, and/or minor orphans is exempt from property taxation.

An **indigent** or poor abatement may be granted in an amount of 50 percent of the taxes levied, not to exceed \$676 for 2006.

Elderly and low income or widowed homeowners and mobile home owners may apply through the county for '**Circuit Breaker**' relief of up to \$697 for 2006. Elderly, low income renters may also be eligible and may apply for relief to the State Tax Commission.

\$16,577,770
Total Property Tax Relief
44,842
Individuals Assisted



Miscellaneous Taxes

Motor Fuel

Motor fuel is gasoline or gasohol used for any purpose other than the operation of aircraft. The Motor Fuel Tax in Utah is 24.5 cents per gallon. There is an export exemption and a governmental exemption or refund of tax on all government purchases. Importers, refiners, and distributors are liable to report this tax. Refunds for off-highway agricultural use can be claimed as a credit on Utah Individual Income or Corporation Franchise tax returns.

FY2006 Revenue - \$240,431,781
Disposition - Transportation Fund

Special Fuel

Special fuel is any fuel used to operate a motor vehicle upon the public highways of this state that is not taxed under the category of motor or aviation fuel. Diesel fuel is an example. These categories include clean special fuels, diesel, propane, and compressed natural gas. The Special Fuel Tax is 24.5 cents per gallon, the same as motor fuel. Special Fuel Tax is applied to sales of fuel - other than gasoline - used in the operation and propulsion of motor vehicles.

FY2006 Revenue - \$101,097,515
Disposition - Transportation Fund

Aviation Fuel

Aviation fuel is fuel used exclusively for the operation of aircraft. The Aviation Fuel Tax is 9 cents per gallon for non-federally certified air carriers and 4 cents per gallon for federally-certified air carriers.

FY2006 Revenue - \$6,981,440
Disposition - Transportation Fund (Restricted)

Motor Vehicle Registration

Fees are applicable for every motor vehicle, combination of vehicles, trailer, semi-trailer, or vintage vehicle operated on public roads or highways. These fees apply to all motor vehicles unless they are specifically exempt.

FY2006 Revenue - \$32,579,496
Disposition - Transportation Fund
Class B and Class C Road Funds

Proportional Registration

Any resident or non-resident may proportionally register and license commercial vehicles. Vehicles which exclusively travel in Utah are not included in any proportional registration application. The formula for the fee is based on in-state and total fleet mileage.

FY2006 Revenue - \$13,039,751
Disposition - Transportation Fund

Highway Use Tax

Proportionally registered vehicles based in a state other than Utah are subject to a Highway Use Tax, rather than county vehicle registration fees. The tax is based on registered weight.

FY2006 Revenue - \$8,587,893
Disposition - Transportation Fund

Mining Severance

The Mining Severance Tax is 2.6 percent of the taxable value of metals or metalliferous minerals. The taxable value varies according to the type of mineral. This tax applies to extractors of gold, silver, copper, lead, iron, zinc, tungsten, uranium, vanadium, and other metalliferous minerals.

FY2006 Revenue - \$17,042,798

Disposition - General Fund

Oil and Gas Severance

The Oil and Gas Severance Tax applies to all interest owners of oil, gas, and natural gas liquids. It is based on the value at the well of oil and gas produced, saved, sold, or transported from the field where it is produced. The tax rate ranges from 3 to 5 percent based on the sales price of the oil or gas.

FY2006 Revenue - \$71,513,869

Disposition - General Fund

Oil and Gas Conservation Fee

The Oil and Gas Conservation Fee is 0.2 percent of the value at the well of oil, gas, and natural gas liquids produced, saved and sold, or transported from the production site. It applies to all interest owners in the well.

FY2006 Revenue - \$5,560,449

Disposition - General Fund/Restricted

Cigarette and Tobacco Tax, Licenses and Fees

Utah imposes a tax of 69.5 cents per package of 20 cigarettes and 86.875 cents per package of 25 cigarettes. Tobacco products other than cigarettes are taxed at 35 percent of manufacturers' sale price delivered to Utah. The tax applies to wholesalers and distributors who purchase stamps or use cigarette stamping machines for payment of the tax. Cigarettes are subject to regular state and local sales taxes.

All purchases of cigarettes and tobacco products over the Internet are subject to Utah state cigarette stamp tax and sales tax. Internet retailers are required to provide sales data to the Tax Commission detailing shipments of cigarettes and tobacco products to Utah consumers.

FY2006 Revenue - \$52,132,146

Disposition - General Fund

Beer

The Beer Tax is \$12.80 per 31 -gallon barrel of beer. Bottled and canned beer are converted to barrel equivalents on returns. The Department of Alcoholic Beverage Control licenses distributors and local jurisdictions issue retail licenses.

FY2006 Revenue - \$8,720,081

Disposition - General Fund

Wine and Liquor

The Wine and Liquor tax is applied at the rate of 13 percent on the retail sale of all wines and liquors sold by the Utah Department of Alcoholic Beverage Control.

FY2006 Revenue - \$20,585,747

Disposition - Education Fund

(School Lunch Program/Dedicated Credits)

Legislative Summary

House Bills

HB 17 Uninsured Motorist Identification Database Program Amendments - Rep.

Joseph G. Murray (*Effective 7/1/06*) Reduces the number of consecutive months a vehicle must appear on the uninsured motorist identification database as being uninsured (from 3 to 2) before the first warning letter is sent to the vehicle owner. It requires the database agent to update and compare the database with vehicle registrations at least twice a month rather than monthly. The bill requires the Tax Commission to provide the database agent with registration records before the seventh and twenty-first of each month.

HB 51 Sales and Use Taxation of Amusement Devices and Cleaning or Washing of

Tangible Personal Property - Rep. Wayne A. Harper (*Effective 7/1/06*) Modifies the sales tax exemptions for car washes, laundries, and amusement devices as follows: assisted transactions are taxed, unassisted are exempt; assisted cleaning or washing of a car or laundry occurs when the cleaning or washing labor is primarily performed by someone other than the purchaser; an assisted amusement device transaction occurs when the device is started and stopped by someone other than the purchaser.

HB 52 Sales and Use Tax Exemption for Transportation - Rep. Wayne A. Harper

(*Effective 7/1/06*) Provides that amounts paid for transportation are not part of the sales and use tax base.

HB 54 Sales and Use Tax Exemption for Sales of Certain Agricultural Products - Rep.

Gordon E. Snow (*Effective 7/1/06*) Repeals the requirement that agricultural products be locally grown to be exempt from sales and use taxation. It provides that, for purposes of eligibility for the sales and use tax exemption, the products must be sold by the producer, an employee of the producer, or a member of the producer's immediate family.

HB 55 Property Tax - Circuit Breaker Qualifying Limits - Rep. Wayne A. Harper

(*Effective 1/1/07*) Increases the qualifying age for a homeowner or renter to claim the credit. The bill increases the homeowner credit amounts that a claimant may claim and increases the household income qualifying limits for the homeowner's and renter's credit.

HB 95 Individual Income Tax Contribution for Community Spay and Neuter Programs

- Rep. Michael E. Noel (*Effective 1/1/06*) Provides for an individual income tax contribution of \$1 or more to the Cat and Dog Community Spay and Neuter Program Restricted Account. If this contribution generates less than \$30,000 per taxable year for three consecutive taxable years, the State Tax Commission shall remove the designation for the contribution from tax returns and may not collect the contribution from a resident or nonresident individual.

HB 109 Sales and Use Tax - Food and Food Ingredients and Tax Rates - Rep. Merlynn T. Newbold (*Effective 1/1/07*) Reduces the state sales tax on food from 4.75% to 2.75%. It defines a bundled transaction as a transaction that includes food but not prepared food and provides that a bundled transaction shall be taxed at a state sales tax rate of 4.75%. If food and prepared food are sold from the same location, and the location meets the definition of a restaurant for purposes of the restaurant tax, both the food and the prepared food will be subject to state sales tax at the 4.75% rate. However, if the location does not meet the definition of a restaurant, both the food and the prepared food are subject to state sales tax at the 2.75% rate; provides an appropriation for sellers to recover a portion of the hardware and software costs to modify their systems to collect the 2.75% rate. Sellers must incur costs between May 1, 2006 and December 31, 2006, be able to verify those amounts, and submit a request for reimbursement to the Tax Commission before January 1, 2007.

HB 198 Statewide 911 Emergency Communication Amendments - Rep. Brad L. Dee (*Effective 7/1/06*) Delays the decrease in the statewide unified E-911 emergency service charge from 13 cents to 8 cents until July 1, 2008.

HB 242 Motorboat Liability Insurance Amendments - Rep. Kerry W. Gibson (*Effective 5/1/06*) Defines motorboat and includes personal watercraft in the definition of motorboat; requires that the owner of a motorboat shall maintain owner's or operator's security if the motorboat is operated on the waters of the state, and must affirm in writing at the time of registration that such security is in effect; requires a peace officer to revoke the registration of a motorboat involved in an accident if that motorboat does not have insurance at the time of the accident.

HB 256 Requirement of Property Tax Increase Advertisement - Rep. Gregory H. Hughes (*Effective 1/1/07*) Modifies the truth in taxation notification requirements for taxing entities budgeting or levying a property tax rate in excess of the certified tax rate.

HB 261 Property Tax Revisions - Rep. Merlynn T. Newbold (*Effective 5/1/06*) Moves the calculation of the certified tax rate from Section 59-2-913 to Section 59-2-924, and replaces it with the formula for the calculation of the certified revenue levy.

HB 265 Due Date for Filing Electronically Filed Withholding Returns - Rep. Merlynn T. Newbold (*Effective 2/24/06*) Provides that the due date for filing electronically filed withholding returns is the same deadline for filing electronically filed federal withholding tax returns, which is currently on or before March 31 of the year following the calendar year to which the returns relate.

HB 291 State Tax Commission Bonding and Licensing Amendments - Rep. Wayne A. Harper (*Effective 5/1/06*) Repeals the requirement that a third-party provider for withholding tax purposes must be licensed and bonded with the Tax Commission; reduces the minimum withholding and sales tax bond from \$50,000 to \$25,000; reduces the minimum fuels bond from \$50,000 to \$10,000; allows a taxpayer required to obtain multiple fuel bonds to combine those bonds.

HB 338 Property Tax Exemption for Business Personal Property - Rep. John Dougall (*Effective 1/1/07*) Exempts a taxpayer's personal property from personal property tax if the taxpayer's total personal property is valued at \$3,500 or less; provides that effective January 1, 2008, the \$3,500 amount shall be adjusted by the Tax Commission as the consumer price index increases.

HB 371 Transient Room Taxes Amendments - Rep. David Clark (*Effective 10/1/06*) Increases the tax rate of the county transient room tax from a rate not to exceed 3% to a rate not to exceed 4.25%; repeals the 1.25% Transient Room Tax for Convention Facilities.

HB 396 Amendments to the Property Tax Exemption for Disabled Veterans - Rep. Michael T. Morley (*Effective 1/1/08*) Modifies the application requirements for a veteran's exemption so that once an application is on file, an application is only required if one of the following exists: (1) all or a portion of the exemption to be claimed will be applied to tangible personal property; (2) the veteran's percentage of disability has changed; (3) the disabled veteran dies; (4) the claimant's ownership in the primary residence changes; (5) the claimant's occupancy of the primary residence changes; or (6) there is a change in claimant for a deceased disabled veteran or veteran who was killed in action or died in the line of duty.

HB 3004 Sales and Use Tax Relating to Food - Rep. Ben C. Ferry (*Effective 1/1/07*) Amends 2005 HB 109 so that food and food ingredients are taxed at the reduced state sales tax rate, even if sold from a location that meets the definition of a restaurant. It modifies the reimbursement for sellers' costs to update their system provided under 2005 HB 109.

HB 4001 County Option Funding for Regionally Significant Transportation Infrastructure - Rep. Rebecca D. Lockhart (*Effective 9/20/06*) Prohibits county legislative body from using property taxes to fund fixed guideways. It authorizes a county legislative body to impose a local option sales and use tax of up to 0.25 percent on sales occurring in or after April 1, 2007, and prescribes how the additional 0.2 percent tax shall be expended.

Senate Bills

SB 18 Driving Under the Influence Amendments - Sen. Carlene M. Walker (*Effective 5/1/06*) Provides that a peace officer shall impound a vehicle if the peace officer cites a person for an ignition interlock system violation. Vehicles impounded under this provision shall be released after the registered owner, lien holder, or owner's agent pays an administrative impound fee of \$230.

SB 28 Sales and Use Tax/Exemption for Isolated or Occasional Sales - Sen. Lyle W. Hillyard (*Effective 7/1/06*) Provides that the sales tax exemption for isolated or occasional sales applies if the person is not regularly engaged in the business of selling that type of personal property, regardless of the number of transactions involving the sale of that type of property by that person. The exemption does not apply to items purchased under the resale exemption.

SB 29 Sales and Use Tax Exemption/Telecommunications - Sen. Curtis S. Bramble (*Effective 7/1/06*) Provides a sales and use tax exemption for telecommunications equipment, machinery, or software with a useful economic life of at least one year, if purchased by or on behalf of a telephone service provider.

SB 30 Sales and Use Tax Exemption/Semiconductor Fabricating, Processing, Research, or Development Materials - Sen. Curtis S. Bramble (*Effective 7/1/06*) Modifies the sales and use tax exemption for semiconductor materials to include tangible personal property used or consumed primarily in the process of research or development of a semiconductor or semiconductor manufacturing process; repeals the June 30, 2007 sunset date for the exemption.

SB 31 Sales and Use Tax/Manufacturing Exemptions Amendments - Sen. Howard A. Stephenson (*Effective 5/1/06*) Provides that repair parts are exempt from sales and use taxation if they have a 3-year life. This bill expands definition of manufacturing facility to include a co-generation facility and expands definition of industrial use to include the use of fuels to produce a form of energy or steam by a co-generation facility.

SB 34 Gross Receipts Tax Amendments, Repeal and Public Utility Tariffs - Sen. Mike Dmitrich (*Effective 7/1/06*) Decreases the gross receipts tax on corporations not required to pay corporate franchise or income tax. The bill repeals the gross receipts tax on electrical corporations and requires an electrical corporation to decrease electricity rates it charges its customers.

SB 35 Local Option Sales and Use Tax Distribution Amendments - Sen. Gregory S. Bell (*Effective 7/1/06*) Repeals the current sales tax hold harmless and replaces it as follows: beginning July 1, 2006, all counties, cities and towns, except counties, cities and towns that received at least \$2,000 in total “hold harmless” distributions for each of the fiscal years 2003-05 (“eligible entities”), will have the 1% local option sales tax distributed on a 50%-50% point of sale/population basis without any hold harmless adjustment; beginning July 1, 2006, and ending June 30, 2013, distribution to eligible entities only will be the greater of the 50/50 or the tax revenue distribution received by the entity for fiscal year 2005; repeals the new hold harmless for an eligible entity if the distribution based on the 50/50 exceeds the entity’s fiscal year 2005 distribution for any three consecutive years during the seven year period; beginning July 1, 2013 all counties, cities, and towns, including eligible entities, will receive sales tax distributions based solely on the 50/50 basis with one exception: if in 2012, an eligible entity’s 50/50 distribution amount is 90% or less than that same entity’s fiscal year 2005 distribution, that entity will continue the new hold harmless distribution until June 30, 2016.

SB 36 School Districts/Limited Amendments to Truth in Taxation - Sen. Mike Dmitrich (*Effective 1/1/07*) Exempts school districts from the advertisement requirements of truth in taxation when budgeting increased revenue from a voted leeway approved on or after January 1, 2003 and within four years prior to the year the school seeks to budget the increased amount of property tax revenue derived from the voted leeway.

SB 37 Income Tax/Taxation of Individuals, Estates, and Trusts - Sen. Lyle W. Hillyard (*Effective 1/1/06*) Modifies the additions to and subtractions from federal taxable income of a resident or nonresident individual, estate, or trust; addresses which nonrefundable and refundable credits an estate or trust may claim.

SB 38 Individual Income Taxation of Certain Trust Distributions - Sen. Lyle W. Hillyard (*Effective 5/1/06*) Modifies the addback to individual income tax for a resident beneficiary of a nonresident trust as follows: The addback applies only to undistributed distributable net income (DNI) realized by the trust on or after January 1, 2004, if that undistributed DNI was taxed at the trust level for federal tax purposes, but was not taxed at the trust level by any state, with undistributed DNI considered to be distributed from the most recently accumulated undistributed DNI.

SB 80 Public-Private Partnerships for Tollway Facilities - Sen. Sheldon L. Killpack (Effective 5/1/06) Exempts from the privilege tax the beneficial use or possession of public property as a tollway by a private entity pursuant to a tollway development agreement; authorizes UDOT to enter into public-private partnerships for tollway facilities.

SB 89 Sales and Use Tax/Attachment of Tangible Personal Property to Real Property - Sen. Howard A. Stephenson (Effective 7/1/06) Clarifies when an item of tangible personal property is or is not permanently attached to real property.

SB 111 Water Conservancy District Amendments - Sen. Thomas V. Hatch (Effective 5/1/06) Modifies the time that triggers a water conservancy district's ability to impose a higher tax levy (from .0001 to .0002) to include planning or design of the works and acquisition of rights-of-way; modifies a provision that allows a water conservancy district to increase its tax rate so that it applies to districts that contain land located within the Lower Colorado River Basin instead of just districts served by water apportioned by the Colorado River Compact to the Lower Basin.

SB 119 Repeal of Off-Highway Vehicle Registration Number - Sen. Thomas V. Hatch (Effective 7/1/06) Repeals the requirement that the Motor Vehicle Division assign an off-highway vehicle registration number to each registered off-highway vehicle. It repeals the requirement that an owner of an off-highway vehicle affix and display the off-highway vehicle registration number assigned by the Motor Vehicle Division. It also repeals the requirement that the Board of Parks and Recreation make rules for the display of an off-highway vehicle registration number.

SB 129 Motor Vehicle Registration Amendments - Sen. Sheldon L. Killpack (Effective 1/1/07) Creates an optional six-month motor vehicle registration for a rental vehicle if the rental vehicle registered owner is a rental company that registers a fleet of more than 25 rental vehicles at one time. A vehicle that was registered for six months that remains in the rental owner's possession when the 6-month registration period expires must be registered for 12 months. The bill creates a uniform fee schedule for motor vehicles registered under the six-month registration period that is one-half of the regular age-based fee schedule.

SB 136 Tax on Insurance Premiums - Sen. Curtis S. Bramble (Effective 1/1/06) Decreases the tax rate paid by corporations on insurance premiums for the purchase of variable life insurance (from 2.25% to .08% on premiums over \$100,000).

SB 139 Reportable Transactions Act - Sen. Howard A. Stephenson (Effective 1/1/07) Requires a taxpayer to disclose a reportable transaction and provides procedures and requirements for making that disclosure; requires a material advisor to disclose a reportable transaction and provides procedures and requirements for making that disclosure. The bill requires a material advisor to maintain a list containing certain information relating to a reportable transaction and provides procedures and requirements for maintaining the list. It also provides penalties and provides that the State Tax Commission may waive, reduce, or compromise a penalty for reasonable cause.

SB 179 Amendments to Sales and Use Tax Exemptions for Certain Vehicles, Boats, Boat Trailers, and Outboard Motors - Sen. Howard A. Stephenson (Effective 7/1/06) Amends sales and use tax exemptions to provide that sales of a vehicle or boat required to be registered in this state, or a boat trailer or outboard motor are exempt if the vehicle, boat, boat trailer, or outboard motor is both not: (1) registered in this state, and (2) used in this state except as necessary for transportation to the borders of this state.

SB 193 Speed Contest or Exhibition Amendments – Sen. Karen Hale (*Effective 5/1/06*) Requires a peace officer that arrests or cites an operator of a vehicle for violating the speed contest or exhibition of speed provision to seize and impound the vehicle. It provides that if a vehicle is impounded under this provision, the registered owner, lien holder, or owner’s agent shall pay an administrative impound fee of \$230 to have the vehicle released from impound.

SB 196 Revisions to Redevelopment Agency Provisions - Sen. Curtis S. Bramble (*Effective 5/1/06*) Rewrites and reorganizes redevelopment agency provisions; strengthens the definition of blight and allows municipalities to undertake three types of development and renewal projects: (1) urban renewal; (2) economic development; and (3) community development.

SB 198 Property Tax/Intangible Property - Sen. Curtis Bramble (*Effective 1/1/06*) Defines goodwill and provides that intangible property includes goodwill.

SB 221 Levies for the Assessment and Collection of Property Taxes - Sen. Howard A. Stephenson (*Effective 1/1/06*) Provides that a county that increases its local assessing and collecting levy to .0003 is exempt from truth in taxation. Rates in excess of .0003 are subject to truth in taxation; annually reduces the multi-county assessing and collecting levy by the amount of new revenue counties will generate by increasing their local assessing and collecting levy to .0003.

SB 225 Payment of Tax or Bonding in Tax Cases - Sen. Howard A. Stephenson (*Effective 5/1/06*) Requires the Tax Commission to waive the requirement to post security prior to judicial review of a commission decision if a taxpayer establishes: (1) that the taxpayer has sufficient financial resources to pay the deficiency if the deficiency is upheld; or (2) collection of the deficiency is not jeopardized by waiver of the bond.

SB 226 Registration and Title Provisions - Sen. Dan Eastman (*Effective 7/1/06*) Requires that a dealer, upon the sale and delivery of a motor vehicle, submit within 45, rather than 30, days a certificate of title or manufacturer’s certificate of origin to the DMV. It authorizes a dealer to issue a temporary permit to a purchaser of a motor vehicle for a period not to exceed 45, rather than 30 days.

SB 233 Sales and Use Tax Revisions - Sen. Curtis S. Bramble (*Effective 7/1/06*) Repeals provisions relating to destination-based sourcing and requires non-nexus sellers that collect sales tax to collect at the lowest common rate. It allows direct pay for sellers with a \$96,000 sales tax liability who demonstrate their ability to track the location of each purchase to the business location of the seller.

SB 241 Natural Resources Development - Sen. Mike Dmitrich (*Effective 1/1/06*) For the period July 1, 2006 through June 30, 2016, exempts from sales tax sales of tangible personal property used in the research and development of coal-to-liquid, oil shale, and tar sands technology. It exempts from the oil and gas severance tax any oil or gas that is produced, saved, sold, or transported and derived from coal-to-liquids technology, oil shale, or tar sands.

SB 4001 Income Tax Amendments - Sen. Curtis A. Bramble (*Effective 1/1/06*) Modifies tax brackets for taxable years beginning on or after January 1, 2006 and requires adjustments to tax brackets beginning January 1, 2009 to account for changes in the consumer price index. It allows a taxpayer to choose, for taxable years beginning on or after January 1, 2007, to calculate state income tax or the current multi-rate method on a single-rate tax applied to federal adjusted gross income.

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