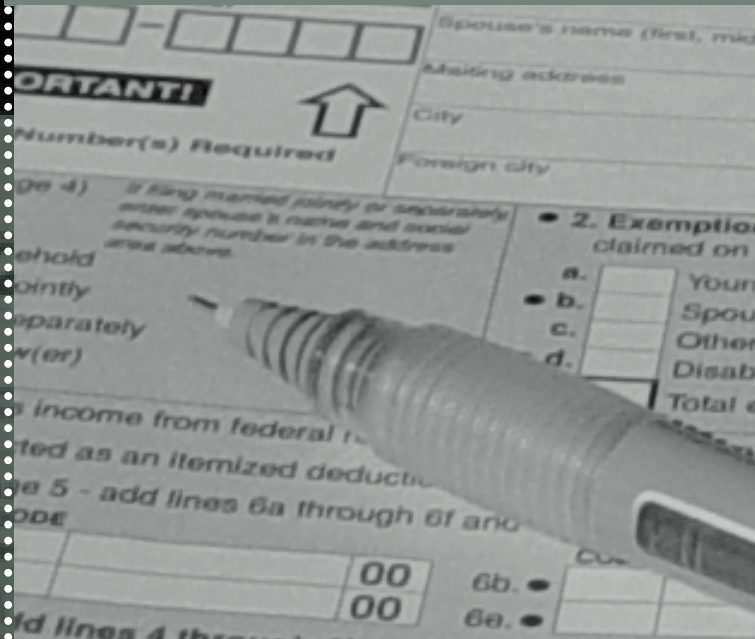
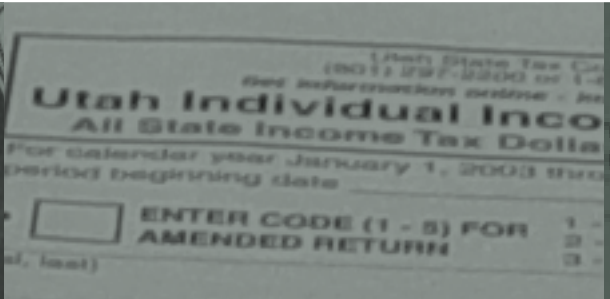


The UTAH STATE TAX COMMISSION



Fiscal Year 2003-2004



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Annual Report

Utah State Tax Commission

Fiscal Year
2003-2004

PAM HENDRICKSON
CHAIR

R. BRUCE JOHNSON
COMMISSIONER

PALMER DEPAULIS
COMMISSIONER

MARC JOHNSON
COMMISSIONER

RODNEY G. MARRELLI
EXECUTIVE DIRECTOR



Access to various in-depth Utah State Tax Commission information, economic and revenue reports including previously published annual reports is available at tax.utah.gov

Our Vision

"We are enthusiastically committed to a standard of excellence that exceeds customer expectations. We continuously focus on courtesy, accuracy, efficiency, consistency and professionalism."

Our Mission

"Our mission is to collect revenue for the state and local governments, and to equitably administer tax and assigned motor vehicle laws."

Our Role for All Utahns

The Tax Commission plays a key, but often unnoticed role in the day-to-day lives of the citizens, as well as city, county and fellow government agencies of Utah. Without the Tax Commission's function to collect and distribute revenues, the state of Utah would have no ability to fund schools, highways, public safety, or any of the various levels of service that state government currently provides and oversees.

A Message to the Reader

We are pleased to submit the Annual Report of the Utah State Tax Commission, for the fiscal year ending June 30th, 2004.

The Report contains information about the Tax Commission and its mission, functions, operations and resources, an overview of the agency's performance, accomplishments and improvements, and statistical information highlighting activities and economic conditions during the fiscal year.

We remain steadfast in our mission of serving the people of Utah through fair administration and quality service. Our commitment is to the highest standards of performance and integrity. We take great pride in striving to provide equitable, efficient, productive and courteous delivery of service to the taxpayers of Utah each year.

The report features information on division duties, administrative improvements, statewide economic conditions and impacts, various state fund revenues, including what statewide programs are funded with those dollars, statistical information regarding Sales, Property, and Income Tax, as well as the many Legislative actions passed during the year.

We hope that this report provides you with helpful information, and that in it you will see that the Tax Commission strives to efficiently and fairly administer tax law through our revenue collection, educational, and taxpayer service programs and policies. Should you wish to access additional tax-related bulletins, reports, or statistics, please visit our ever-expanding online library at tax.utah.gov.

Respectfully yours,



Pam Hendrickson

Chair



Rodney G. Marrelli

Executive Director

We appreciate your feedback

Questions and comments about this year's annual report are welcome.

If you would like to let us know how we can make this report more useful to you, please e-mail the Tax Commission's Public Information Officer at jmonaco@utah.gov

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Who We Are

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

We collect taxes and administer or oversee the following programs:

- Income tax
- Sales tax including numerous local option taxes
- Withholding tax
- Fuel taxes
- Motor vehicle registration programs
- Miscellaneous taxes
- Property taxes
- Corporate tax

What We Do

The Tax Commission has the following organizational areas of responsibility:

- Processing of revenue, returns and updating taxpayer information
- Auditing of returns and other information to check accuracy and compliance
- Collection of delinquent taxes
- Assisting taxpayers with compliance and resolving account issues
- Oversight of local property tax assessments and administration of centrally assessed valuations
- Motor Vehicle and Motor Carrier registration and Motor Vehicle Enforcement
- Technology Management and Administration provides computer systems and administrative support

Executive Summary

In fiscal year 2004, the Tax Commission collected gross receipts of \$5.43 billion. After refunds and other adjustments, this amounted to net deposits totalling \$4.94 billion in state and local revenue. The agency budget was \$55 million; or 1% of the total revenues collected. Agency automation, electronic filing, and process improvements have allowed the agency to keep up with a growing taxpayer base.

In fiscal year 2004, the Tax Commission collected net deposits of \$4.94 billion dollars in state and local revenue.

Along with the deposit of revenue, the Commission processed 2.7 million tax documents and another 2.6 million motor vehicle transactions.

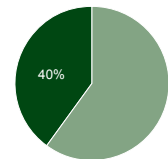


For every dollar of revenue collected by the Tax Commission in fiscal year 2004, approximately 1 cent was spent in collection costs.

Fiscal Year 2004 Highlights

All of the state's largest tax types are now filable online, including Income Tax, Sales Tax, and Motor Vehicle renewals. **Online options** make filing easier for the public, it saves on paper handling and reduces errors. In fiscal year 2004, electronic filing options were used by over 40% of the income tax filers, a small, but growing portion of the sales tax accounts used this alternative as it was first piloted

INCOME TAX RETURNS FILED ELECTRONICALLY VS. PAPER



In fiscal year 2004, electronic filing options were used by over 40% of the income tax filers

with the smaller accounts, and almost 17% of the motor vehicle renewals are now being completed online.

Online research tools have been developed to make tax information easier to access by both the public and by employees. This year a new online feature was added to include "**fill-in-forms.**" This allows most forms to be completed electronically, thus providing an alternative to manually filling out paper forms. This is another tool that makes tax compliance easier.

Almost 17% of the motor vehicle renewals are now being completed online.

Some larger tax preparers who do not file electronically for their clients are now preparing paper Income Tax returns using software that prints a **2-D bar code** on the forms. The barcode captures the return information and enables data to be electronically extracted and updated using a barcode reader. This results in reduced manual data entry and the potential for typing errors.

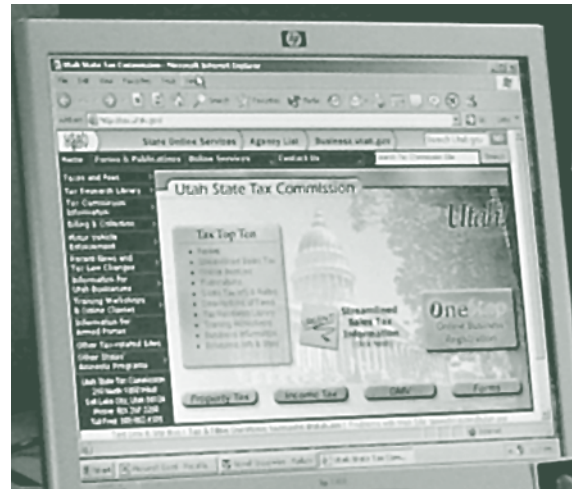
Many hours have been committed this year in preparing for the implementation of the **Streamlined Sales Tax** law changes. This

Electronic payment by credit card or electronic check is now an option for most tax types via our payment express service.

legislation changed many of the sales tax laws and its implementation included extensive changes to computer systems, forms, and processes, and in training employees and the public

of the changes. Staff sought solutions to make the transition run as smoothly as possible. This effort is likely to continue into next year as modifications to the legislation are expected during the upcoming session.

Electronic payment by credit card or electronic check is now an option for most tax types via our payment express service. While Renewal Express has been taking credit cards for years, walk-in customers at our DMV counters are appreciating **additional payment options** as well, now that credit and debit cards are being accepted. In fact, in one year, we have found that these two options are accounting for just over 25% of the payments received.



Fill-in forms allow taxpayers to access and complete tax forms online at tax.utah.gov.



Hundreds of people attended the various internal and external training programs offered by the Tax Commission, improving work skills or learning more about topics such as auditing, Streamlined Sales Tax, and property tax.

Strategic Goals

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 can excel and productivity is enhanced

Our Values

We must uphold our public trust.

We value quality, which is the balance of efficiency and effectiveness.

We value job expertise and knowledge with consistent and dependable application of laws, rules, practices, and procedures.

We value integrity, including honesty, trust, and respect for self and others.

We value clear, meaningful and concise communication with customers.

We value self-motivated employees and environments that encourage initiative.

We value empowered employees with their attendant accountability.

Annual Report

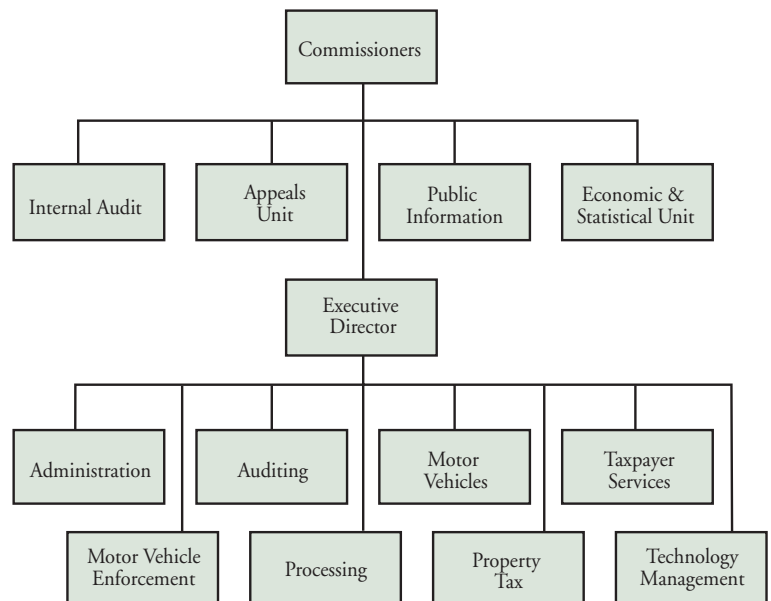
Commission Responsibilities

The four-member Utah State Tax Commission administers the tax laws of the state and collects tax revenue for the State of Utah and its local governments. It collects and distributes revenue from some 40 taxes, surcharges and fees, registers automobiles and regulates the automobile industry.

Under the Utah Constitution, the Governor, with the concurrence of the Senate, appoints four Commissioners — no more than two from a single political party — to serve four-year terms.

The Commissioners administer and supervise the state's tax laws, rule on appeals, set policy, promulgate rules, issue private letter rulings and sit as the State Board of Equalization. The Commissioners' Economic & Statistical Unit forecasts state revenues and provides economic and statistical analyses from Tax Commission data. The Appeals Section coordinates all appeals brought before the Commission and its administrative law judges. An Internal Audit section assures agency operations are efficient and comply with law. Community and media relations are supported from the office of our Public Information Officer.

The Tax Commission, in consultation with the governor, hires an executive director to administer the day-to-day functions of the agency's eight divisions.



Duties by Division

Administration

- Provides human resource functions for the agency
- Provides centralized oversight of the management and reporting of all tax monies
- Develops and manages the department's budget
- Drafts legislation and implements bills
- Provides general agency support
- Works with agency staff to identify fraud and develop criminal cases for prosecution

Auditing

- Enhances voluntary taxpayer compliance through selective audit examination and discovery of nonfilers
- Determines that taxes due have been properly reported
- Educates taxpayers as to proper tax accounting techniques and interpretation of laws and rules
- Audits all taxes except property tax

Motor Vehicle Division

- Performs more than 2.6 million registrations and title transactions on vehicles per year, on cars, trucks, recreation vehicles, boats and trailers
- Collected over \$300 million in taxes and fees
- Trains staff in counties that contract to administer motor vehicle programs
- Provides vehicle identification services to law enforcement and evidence of vehicle ownership to individuals and financial institutions

Motor Vehicle Enforcement

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

Processing

- Processes, data-enters, microfilms and archives 2.7 million paper and electronic tax documents annually
- Deposits \$5 billion in gross revenues that come through the Tax Commission
- Designs and prints tax forms and publications

Property Tax

- Appraises and audits natural resource properties, as well as companies whose properties cross county or state lines, such as airlines, motor carriers, railroads and utilities
- Works with local officials who have direct statutory responsibility for operating local property tax systems to assure equitable and accurate assessment and taxation
- Administers Truth-in-Taxation law designed by the Legislature to ensure full accountability for local property tax rates and budgeting

Taxpayer Services

- Maintains frontline contact with the public on tax issues and promotes reduction in accounts receivable through providing customer service, collecting delinquent taxes and encouraging future compliance
- Offers tax education classes on state taxes to businesses and presents workshops jointly with other state and federal agencies
- Manages bankruptcy claim filing
- Administers waiver of penalty/interest and offer-in-compromise programs

Technology Management

- Develops, acquires, implements, supports and maintains application software that is used for the specific business functions of the agency
- Acquires, installs, maintains, and supports the infrastructure on which these applications run

Tax Administration

Online Services

Enhancements continue in providing improved **online filing options**. The largest amount of transactions we receive are now online, including Income Tax, Sales Tax, and Motor Vehicle renewals. Online systems also include the online payment of all taxes, special events registration, and a OneStop Business Registration system. Online options make filing easier for the public, it saves on paper handling and reduces errors. Last year, electronic filing options were used by over 40% of the income tax filers, close to 20% of the sales tax accounts, and almost 17% of the motor vehicle renewals. In addition, OneStop Business Registration, implemented as a joint effort of many government entities, averaged around 800 applications per month, or about 30% of total new business applications.

Payment Express, the state's online tax payment system, made things quite easy for taxpayers who wanted to keep current on tax payments via the web. Fiscal year 2004 represented the first complete year of its operation. This service, combined with the other existing services, means that most tax payments and motor vehicle renewal fees can now be made online.

Online **research tools** have been developed to make tax information easier to access by both the public and by employees. Improvements were made to the research tools and the functionality available on the employee web site to improve productivity and level of knowledge of staff.

"**Fill-in-forms**" posted on the Commission's website allow most tax forms to be completed electronically, thus providing an alternative to manually filling out paper forms.

Citizens expecting an income tax refund can check the processing status via the internet. This secure internet option, new for 2004, compliments the **refund status** telephone system already in use.

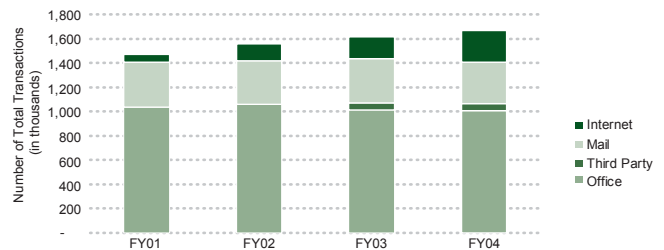
Training

The Commission conducted 16 property tax training courses in which 659 students were enrolled. This represented 759 teaching hours.

Employees in all divisions increased their performance and skills by attending over 13,000 hours of employee training classes. This included our Auditing division's 6,482 training hours which is 32 percent over the division's goal set for individual employees.

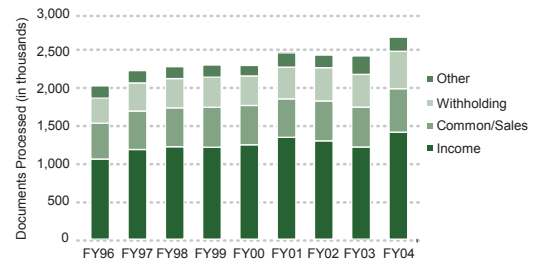
Over 4,600 taxpayers across the entire state were trained on new changes taking effect with the implementation of Streamlined Sales Tax legislation; for a total of over 16,000 hours of training.

UTAH MOTOR VEHICLE RENEWAL TRANSACTIONS



Reflecting population growth and other factors, motor vehicle transactions increased each year, however, efficient systems in place at the Tax Commission allowed for this growth without staff increases.

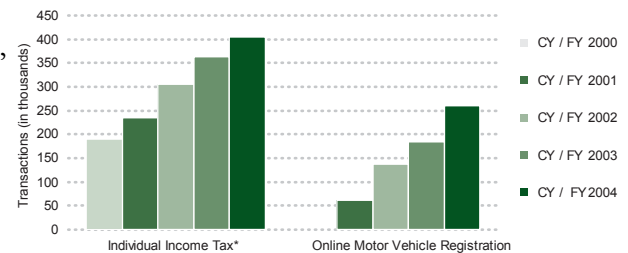
TOTAL TAX-RELATED DOCUMENTS PROCESSED



*FY2003 was lower than normal trend and FY2004 higher due to timing differences of processing schedules that over-lapped fiscal years.

Fiscal year 2004 had the highest total number of documents processed by the Tax Commission, yet processing costs remained relatively the same as last year.

INCOME TAX AND MOTOR VEHICLE ELECTRONIC TRANSACTIONS



*CY = calendar year for Income Tax, FY = fiscal year for Motor Vehicle

The Tax Commission's two biggest online systems saw major increases over the last fiscal year, an ongoing trend.

Streamlined Sales Tax

This year the Commission put forth extensive effort in the **review and development** of the Streamlined Sales Tax (SST) legislation and related implementation meetings. Many hours were committed in preparing for the implementation of the Streamlined Sales Tax law changes. This legislation changed many of the sales tax laws and its implementation included extensive changes to computer systems, forms, and processes, and in training employees and the public of the changes to make the transition run as smoothly as possible. This effort is likely to continue into next year as modifications to the legislation are expected during the upcoming session.

Many hours were committed in preparing for the implementation of the Streamlined Sales Tax law changes.

Improved Customer Service

The Commission purchased a **new information system**, known as Interactive Voice Response (IVR), providing the public with answers 24/7 on general questions, office hours, MV office locations, Income Tax refund status, and form ordering without the need for a live customer service agent. This will free up agent time for those situations when personal assistance is required.

Credit cards and debit cards were added as payment options in both state and county DMV offices.

Our **collection call center** saw an increase of 6.7% over prior year. The number of **customer service phone calls** increased to 162,704 this year, an increase of 1.2%.

DMV made several improvements during the year. Credit cards and debit cards were added as **payment options** in both state and county DMV offices. Over 300,000 taxpayers, or about 25%, took advantage of these new payment options. "**Q-matic**," an automated queuing system, was set up in the Ogden branch allowing taxpayers to take a number and sit down rather than waiting in line. Transaction times have improved as credit cards at the counter have proven faster than cash or checks.

Other Improvements

Fiscal year 2004 saw an increase of 2.4% over prior year in **collection of delinquent taxes** due.

For the second year, improvements in **payment processing** resulted in money being deposited faster in the bank, and work being sorted and organized more quickly.

For the second year, improvements in payment processing resulted in money being deposited faster in the bank, and work being sorted and organized more quickly.

The Commission implemented the **RatioLink** computer program in 15 counties for testing, 5 counties for live, real time access to sales ratio data and tools for analysis.

MVED investigators **recovered 461 stolen vehicles** during the year with an estimated value of \$3,657,000. Stolen vehicle recoveries were up 48% compared with the prior year.

Our criminal investigations unit filed 554 separate **criminal counts** during the year against citizens who were not complying with tax law. Counts filed against persons defrauding Utah citizens were up 31% as compared to last year.

Some larger tax preparers who do not file electronically for their clients are now preparing paper Income Tax returns using software that prints a **2-D bar code** on the forms. The barcode captures the return information and enables data to be electronically extracted and updated using a barcode reader. This results in reduced manual data entry and the potential for typing errors.

Tax Policy

The Streamlined Sales Tax (SST) Project

SST remained a major effort on the part of the Tax Commission throughout fiscal year 2004. Utah, along with many other states, took great steps to prepare for the implementation of SST legislation, which was written in order to simplify and modernize sales and use tax collection and administration. The ultimate focus of the Project is on improving sales and use tax administration systems for both Main Street and remote sellers for all types of commerce.

Forty-two states and the District of Columbia are involved in the Project. Forty-five states and the District of Columbia impose a sales and use tax. As of April 2004, twenty states, including Utah have moved forward and enacted all or part of the conforming legislation.

In preparation for SST, the Commission spent hours travelling the state to train business owners and taxpayers on the changes that they would see in collecting sales tax, designed new forms, and built a library of information and resources available online to the public.

The SST legislation, as passed in the 2003 and 2004 Utah General Legislative Sessions, was set to take effect on July 1, 2004. However, on June 28, 2004, the Legislature met in a special session, voting to delay the effective date of several key components of the SST legislation for one year.

The changes that did take effect on the original start date include:

- The TC-61 return and schedules will replace TC-71 forms for periods starting on or after July 1, 2004.
- The TC-61 forms have been slightly modified from the previously released versions to reflect the delayed implementation of point of delivery sourcing.
- Resort Communities Tax will be part of the combined rate and will be filed on the TC-61 forms.
- Monthly filers will calculate seller discount by multiplying the tax due by 1.31 percent.
- Online filing eligibility has been expanded.
- Electronic exemption certificates will be valid if they contain the same information reported on Tax Commission form TC-721, Exemption Certificate.

The SST Changes delayed until July 1, 2005, include:

- Sourcing will change from point of sale to point of delivery.
- Out-of-state voluntary filers will collect and remit sales tax at Utah's lowest common rate, which is 5.75 percent..
- Point of delivery sourcing (sales tax rate determined by where the customer receives the goods or services).
- Changes to the various definitions have been delayed, including:
 - Delivery charges, installation, and repairs.
 - The calculation of bad debt on repossessed property.
 - Definitions for drugs, durable medical equipment, mobility enhancing equipment and prosthetic devices.
- Direct pay permits, direct mail exemption certificates, and multiple points of use (MPU) exemption certificates will not be issued.

Tax Reform Recommended

Led by Governor Olene S. Walker, two Tax Commissioners, Pam Hendrickson and Bruce Johnson, served as part of a group titled Tax Advisor's Group. This group applied their tax, business and legal expertise in researching, supporting, and developing a recommendation for reforming and updating Utah's tax structure to better serve the state and its future. In addition to Commissioners, economists and other Commission employees supported the needs of this project.

Other Leadership

The Commission and our Executive Director served in many leadership positions that have and will mold tax policies, programs and services available to Utahns in the future. Some of these positions include:

Multistate Tax Commission Chairman – Commissioner Bruce Johnson

Federation of Tax Administrators Vice President – Commissioner Pam Hendrickson

Individual Income Tax and Corporate Franchise and Income Tax Task Force – Commissioner Marc Johnson

Alternative Dispute Resolution Committee Chairman – Commissioner Palmer DePaulis

Streamlined Sales Tax Implementing States Co-Chair – Commissioner Bruce Johnson

Western States Association of Tax Administrators President – Executive Director Rod Marrelli.

Tax Revenues

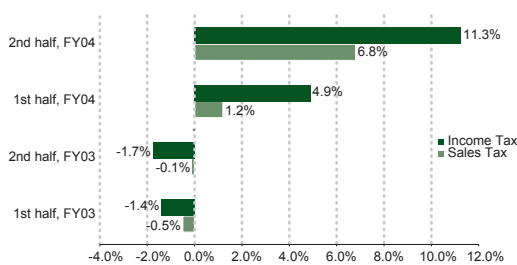
Following the latest U.S. recession and the 9/11 al-Qaeda terrorist attack on America, Utah revenues began to decline well below forecast targets. In fiscal year 2002 General and Uniform School funds revenues fell \$382 million and 10 percent below original forecasts. The individual income tax fell 6 percent compared to an expected 7.5 percent gain. Obviously this meant that fiscal year 2003 revenues would be short of February 2001 legislative expectations. A series of revenue cuts were made which suggested that net collections would be up 3 percent in fiscal year 2004.

During the fall of 2003, however, following the invasion of Iraq, Utah business and consumer confidence resurfaced and spending began to improve. Solid gains of 3 percent for sales tax and 5 percent for the individual income tax appeared in the second fiscal quarter (October through December 2003). During the second half of fiscal year 2004

Revenues exceeded adopted estimates by more than \$91 million in FY 04.

revenues improved. Sales taxes made near 7 percent gains and the individual income tax grew more than 11 percent. Because these gains were made on top of such soft quarters during the Iraq invasion, they are not expected to be as pronounced in the future.

GROWTH RATES OF MAJOR TAXES



Second-half FY 04 revenues were a pleasant surprise.

For the major nine sources (sales, income, corporate franchise, insurance, beer, cigarette, tobacco, oil and mining severance taxes), which comprise 95 percent of the General and Uniform School Fund, revenues exceeded adopted estimates by more than \$91 million in fiscal year 2004. Individual income taxes, which rose almost 8 percent, were up \$56 million over February estimates. Sales taxes were up almost \$33 million over Legislative estimates. In contrast to surging sales and individual income taxes, the corporate franchise tax failed to impress. Corporate franchise taxes, following a surprising gain of 28 percent in fiscal year 2003, managed only a 2 percent increase in fiscal year 2004 and were almost \$6 million

below Legislative estimates. The three major Transportation Fund sources were up almost \$5 million over estimates. Despite rising gasoline prices during the second half of fiscal year 2004, motor fuel taxes managed a 1.4 percent increase for the year.

Income Tax

Individual income taxes finally made a rebound after two years of decline. Fiscal year 2004 net collections of \$1.7 billion rose almost 8 percent on top of fiscal year 2003 revenue of \$1.58 billion. But it still was \$13 million shy of peak revenue collections in fiscal year 2001 of \$1.713 billion. Given wage and salary growth of only 1.7 percent in calendar year 2003, the other components of income must have risen at higher rates. Indeed, capital gains and dividends rose 10.4 percent and 10.8 percent, respectively. These growth rates were reflected by final payments in fiscal year 2004. While withholding taxes, which should be close to wage growth, were up 4.7 percent in fiscal year 2004, final payments did much better. The \$432 million in final payments were up 13 percent from \$381 million in fiscal year 2003. Meanwhile, refunds to taxpayers, at \$358 million, were up only \$4 million, about 1 percent.

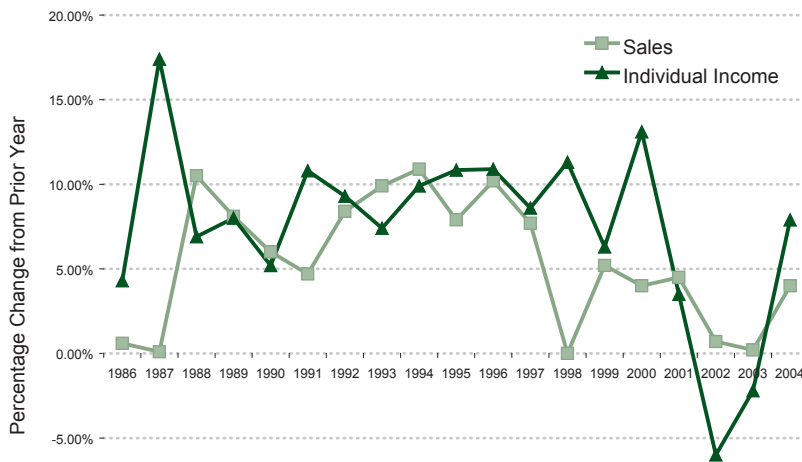
Sales Tax

State sales taxes in the General Fund finished the fiscal year with a 4 percent growth rate, comparing favorably to 1.2 percent gain through the first six months of the fiscal year and a 0.2 percent gain in fiscal year 2003. In the second half of the fiscal year, between January and June 2004, business investment spending jumped 16 percent. Mining purchases rose almost 28 percent and transportation purchases were up 45 percent. Construction, manufacturing and wholesale trade sales and purchases rose more than 15 percent. Solid 8 to 9 percent gains were reported in retail trade sectors. Construction permit values in the first half of 2004 were up 25 percent.

Construction permit values in the first half of 2004 were up 25 percent. This led not only to the 15 percent business investment gains cited above, but also to the 22 percent increase in retail-building and garden store sales, as well as the 7 percent increase in retail furniture stores.

This led not only to the 15 percent business investment gains cited above, but also to the 22 percent increase in retail-building and garden store sales, as well as the 7 percent increase in retail furniture stores. General merchandise store sales rose 11 percent in the second fiscal half, while retail apparel and miscellaneous shopping goods store sales both rose 7 percent. In contrast, taxable services did not make a significant comeback. Business services were still flat and auto, appliance and equipment leasing were off 15 percent in the second fiscal half. Hotel, amusement and recreation sales were up more than 5 percent, however, suggesting that the tourist sector began to improve.

SALES AND INDIVIDUAL INCOME TAX CHANGE



Over nearly 20 years, with only three exceptions, income tax growth mirrors sales tax growth.

Corporate Franchise Taxes

Following four consecutive declines from a peak of \$189 million in fiscal year 1998 to a low of \$119 million in fiscal year 2002, corporate franchise taxes rebounded partway in fiscal year 2003 to \$153 million. Then in fiscal year 2004 corporate taxes increased only 2 percent more to \$155 million. This was a meager increase given the fact that before-tax profits in the U.S. rose from \$735 billion to \$855 billion in 2003 for a 16 percent gain. News and documentary reports of significant profits being shifted to nontaxable offshore banks continued to proliferate, suggesting that corporations had found ways of sheltering profits that have eluded corporate tax auditors.

Other Taxes

Beer, cigarette and tobacco taxes together produced almost \$7 million in revenues more than Legislative estimates for fiscal year 2004. Most of this was reported in cigarette taxes where net collections to the General Fund rose from \$38.5 million to \$47.7 million for an increase of nearly 24 percent. This was not likely due to increased smoking or effective tax collection efforts, but was in reaction to the suppression of collections in fiscal year 2003 due to the tax increase and ability of cigarette distributors to buy stamps at the old tax rate and sell them at the new one after April 1, 2003. At first glance, beer taxes to the General Fund fell 10 percent to \$9.7 million in fiscal year 2004, but more than \$2.5 million was diverted to the Alcoholic Beverage Enforcement and Treatment Restricted Fund, following a 16 percent tax increase to \$12.80 per 31-gallon barrel on July 1, 2003.

In summary, a revenue surge in the final quarter of fiscal year 2004 produced an almost \$100 million revenue excess above Legislative estimates. Individual income taxes rose almost 8 percent with excess revenue of \$56 million, but still slightly below peak revenues in fiscal year 2001. Sales taxes were up 4 percent with a revenue excess of \$33 million and with two of the three taxable sales sectors running full steam.

Business investment purchases jumped 16 percent and retail trade sales rose 8.5 percent in the second fiscal half of fiscal year 2004. Corporate taxes did not follow suit with a big increase, only rising from \$153 million in fiscal 2003 to \$155 million in fiscal year 2004. Motor Fuel taxes managed a 1.4 percent gain and \$3 million revenue excess despite rising gasoline prices in early 2004.

A revenue surge in the final quarter of fiscal year 2004 produced an almost \$100 million revenue excess above Legislative estimates.

Major Revenue Source Overview

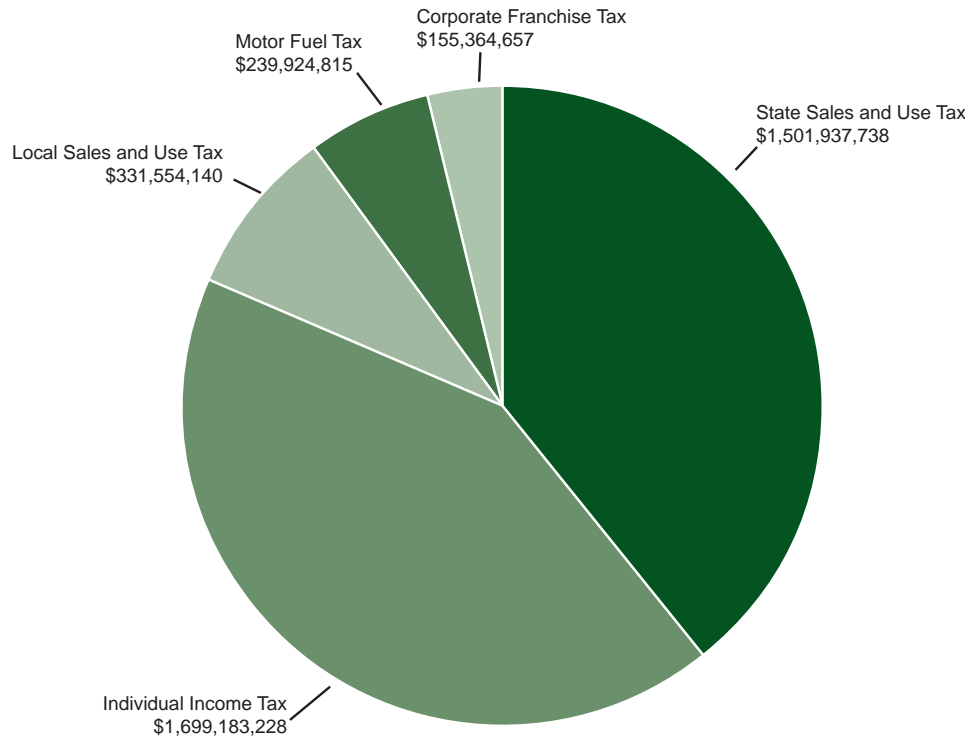
In Millions of Dollars

<u>FISCAL YEAR</u>	<u>STATE SALES/USE TAX</u>	<u>INDIVIDUAL INCOME TAX²</u>	<u>LOCAL SALES/USE TAX</u>	<u>MOTOR FUEL TAX</u>	<u>CORPORATE FRANCHISE TAX³</u>
1994	\$ 978.2	\$ 925.3	\$ 188.5	150.4	121.1
1995	1,055.1	1,026.9	212.6	155.5	153.5
1996	1,162.5	1,139.1	225.6	163.2	168.4
1997	1,252.1	1,237.3	258.1	168.4	182.9
1998	1,251.8 ¹	1,377.6	263.5	217.7	189.0
1999	1,316.4	1,463.9	284.5	225.2	184.3
2000	1,369.6	1,654.9	301.7	237.6	179.6
2001	1,431.4	1,713.1	314.3	229.4	174.4
2002	1,441.3	1,610.6	318.0	237.9	118.9
2003	1,444.0	1,575.4	325.2	236.6	152.5
2004	1,501.9	1,699.2	331.6	239.9	155.4

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

²Includes 40% of mineral production withholding tax.

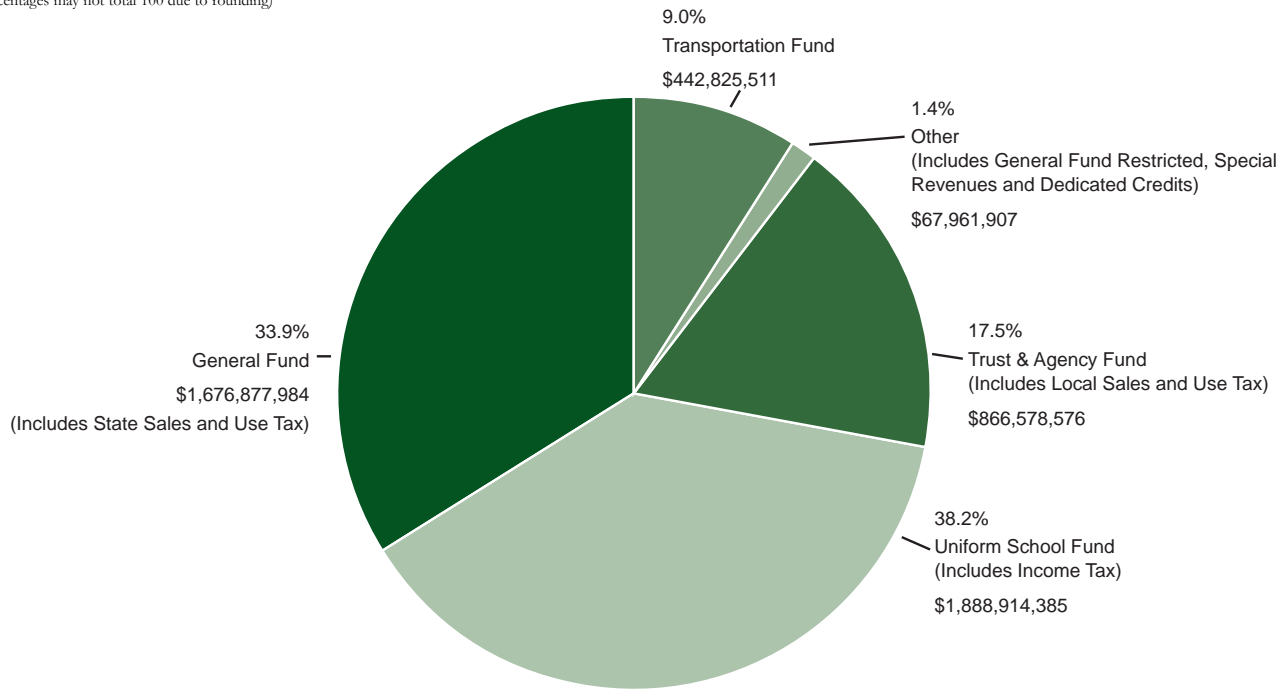
³Includes 60% of mineral production withholding tax.



Net Revenue Collections by Fund

Fiscal Year 2004

(Percentages may not total 100 due to rounding)



Total Net Revenue Collected by
the Utah State Tax Commission - Fiscal Year 2004
\$4,943,158,364

State Agencies and Organizations Receiving Funds from Taxes and Fees

TRANSPORTATION FUND

Transportation Department
Public Safety
Finance
Tax Commission

TRUST & AGENCY FUND

Local Sales and Use Tax
(includes County, Tourism, Transient taxes etc.)
Local Property Tax on Vehicles
Utah Transit Authority (UTA)

Many of these programs are supplemented with Federal and other funds.

GENERAL FUND

Administrative Services
Corrections
Courts
Human Services
Economic Development
Elected Officials
Department of Environmental Quality
Health
Higher Education
Human Services
Legislature
Natural Resources
Public Safety
Work Force Services
Tax Commission

UNIFORM SCHOOL FUND

Public Education
Higher Education
Tax Commission

OTHER

Administrative Fees/Dedicated Credits
General Fund Restricted

For information on property taxes, please see the section beginning on page 32 of this report.

Net Revenue Comparison - Fiscal Years 2003 and 2004

REPORTING CATEGORY	FY 2004	FY 2003	NET AMOUNT	NET
	NET REVENUE	NET REVENUE	CHANGE	CHANGE %
Admin. Allowance Service Charge: Sales Tax	\$ 7,640,024	\$ 7,296,532	\$ 343,492	4.7%
Ded. Cred: Cred Card Conv. Fees	2,835,895	427,241 ³	2,408,654	563.8%
Ded. Cred: DNR Plants/Animal Protect: Sales	2,450,000	1,950,000	500,000	25.6%
MV Regist/Plate Fees: Plate, Admin Fee	2,390,042	2,302,503	87,539	3.8%
County Property Tax Transaction Fees	1,977,743	1,886,732	91,011	4.8%
Misc. Dedicated Credits: Tax Comm.	1,689,127	1,312,928 ³	376,200	28.7%
30-Day Motor Veh Reg Permit	1,319,422	1,191,320	128,102	10.8%
Federal Revenues & Grants	611,125	684,513	(73,389)	-10.7%
Off Highway Vehicle Reg. Fees	483,841	468,234	15,607	3.3%
Driving Under Influence Impound Fees	265,240	261,122	4,118	1.6%
Water & Wastewater Proj: Div of Water Rights	175,000	75,000	100,000	133.3%
Misc. Dedicated Credits: Other Agencies	142,446	134,605	7,841	5.8%
Private Organ Donation Contributions	61,487	76,315 ²	(14,828)	-19.4%
Inc. Tax Contributions: Non Game	-	46,842	(46,842)	-100.0%
Dedicated Credits Total	\$22,041,391	\$18,113,886 ²	\$3,927,505	21.7%
State Sales And Use Tax	1,501,937,738	1,443,974,180	57,963,558	4.0%
Insurance Premium Tax: Admitted Insurers	62,424,496	58,989,204	3,435,292	5.8%
Cigarette Taxes	47,655,824	38,539,028	9,116,797	23.7%
Oil And Gas Severance Tax	36,659,808	26,745,279	9,914,528	37.1%
Inheritance Tax	9,674,489	32,977,784	(23,303,295)	-70.7%
Beer Tax	9,367,478	10,356,639	(989,161)	-9.6%
Mining Severance Tax	6,026,484	5,833,936	192,548	3.3%
Tobacco Products Tax	5,790,075	5,318,467	471,608	8.9%
Motor Vehicle Bus. Regulation Fees: MVED	2,010,381	1,782,772	227,608	12.8%
DUI Impound Fees	941,726	939,202	2,524	0.3%
Cigarette Licenses & Fees	22,070	13,130	8,940	68.1%
Misc. Taxes & Other	-	2,430,685	(2,430,685)	-100.0%
Energy Savings Tax Credit	(242,462)	(93,659)	(148,803)	158.9
Property Tax Relief Credits: Circuit Breaker	(5,390,123)	(5,419,421)	29,298	-0.5%
General Fund Total	\$1,676,877,984	\$1,622,387,227	\$54,490,757	3.4%
Water & Wastewater Proj: Sales - Restricted	14,402,000	2,180,419	12,221,581	560.5%
Cigarette Tax - Tobacco Prevention - Rstrctd	8,216,794	7,975,372	241,422	3.0%
Fire Academy Support Fund - Restricted	4,751,878	4,427,338	324,540	7.3%
Boat Fuel Tax - Restricted	2,849,606	2,944,316	(94,710)	-3.2%
Oil & Gas Conservation Fee - Restricted	2,696,250	1,943,755	752,495	38.7%
Alcohol Beverage Enforce/Treatment - Restrct	2,525,666 ¹	-	2,525,666	
Off Highway Vehicle Reg. Fees - Restricted	1,453,607	1,371,850	81,757	6.0%
Ins. Premium & Other - Restricted	1,103,008	995,819	107,189	10.8%
Off Highway Vehicle Fuel Tax - Restricted	1,050,000	850,000	200,000	23.5%
Other Misc. - Restricted	928,486	1,423,779	(495,293)	-34.8%
Boat Registration Fees - Restricted	641,632	652,211	(10,579)	-1.6%
Lubricating Oil Fee: Used Oil - Restricted	543,453	509,331	34,122	6.7%
Inc. Tax Contrib: Organ, Homeless, Wolf - Rstrc	304,721	210,180	94,541	45.0%
Snowmobile Registrations - Restricted	237,370	218,283	19,087	8.7%
Remote Sales - Restricted	-	461,535	(461,535)	-100.0%
General Restricted Total	\$41,704,471	\$26,164,190	\$15,540,281	59.4%

Net Revenue Comparison - Fiscal Years 2003 and 2004 (cont.)

<u>REPORTING CATEGORY</u>	<u>FY 2004</u> <u>NET REVENUE</u>	<u>FY 2003</u> <u>NET REVENUE</u>	<u>NET AMOUNT</u> <u>CHANGE</u>	<u>NET</u> <u>CHANGE %</u>
Motor Fuel Tax	\$ 239,924,815	\$ 236,639,144	\$ 3,285,671	1.4%
Special Fuel Tax	86,163,124	84,519,975	1,643,149	1.9%
Motor Vehicle Registration Fees	29,390,563	28,358,991	1,031,572	3.6%
Centennial Highway MV Registration Fee	19,603,766	18,670,340	933,426	5.0%
Transportation Projects: Sales Tax - Restricted	17,515,518	19,909,258	(2,393,740)	-12.0%
Proportional Registration Fees	11,829,945	11,837,924	(7,978)	-0.1%
Public Trans Sys Tax Hwy: Sales - Restricted	8,831,233	9,791,797	(960,564)	-9.8%
Proportional Registration: Highway Use Tax	8,148,486	7,943,784	204,702	2.6%
Aviation Fuel Tax - Restricted	5,712,855	5,018,841	694,014	13.8%
Centennial Highway 1/64% Sales Tax	4,574,158	4,840,738	(266,580)	-5.5%
Motor Vehicle Control Fees	4,514,635	4,288,770	225,865	5.3%
Motor Vehicle Rental Tax - Restricted	2,852,060	3,149,264	(297,204)	-9.4%
Uninsured Motorist Fees - Restricted	2,542,416	2,402,901	139,515	5.8%
DUI Impound Fees - Restricted	895,484	889,098	6,386	0.7%
Motorcycle Safety Fees - Dedicated Credit	218,133	191,097	27,037	14.1%
Proportional Registration: Temp. Permit Fees	79,165	71,780	7,385	10.3%
Clean Fuel Incentive Surcharge	29,155	48,298	(19,143)	-39.6%
Transportation Total	\$442,825,512	\$438,572,000	\$4,253,512	1.0%
Local Sales And Use Tax	331,554,140	325,159,963	6,394,177	2.0%
MV County Collections - MVA	169,450,528	165,057,939	4,392,589	2.7%
Public Transit Tax	111,983,867	109,799,340	2,184,526	2.0%
County Option Sales & Use Tax	82,569,380	81,075,363	1,494,017	1.8%
Employers Reins. & Uninsured Employers	39,518,345	36,796,334	2,722,012	7.4%
Tourism, Recreation, Cultural, Convention Tax	34,037,735	33,774,470	263,265	0.8%
County Option Zoo, Arts Parks	18,448,162	16,947,739	1,500,424	8.9%
Transient Room Tax	17,521,252	17,569,762	(48,510)	-0.3%
Emergency Services Phone Charge	13,714,091	1,776,721	11,937,369	671.9%
Fireman's Pension Fund	9,500,901	8,809,567	691,334	7.8%
Resort Communities Tax	7,882,031	7,684,387	197,644	2.6%
Highways Sales & Use Tax	7,151,822	6,612,983	538,839	8.1%
Environmental Surcharge On Petroleum	6,056,756	3,290,611	2,766,145	84.1%
Car & Bus Tax	5,378,624	5,387,400	(8,776)	-0.2%
Rural County Hospital Tax	4,172,178	3,848,322	323,856	8.4%
Municipal Energy Sales & Use Tax	3,380,786	2,526,496	854,290	33.8%
Waste Tire Recycling Fees	2,535,468	2,353,306	182,161	7.7%
Municipality Transient Room Tax	761,964	679,520	82,444	12.1%
Tax Commission Suspense	318,544	(1,997,113)	2,315,657	-116.0%
Local Sports / Recreational Bonding (1/64)	173,047	168,508	4,539	2.7%
Collegiate License Plate Fees	148,166	129,151	19,015	14.7%
Inc. Tax Contributions: Election Campaign	137,070	150,094	(13,024)	-8.7%
Inc. Tax Contributions: Education	46,965	65,004	(18,039)	-27.8%
Children's License Plate Fees	39,541	39,209	332	0.8%
Other License Plate and Contributions	39,264	26,957	12,307	45.7%
Town Option Sales & Use Tax	29,845	25,041	4,804	19.2%
Motor Vehicle Blindness Prevention Checkoff	19,025	10,161	8,863	87.2%
Boy Scout License Plate Fees	8,949	8,954	(5)	-0.1%
Illegal Drug Stamp Tax: Law Enforcement	130	-	130	
MV County Collections -Courtesy/Internet	-	21,918	(21,918)	-100.0%
Centennial / Olympic License Plate Fees	-	8,126	(8,126)	-100.0%
Tax Cash Bonds	-	-	-	
Trust & Agency Total	\$866,578,576	\$827,806,236	\$38,772,340	4.7%

Net Revenue Comparison - Fiscal Years 2003 and 2004 (cont.)

REPORTING CATEGORY	FY 2004		FY 2003		NET AMOUNT	NET
		<u>NET REVENUE</u>		<u>NET REVENUE</u>	<u>CHANGE</u>	<u>CHANGE %</u>
Individual Income Tax: Withholding	\$	1,617,879,470	\$	1,544,629,150	\$ 73,250,320	4.7%
Corporate Franchise And Income Tax		145,004,812		148,218,226	(3,213,413)	-2.2%
Individual Income Tax: Final Payments		74,397,194		27,883,346	46,513,848	166.8%
Mineral Production Tax Withholding		17,266,409		7,184,720	10,081,688	140.3%
Wine And Liquor Tax - Dedicated Credits		16,803,534		15,799,205	1,004,329	6.4%
Gross Receipts & Radioactive Waste Tax		13,146,921		8,092,684	5,054,237	62.5%
Driver Education Fees - Dedicated Credits		4,416,044		4,310,448	105,596	2.4%
Uniform School Total	\$	1,888,914,385	\$	1,756,117,778	\$132,796,606	7.6%
Uintah Basin Revitalization Fund	\$	3,000,000 ¹	\$	1,686,135	\$ 1,313,865	77.9%
Navajo Revitalization Fund		1,216,045 ¹		939,401	276,644	29.4%
<u>Special Revenues Total</u>		<u>\$4,216,045 ¹</u>		<u>\$2,625,536</u>	<u>\$1,590,509</u>	<u>60.6%</u>
Net Revenue		\$4,943,158,364		\$4,691,786,852	\$251,371,511	5.4%

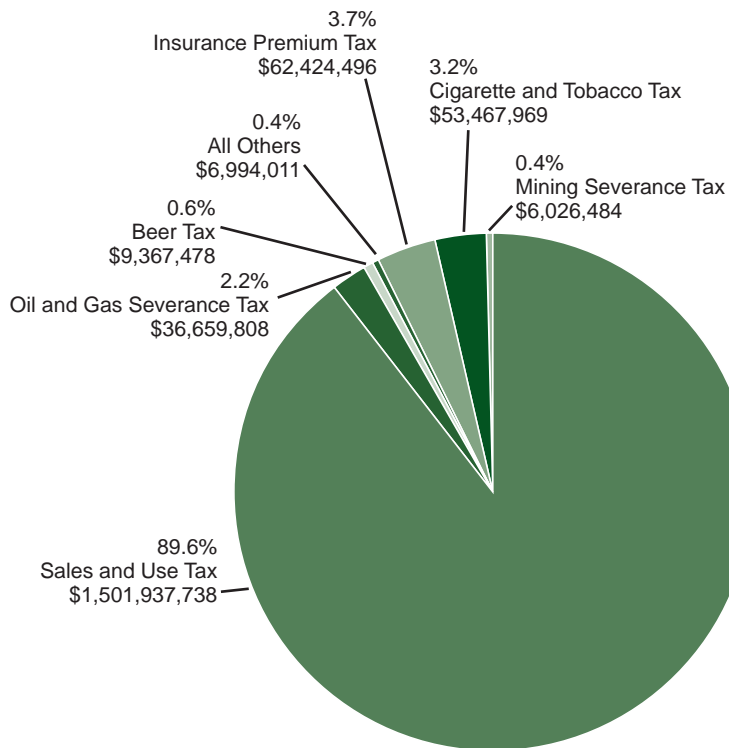
The preparation of this report in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts.

Actual results could differ from those estimates.

¹ Added to report in fiscal year 2004. ² Revised from prior year. ³ Partial revenue classification change

General Fund Total Collections: \$1,676,877,984

Fiscal Year 2004

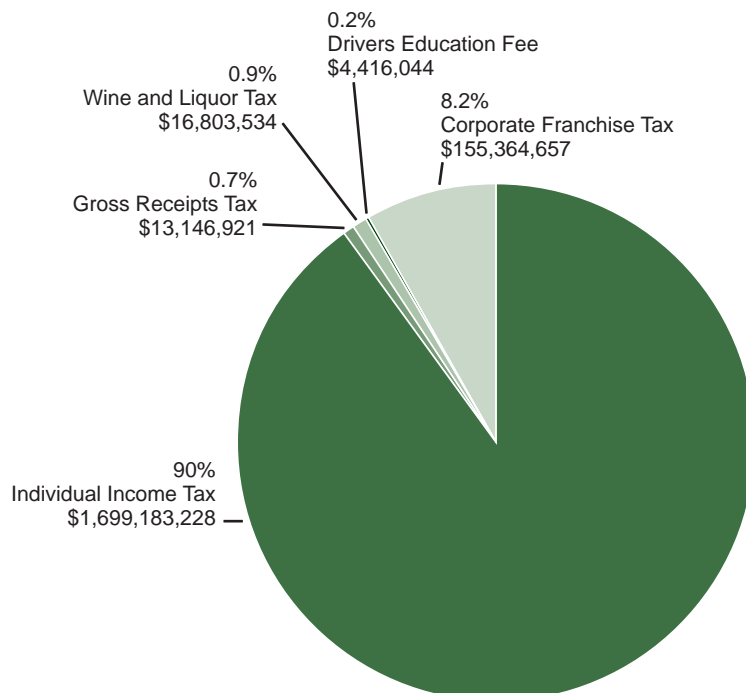


From the General Fund, the Legislature appropriates monies for general government and higher education. Some General Fund revenue is also used to fund the state's public school system. This graph shows which tax revenues make up the General Fund. The largest single source of revenue comes from the state's 4.75% sales and use tax.

This pie chart excludes General Fund Restricted revenues of \$41,704,471.

Uniform School Fund Total Collections: \$1,888,914,384

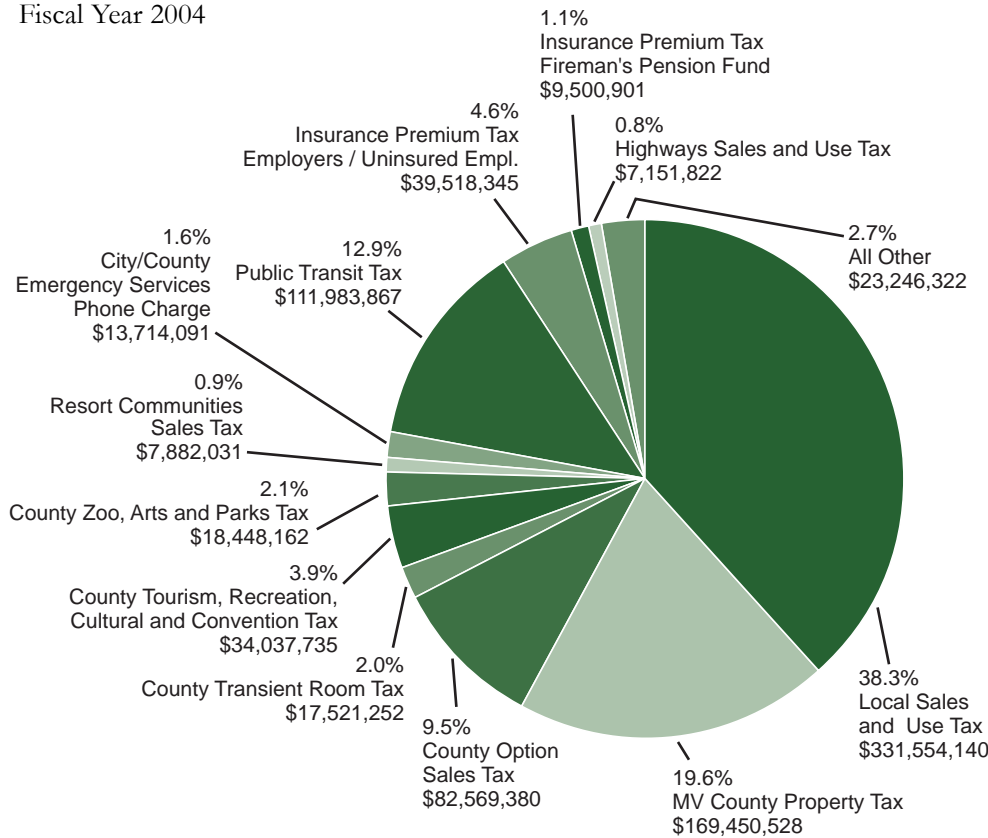
Fiscal Year 2004



Under the Utah Constitution, monies in the Uniform School Fund may only be used to fund the state's public education system. The Legislature also appropriates income tax revenue to operate the State's higher education system. As shown in this graph, the Uniform School Fund is largely comprised of revenues generated by the individual income tax and the corporate franchise tax.

Trust & Agency Fund Total Collections: \$866,578,576

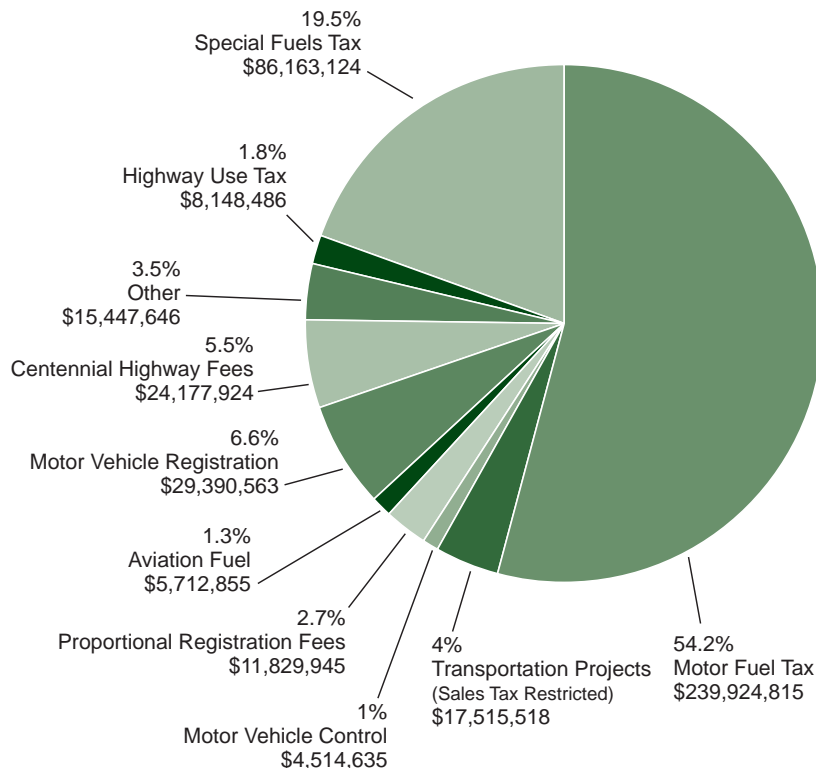
Fiscal Year 2004



The Trust and Agency Fund includes funds collected on behalf of entities outside of state government such as individuals, private organizations, or other governmental units. Pension Trust Funds, Investment Trust Funds, Private-Purpose Trust Funds and Agency Funds are examples of Trust and Agency Funds.

Transportation Fund Total Collections: \$442,825,512

Fiscal Year 2004



The Utah Constitution requires that taxes imposed on sales of motor fuel may only be used for certain highway purposes. As shown in this graph, 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.



Sales Tax

Sales taxes were first introduced 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 the state that the purchaser stores, uses, or consumes within the state. All state and local sales and use taxes are administered by the Utah State Tax Commission.

State Sales and Use Tax

Utah Code Ann. §59-12-101

Since July 1, 1997 the Utah sales and use tax rate has been 4.75%. The same rates apply to retail sales of meals, admissions to places of amusement, intrastate communication and passenger service, commercial electric, gas and heat utility service, hotel and motel accommodations and certain other services. There are 55 exemptions. Retailer licenses are issued without fee. Charges for residential use of electricity and fuel are taxed at a rate of 2 percent. Use Tax is charged at the same rates as above on certain services and tangible personal property that is purchased for use, consumption or storage in Utah.

Fiscal Year 2004 Revenues: \$1,501,937,738

Local Sales and Use Tax

Utah Code Ann. §59-12-201

The Local Sales and Use Tax must be adopted by local ordinance and currently all local governments impose the tax levy at the full 1 percent (effective January 1, 1990) of the purchase price on the same transactions to which the state sales and use tax is applied. Retailers are liable for the tax collection. The Tax Commission acts as collection and distribution agent for local governmental units.

Fiscal Year 2004 Revenues: \$331,554,140

County Option Sales and Use Tax

Utah Code Ann. §59-12-1102 and §59-2-924

Provided a county reduces its certified property tax rate by the same amount it expects to gain in sales tax, it may impose by ordinance a county option sales and use tax of 1/4 % of the purchase price on transactions to which the state sales and use tax is applied. Hearings, advertising and voter approval are required. Retailers are liable to collect the tax under the same conditions as applicable for sales and use tax. The Tax Commission acts as agent for the participating localities. All but three counties (Emery, Kane and Millard) have imposed this tax.

Fiscal Year 2004 Revenues: \$82,569,380

Public Transit Tax

Utah Code Ann. §59-12-501 and 502

The 1/4 of 1 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 1/4 of 1 percent Public Transit Tax to fund a fixed guideway and expanded transportation system. Currently Salt Lake, Davis and Weber Counties have approved this tax.

Fiscal Year 2004 Revenues: \$111,983,867

Municipal Highways Tax

Utah Code Ann. §59-12-1001

A municipality in which the Public Transit Tax is not levied may impose a sales and use tax of 1/4 of 1 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 applicable for sales and use tax. The Tax Commission acts as agent for the participating localities.

Fiscal Year 2004 Revenues: \$7,151,822

Tourism, Recreation, Cultural and Convention Facilities Tax

Utah Code Ann. §59-12-603

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

- a tax of up to 3 percent on all short-term leases and rentals of motor vehicles not exceeding 30 days, except when the rental vehicle is replacing a motor vehicle that is being repaired pursuant to a repair or insurance agreement. Effective January 1, 1999, counties who have imposed the motor vehicle short-term lease and rental tax may impose an additional 4 percent tax on these vehicles.
- a tax of up to 1 percent of all sales of prepared foods and beverages sold by restaurants for immediate consumption.
- a tax of up to 1/2 of 1 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.

Fiscal Year 2004 Revenues: \$34,037,735

Transient Room Taxes

Utah Code Ann. §59-12-301

The Transient Room Tax is applied to the rental charge for any suite, room or rooms, in a motel, hotel, 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 agent for the counties, but 1990 legislation allows counties to elect to collect the tax themselves. Only Grand County has opted to collect its own Transient Room Tax (effective January 1, 1996). The tax rate is levied up to 3 percent of the rental charge as fixed by county ordinance. Currently, the tax rate is 3 percent in all counties.

Fiscal Year 2004 Revenues: \$17,521,252

Municipality Transient Room Tax

Utah Code Ann. §59-12-352 and 353

In addition, a municipality may impose a Municipality Transient Room Tax 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 consecutive days. A municipality may also impose an additional Transient Room Tax of up to 1/2 of 1 percent if it levied or collected a license fee or tax under Section 10-1-203 before January 1, 1996 and before January 1, 1997 incurred bonded indebtedness or other indebtedness based on that license fee or tax. The additional tax may be levied until the indebtedness is retired, or 25 years from the day on which the municipality levied the additional tax.

Fiscal Year 2004 Revenues: \$761,964

“Zoo Tax” (Botanical, Cultural and Zoological Tax)

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

The Botanical, Cultural and Zoological Tax may be imposed up to 1/10 of 1 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 agent for the participating localities. Salt Lake, Summit and Uintah counties have enacted the tax.

Fiscal Year 2004 Revenues: \$18,448,162

Resort Communities Tax

Utah Code Ann. §59-12-401

The Resort Communities Tax may be levied by municipalities whose transient room capacity is greater than or equal to 66 percent of the permanent census population. Qualifying municipalities may impose a tax levy of up to 1 percent of the purchase price on the same transaction to which the state sales tax is applied. An additional 1/2 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 January 1, 1996, and meets certain statutory criteria, the municipality may impose the additional 1/2 percent without voter approval. In addition to exemptions provided under the state sales tax law, wholesale sales and single-item sales exceeding \$2,500 were exempt from this tax until July 1, 2004. Retailers are liable for the tax collection. The Tax Commission acts as agent for local governmental units.

Fiscal Year 2004 Revenues: \$7,882,031

Rural Hospital Tax

Utah Code Annotated S59-12-801

A city or county in a county of the fourth, fifth or sixth class may impose a sales tax of up to 1% to fund rural county health care facilities. The monies may only be used to fund ongoing operating expenses, acquisition of land and design, construction equipping or furnishing of rural health care facilities. Rural health care facilities are nursing care facilities located in fourth (population 11,000 to 31,000), fifth (population 4,000 to 11,000) or sixth class (population less than 4,000) counties, which are not in SMSAs (standard metropolitan statistical areas). In fiscal year 2004, those entities utilizing the tax were Garfield, Kane and Uintah counties and Beaver City.

Fiscal Year 2004 Revenues: \$4,172,178

Town Option Sales and Use Tax

Utah Code Annotated S59-12-1301

A town may impose a tax of up to 1% if a town imposed a license fee or business gross receipts on or before January 1, 1996. Only the town of Snowville imposed this tax in fiscal year 2004.

Fiscal Year 2004 Revenues: \$29,845

Taxable Retail Sales, Services and Business Equipment Purchases by County

Calendar Years 1999 through 2003

<u>COUNTY</u>	<u>1999</u>	<u>2000¹</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Beaver	\$ 56,796,599	\$ 59,533,738	\$ 57,150,257	\$ 78,643,822	\$ 78,321,295
Box Elder	392,554,576	388,463,051	387,021,110	397,597,890	414,494,710
Cache	877,516,245	881,748,639	936,524,543	991,873,325	1,029,987,061
Carbon	344,787,305	346,715,900	361,995,352	351,112,861	333,785,502
Daggett	11,083,920	13,701,974	14,635,105	14,748,590	11,692,322
Davis	2,501,488,171	2,561,945,556	2,690,459,983	2,759,164,731	2,795,943,681
Duchesne	113,995,306	152,667,814	163,956,901	145,071,558	157,009,682
Emery	86,178,899	78,516,158	102,774,219	106,343,423	104,310,439
Garfield	71,530,129	73,145,377	66,630,018	67,872,943	68,752,485
Grand	167,663,347	162,911,808	166,019,643	174,635,577	163,637,016
Iron	403,990,858	417,168,360	420,501,521	457,128,755	480,123,467
Juab	67,800,309	73,826,705	69,528,286	104,467,036	99,188,624
Kane	99,972,386	107,426,955	101,852,245	99,787,339	97,504,725
Millard	108,565,176	107,366,842	120,662,495	128,805,095	128,822,920
Morgan	52,752,568	55,091,635	55,255,017	48,655,061	49,300,117
Piute	5,556,641	5,742,323	5,672,633	6,183,485	6,617,576
Rich	15,593,403	16,731,346	16,224,980	17,302,794	18,373,609
Salt Lake	15,032,355,344	15,941,513,323	15,864,887,932	15,706,919,505	15,445,006,387
San Juan	96,128,945	89,321,720	87,476,582	88,823,783	85,238,249
Sanpete	125,822,688	143,234,506	158,395,663	158,154,750	162,116,042
Sevier	212,472,805	219,208,375	219,577,652	229,937,800	225,887,000
Summit	685,939,692	742,862,484	830,104,320	862,281,570	854,703,303
Tooele	306,930,181	330,289,699	363,273,243	408,234,189	325,233,649
Uintah	331,526,601	439,786,724	497,920,681	452,556,426	484,733,738
Utah	3,938,892,458	4,170,665,617	4,326,455,093	4,394,333,416	4,433,228,375
Wasatch	155,799,341	171,726,889	174,016,839	186,566,663	184,211,496
Washington	1,159,452,168	1,237,822,795	1,376,922,982	1,503,264,367	1,626,273,410
Wayne	23,000,106	23,460,239	23,595,162	23,570,949	27,607,530
Weber	2,375,445,131	2,456,562,991	2,510,725,246	2,552,414,748	2,599,184,450
<u>Out of State Use Tax</u>	<u>176,949,415</u>	<u>175,863,321</u>	<u>255,972,886</u>	<u>(4,301,122)</u>	<u>68,753,302</u>
Totals	\$29,998,540,713	\$31,645,012,864	\$32,426,188,589	\$32,512,151,329	\$32,560,042,162

¹ Revised from prior year

Taxable Retail Sales, Services & Business Purchases by Major Industry

Calendar Years 1999 through 2003

MAJOR INDUSTRY	STANDARD	1999	2000	2001 ¹	2002	2003
	INDUSTRIAL					
	CODES					
Agriculture, Forestry & Fishing	(111-973)	\$ 26,499,298	\$ 32,173,236	\$ 35,595,845	\$ 37,667,039	\$ 41,251,134
Mining	(1011-1499)	180,266,562	202,157,429	207,660,044	157,344,140	141,246,125
Construction	(1521-1799)	421,476,264	407,856,957	368,364,019	315,094,656	305,795,047
Manufacturing	(2011-3999)	1,539,452,115	1,543,233,662	1,587,075,123	1,369,020,754	1,392,412,189
Transportation	(4011-4789)	140,231,301	149,218,212	144,105,928	96,433,958	89,823,361
Communications	(4812-4899)	1,191,316,540	1,414,682,448	1,557,601,739	1,439,856,405	1,446,259,789
Electric & Gas	(4911-4971)	1,060,963,549	1,177,945,781	1,409,269,559	1,523,791,251	1,387,049,181
Wholesale-Durable Goods	(5012-5099)	2,624,224,746	2,758,919,796	2,591,677,094	2,458,353,020	2,485,790,553
Wholesale-Nondurable Goods	(5111-5199)	654,451,721	685,693,896	686,598,109	641,636,112	619,210,678
Retail-Building & Garden	(5211-5271)	1,476,047,351	1,425,559,543	1,458,472,365	1,486,673,553	1,614,034,048
Retail-General Merchandise	(5311-5399)	2,619,314,987	2,797,186,682	3,109,893,216	3,598,471,630	3,820,217,212
Retail-Food Stores	(5411-5499)	3,492,673,060	3,640,536,562	3,517,793,412	3,202,859,198	3,053,660,897
Retail-Motor Vehicle Dealers	(5511-5599)	3,175,267,440	3,389,594,545	3,576,619,896	3,734,294,586	3,812,401,318
Retail-Apparel & Accessory	(5611-5699)	759,844,539	789,357,871	803,017,539	831,991,715	853,364,222
Retail-Furniture	(5712-5736)	1,350,921,685	1,371,175,631	1,312,754,439	1,366,026,299	1,392,367,544
Retail-Eating & Drinking	(5812-5813)	1,814,710,248	1,906,402,061	1,945,537,598	2,013,284,690	2,067,533,612
Retail-Miscellaneous	(5912-5999)	1,804,517,009	1,958,130,477	2,023,516,976	2,122,603,483	2,195,189,258
Finance, Ins. & Real Estate	(6011-6799)	449,725,462	469,097,328	442,356,771	457,361,171	390,056,751
Services-Hotels & Lodging	(7011-7041)	556,439,832	583,185,128	599,113,092	673,868,602	599,476,406
Services-Personal	(7211-7299)	190,113,674	199,675,659	208,377,275	211,603,992	210,602,858
Services-Business	(7311-7389)	1,041,708,766	1,222,524,698	1,147,354,992	1,004,714,224	973,215,323
Services-Auto & Misc. Repair	(7513-7699)	1,169,442,008	1,239,304,060	1,263,276,206	1,210,831,322	1,173,559,316
Services-Amusement & Recr.	(7812-7999)	649,682,489	714,250,902	727,114,423	731,443,202	729,539,514
Services-Health	(8011-8099)	86,328,864	93,273,606	96,294,844	104,390,004	113,895,618
Services-Ed., Legal, Social	(8111-8999)	207,027,693	224,240,125	225,477,466	220,365,347	205,385,830
Public Administration	(9111-9721)	67,973,006	66,505,087	67,042,504	77,846,186	93,453,103
Private Motor Vehicle Sales		605,250,028	613,687,363	597,281,597	668,029,261	668,029,261
Occasional Retail Sales		71,489,138	110,828,394	96,476,568	82,742,924	82,742,924
Nondisclosable or SIC Uncoded		22,849,145	31,164,065	36,437,854	34,312,624	26,724,924
<u>Prior-Period Payments, Refunds & Adjustments</u>		<u>653,909,720</u>	<u>475,228,264</u>	<u>553,274,506</u>	<u>696,253,973</u>	<u>575,755,083</u>
Total		\$29,998,540,712	\$31,645,012,877	\$32,426,188,591	\$32,512,151,301	\$32,560,042,177

¹ Revised from prior year

Sales Tax Exemption Amounts

Fiscal Year 2004. Utah law exempts certain purchases from the sales & use tax. The following are exemptions by legal category and estimated sales tax exemption amounts. See 59-12-104 Utah Code Ann.

A. ECONOMIC DEVELOPMENT			EXEMPT REVENUE	RELIABILITY LEVEL	C. GOVERNMENTAL			EXEMPT REVENUE	RELIABILITY LEVEL
1.	a.	New or expanding manufacturing machinery & equipment	\$31,724,000 ¹	b	1.	a.	State government purchases	\$17,646,000	a
	b.	Normal operating replacement equipment and machinery	\$9,851,000 ²	b		b.	Local government purchases	\$20,652,000	a
2.		Airline food	\$280,000	e	2.		Fares charged to persons transported by public transit	\$922,000	a
3.		Airline equipment	\$175,000	e	3.		Admissions to college athletic events	\$481,000	e
4.		Aerospace tools	\$406,000	e	4.		Sales by state & local photocopies or copies of records	\$10,000	e
5.	a.	Motion picture rentals &	\$30,000	e	5.		Sales by the Heber Creeper Railroad	\$10,000	e
	b.	radio broadcast tapes	\$20,000	e	SUBTOTAL: GOVERNMENTAL			\$39,721,000	
6.		Machinery and equipment purchases used by non-live motion picture and television programs, music videos, commercials or documentaries	\$250,000	e	D. SOCIAL SERVICE, HEALTH, CHARITABLE & OTHER				
7.		Intrastate movement of freight by common carrier or people by taxicabs	\$2,413,000	e	1.		Food stamps	\$5,539,000	a
8.		Farm machinery and irrigation equipment	\$16,965,000 ³	b	2.		WIC program food purchases	\$1,556,000	a
9.		Commercial sprays & insecticides	\$625,000	e	3.	a.	Meals served by schools, churches	\$496,000	e
10.		Sales of hay	\$2,845,000	c		b.	Meals served by nursing homes & hosp.	\$484,000	e
11.		Sales of aircraft manufactured in Utah	0	c	4.		Pollution control	\$255,000	b
12.		Electricity sales to ski resorts for all lifts	\$ 74,000	b	5.		Prescription drugs	\$57,674,000	d
13.		Ski resort equipment	\$502,000	b	6.		Oxygen & stoma supplies	\$51,000	e
14.		Steel mill nondurable equipment	\$100,000	e	7.	a.	Religious or charitable sales > \$1,000	\$5,323,000	c
15.		Semiconductor manufacturing	<\$1,020,000	b		b.	& purchases < \$1,000	\$4,435,000	c
SUBTOTAL ECONOMIC DEVELOPMENT:			\$67,282,000		8.		Newspaper sales or subscriptions	\$2,535,000	c
B. ECONOMIC EFFICIENCY					9.		Leases to authorized carriers	\$1,500,000	c
1.	a.	Motor & special fuels	\$123,362,000	a	10.		School & fund-raising sale	\$50,000	e
	b.	Aviation fuel	\$6,881,000	a	11.		Home medical equipment and prosthetic devices	\$521,000	e
2.		Vending machine sales < \$1 of food or beverages	\$1,006,000	e	12.		Hearing aids	\$330,000	e
3.		Coin-operated laundromats	\$263,000	e	13.		Sales by area aging services	\$1,000	e
4.		Coin-operated car washing	\$556,000	e	14.		Wind, geothermal, solar energy sales	n/a	
5.		Nonresident vehicles	\$5,586,000	e	15.		Water in a pipe, conduit, ditch or reservoir	n/a	
6.		Nonresident boats	\$161,000	e	16.		Currency or coinage which is legal tender in U.S.	n/a	
7.		Occasional sales	\$2,602,000	e	17.		Gold, silver, platinum ingots, bars medallions	n/a	
8.		Tangible personal property trades	n/a		SUBTOTAL: SOCIAL SERVICES, HEALTH & CHARITABLE			\$80,748,000	
9.		Exclusive sales of locally grown farm produce	\$1,425,000	e	TOTAL STATE SALES TAX:			\$415,779,000	
10.		Containers, labels, casings	\$22,223,000	c	ESTIMATED LOCAL SALES TAX			\$150,503,000	
11.		Property stored in the state for resale	n/a		GRAND TOTAL STATE AND LOCAL SALES TAXES			\$566,282,000	
12.		Property brought in by a nonresident for use	\$3,135,000	c					
13.		Property purchased for resale or as an ingredient or component part of manufactured products	\$30,357,000 ⁴	c	¹ Reported amounts were \$10,863,000 for FY04 ² Reported amounts were \$3,373,000 for FY04 ³ Reported amounts were \$11,619,000 for FY04 ⁴ Excludes sales for resale at \$1.0 billion				
14.		Property upon which sales tax was paid to another state	n/a						
15.		Sales of transportation, interstate telephone, telegraph, or fuel for use in compounding a taxable service	\$15,393,000	c	RELIABILITY LEVEL				
16.		Personal property shipped out of state & incorporated into real property	\$284,000	e	a: Based on net collections data with applied tax rates or prices				
17.		Coin-operated amusement devices	\$694,000	e	b: Based on tax return information adjusted for audit compliance ratios				
18.		45% of new and 100% of used manufactured homes	\$1,000,000	c	c: Based on average marginal tax rates applied to aggregate statewide data				
19.		Intrastate transportation to an employer's employee	\$25,000	e	d: Based on national expenditure data shared down to Utah				
20.		Sales of natural gas, electricity, coal, fuel oil for industrial use	\$28,440,000	c	e: Based on old fiscal note estimates adjusted for inflation				
21.		Telephone service from prepaid calling card	\$27,000	e					
SUBTOTAL ECONOMIC EFFICIENCY			\$228,027,000						

Distribution of Local Sales and Use Taxes Fiscal Years 2002, 2003 and 2004

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004		FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change	
Sales	Beaver County	\$ 105,547.77	\$	131,208.28		24.3%	\$ 113,327.42	-13.6%	
Sales	Beaver City	346,797.33		558,365.94		61.0%	339,695.85	-39.2%	
Sales	Milford	157,073.76		201,123.84		28.0%	157,209.71	-21.8%	
Sales	Minersville	74,886.08		80,678.29		7.7%	65,031.40	-19.4%	
TOTAL COUNTY AND CITIES		84,304.94		971,376.35		42.0%	675,264.38	-30.5%	
TOTAL CITIES AND TOWNS		578,757.17		840,168.07		45.2%	561,936.96	-33.1%	
Sales	Box Elder County	\$ 648,255.57	\$	700,139.91		8.0%	\$ 779,463.42	11.3%	
Sales	Bear River	54,143.12		53,014.77		-2.1%	55,809.96	5.3%	
Sales	Brigham	2,276,092.68		2,003,539.83		-12.0%	2,227,152.79	11.2%	
Sales	Corinne	59,608.48		58,288.89		-2.2%	68,251.20	17.1%	
Sales	Deweyville	21,528.57		20,380.39		-5.3%	21,563.95	5.8%	
Sales	Elwood	45,065.32		50,027.36		11.0%	55,870.78	11.7%	
Sales	Fielding	35,038.27		34,758.29		-0.8%	35,254.23	1.4%	
Sales	Garland	147,069.51		142,906.69		-2.8%	150,539.60	5.3%	
Sales	Honeyville	91,847.64		88,357.09		-3.8%	95,116.68	7.7%	
Sales	Howell	18,071.66		29,979.45		65.9%	15,244.29	-49.2%	
Sales	Mantua	55,449.34		53,188.21		-4.1%	55,640.55	4.6%	
Sales	Perry	265,973.49		492,733.80		85.3%	382,956.15	-22.3%	
Sales	Plymouth	32,316.95		31,308.15		-3.1%	35,039.58	11.9%	
Sales	Portage	17,203.62		16,877.47		-1.9%	18,485.48	9.5%	
Sales	Snowville	33,392.46		28,175.22		-15.6%	28,718.48	1.9%	
Sales	Tremonton	847,606.89		816,755.79		-3.6%	875,609.20	7.2%	
Sales	Willard	166,589.43		150,464.28		-9.7%	146,762.41	-2.5%	
TOTAL COUNTY AND CITIES		4,815,253.00		4,770,895.59		-0.9%	5,047,478.75	5.8%	
TOTAL CITIES AND TOWNS		4,166,997.43		4,070,755.68		-2.3%	4,268,015.33	4.8%	
Sales	Cache County	\$ 464,674.17	\$	472,499.93		1.7%	\$ 553,908.35	17.2%	
Sales	Amalga	33,892.49		35,470.84		4.7%	31,997.00	-9.8%	
Sales	Clarkston	47,987.41		46,804.28		-2.5%	46,745.40	-0.1%	
Sales	Cornish	19,784.27		19,156.70		-3.2%	19,024.23	-0.7%	
Sales	Hyde Park	288,338.60		308,509.01		7.0%	289,867.28	-6.0%	
Sales	Hyrum	519,233.51		521,088.85		0.4%	546,534.38	4.9%	
Sales	Lewiston	154,000.68		147,657.44		-4.1%	146,893.78	-0.5%	
Sales	Logan	5,974,480.95		6,000,673.39		0.4%	6,309,440.96	5.1%	
Sales	Mendon	64,738.64		64,975.23		0.4%	68,830.40	5.9%	
Sales	Millville	108,628.65		115,505.92		6.3%	120,565.55	4.4%	
Sales	Newton	47,571.74		47,370.29		-0.4%	49,887.14	5.3%	
Sales	North Logan	1,319,265.89		1,328,493.30		0.7%	1,356,651.26	2.1%	
Sales	Paradise	53,836.24		54,358.22		1.0%	54,476.84	0.2%	
Sales	Providence	325,845.74		334,339.16		2.6%	393,705.98	17.8%	
Sales	Richmond	156,614.92		154,810.09		-1.2%	163,340.22	5.5%	
Sales	River Heights	101,626.80		98,062.18		-3.5%	102,155.90	4.2%	
Sales	Smithfield	726,544.67		719,890.44		-0.9%	755,899.57	5.0%	
Sales	Wellsville	214,820.27		200,566.92		-6.6%	210,228.60	4.8%	
Sales	Trenton	33,230.65		31,315.58		-5.8%	31,875.80	1.8%	
Sales	Nibley	146,730.87		147,034.38		0.2%	168,310.46	14.5%	
TOTAL COUNTY AND CITIES		10,801,847.16		10,848,582.15		0.4%	11,420,339.10	5.3%	
TOTAL CITIES AND TOWNS		10,337,172.99		10,376,082.22		0.4%	10,866,430.75	4.7%	
Sales	Carbon County	\$ 792,122.75	\$	716,055.36		-9.6%	\$ 769,370.17	7.4%	
Sales	Helper	264,945.64		255,442.94		-3.6%	240,015.75	-6.0%	
Sales	Price	1,884,491.32		1,720,799.97		-8.7%	1,784,174.26	3.7%	
Sales	Scotfield	3,335.34		2,872.14		-13.9%	2,719.93	-5.3%	
Sales	Sunnyside	34,342.91		40,549.16		18.1%	39,850.44	-1.7%	
Sales	Wellington	183,958.92		247,058.10		34.3%	239,300.17	-3.1%	
Sales	E Carbon	100,073.46		97,570.86		-2.5%	94,919.19	-2.7%	
TOTAL COUNTY AND CITIES		3,263,270.34		3,080,348.53		-5.6%	3,170,349.91	2.9%	
TOTAL CITIES AND TOWNS		2,471,147.59		2,364,293.17		-4.3%	2,400,979.74	1.6%	

Distribution of Local Sales and Use Taxes Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004		FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change	
Sales	Daggett County	\$ 96,179.76	\$	87,141.50		-9.4%	\$ 83,518.93	-4.2%	
Sales	Manila	41,703.68		41,911.38		0.5%	34,604.61	-17.4%	
TOTAL COUNTY AND CITIES		137,883.44		129,052.88		-6.4%	118,123.54	-8.5%	
TOTAL CITIES AND TOWNS		41,703.68		41,911.38		0.5%	34,604.61	-17.4%	
Sales	Davis County	\$ 335,223.94	\$	463,217.82		38.2%	\$ 722,801.36	56.0%	
Sales	Bountiful	4,814,720.77		4,722,805.41		-1.9%	4,802,997.16	1.7%	
Sales	Centerville	2,141,708.51		2,160,833.00		0.9%	2,214,649.63	2.5%	
Sales	Clearfield	2,509,480.51		2,469,301.83		-1.6%	2,534,700.04	2.6%	
Sales	Fruit Heights	364,598.29		346,665.13		-4.9%	350,144.55	1.0%	
Sales	Farmington	1,238,189.64		1,187,903.08		-4.1%	1,261,957.54	6.2%	
Sales	Kaysville	2,024,363.28		2,078,652.44		2.7%	2,180,856.18	4.9%	
Sales	Layton	9,228,947.82		9,213,275.67		-0.2%	9,459,414.50	2.7%	
Sales	North Salt Lake	1,472,713.79		1,423,706.57		-3.3%	1,456,409.67	2.3%	
Sales	South Weber	351,759.52		350,480.56		-0.4%	417,563.37	19.1%	
Sales	Sunset	518,163.99		508,375.11		-1.9%	506,463.27	-0.4%	
Sales	Syracuse	958,353.48		980,086.74		2.3%	1,177,147.51	20.1%	
Sales	West Point	416,390.42		409,833.02		-1.6%	431,590.85	5.3%	
Sales	Woods Cross	1,548,994.17		1,591,981.49		2.8%	1,602,601.47	0.7%	
Sales	Clinton	968,991.29		972,162.71		0.3%	1,192,180.15	22.6%	
Sales	West Bountiful	739,733.39		735,302.67		-0.6%	705,883.81	-4.0%	
TOTAL COUNTY AND CITIES		29,632,332.81		29,614,583.25		-0.1%	31,017,361.06	4.7%	
TOTAL CITIES AND TOWNS		29,297,108.87		29,151,365.43		-0.5%	30,294,559.70	3.9%	
Sales	Duchesne County	\$ 717,539.74	\$	651,306.68		-9.2%	\$ 774,977.63	19.0%	
Sales	Altamont	34,148.75		30,437.18		-10.9%	31,775.85	4.4%	
Sales	Duchesne	176,785.58		187,639.68		6.1%	182,001.79	-3.0%	
Sales	Myton	39,840.61		38,686.00		-2.9%	42,455.76	9.7%	
Sales	Roosevelt	767,154.30		742,885.07		-3.2%	805,946.59	8.5%	
Sales	Tabiona	11,832.98		11,375.60		-3.9%	11,796.14	3.7%	
TOTAL COUNTY AND CITIES		1,747,301.96		1,662,330.21		-4.9%	1,848,953.76	11.2%	
TOTAL CITIES AND TOWNS		1,029,762.22		1,011,023.53		-1.8%	1,073,976.13	6.2%	
Sales	Emery County	\$ 148,537.94	\$	144,808.36		-2.5%	\$ 141,935.48	-2.0%	
Sales	Castle Dale	217,227.23		211,802.07		-2.5%	211,423.38	-0.2%	
Sales	Clawson	10,987.70		11,998.78		9.2%	11,757.32	-2.0%	
Sales	Cleveland	59,624.87		55,418.47		-7.1%	53,492.23	-3.5%	
Sales	Elmo	27,466.03		27,585.84		0.4%	25,848.09	-6.3%	
Sales	Emery City	27,283.76		24,707.23		-9.4%	21,886.84	-11.4%	
Sales	Ferron	150,075.37		142,800.11		-4.8%	127,087.78	-11.0%	
Sales	Green River	123,409.63		125,789.36		1.9%	181,712.17	44.5%	
Sales	Huntington	323,074.42		317,101.18		-1.8%	329,666.97	4.0%	
Sales	Orangeville	160,676.99		154,825.37		-3.6%	134,403.16	-13.2%	
TOTAL COUNTY AND CITIES		1,248,363.94		1,216,836.77		-2.5%	1,239,213.42	1.8%	
TOTAL CITIES AND TOWNS		1,099,826.00		1,072,028.41		-2.5%	1,097,277.94	2.4%	
Note: Effective 04/01/2003, the portion of Green River City previously located in Grand County was annexed into Emery County.									
Sales	Garfield County	\$ 290,801.44	\$	296,320.71		1.9%	\$ 317,007.21	7.0%	
Sales	Antimony	9,789.72		10,475.20		7.0%	11,181.51	6.7%	
Sales	Boulder	22,395.18		21,302.54		-4.9%	23,564.01	10.6%	
Sales	Cannonville	17,350.04		17,837.82		2.8%	15,869.74	-11.0%	
Sales	Escalante	83,754.20		80,715.62		-3.6%	81,230.27	0.6%	
Sales	Hatch	12,912.30		12,994.53		0.6%	13,221.32	1.7%	
Sales	Henrieville	11,074.88		10,738.37		-3.0%	11,281.04	5.1%	
Sales	Panguitch	183,172.02		173,814.67		-5.1%	178,873.88	2.9%	
Sales	Tropic	54,464.36		49,060.11		-9.9%	48,544.90	-1.1%	
TOTAL COUNTY AND CITIES		685,714.14		673,259.57		-1.8%	700,773.88	4.1%	
TOTAL CITIES AND TOWNS		394,912.70		376,938.86		-4.6%	383,766.67	1.8%	

Distribution of Local Sales and Use Taxes

Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004		FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change	
Sales	Grand County	\$ 393,433.11	\$	405,018.31		2.9%	\$ 421,412.24	4.0%	
Sales	Castle Valley	23,090.51		23,685.69		2.6%	24,183.32	2.1%	
Sales	Moab	951,257.91		944,439.53		-0.7%	985,989.87	4.4%	
Sales	E Green River	95,452.15		90,179.76		-5.5%	1,147.82	-98.7%	
TOTAL COUNTY AND CITIES		1,463,233.68		1,463,323.29		0.0%	1,432,733.25	-2.1%	
TOTAL CITIES AND TOWNS		1,069,800.57		1,058,304.98		-1.1%	1,011,321.01	-4.4%	
Note: Effective 04/01/2003, the portion of Green River City previously located in Grand County was annexed into Emery County.									
Sales	Iron County	\$ 470,948.14	\$	472,130.77		0.3%	\$ 504,881.25	6.9%	
Sales	Cedar City	3,312,125.54		3,565,679.11		7.7%	3,413,301.71	-4.3%	
Sales	Enoch	234,328.65		233,640.22		-0.3%	256,607.01	9.8%	
Sales	Kanarraville	24,638.61		24,632.53		-0.0%	22,985.40	-6.7%	
Sales	Paragonah	35,533.02		36,137.65		1.7%	37,874.94	4.8%	
Sales	Parowan	238,323.18		249,327.33		4.6%	240,415.47	-3.6%	
Sales	Brian Head	98,930.28		127,977.14		29.4%	101,821.95	-20.4%	
TOTAL COUNTY AND CITIES		4,414,827.42		4,709,524.75		6.7%	4,577,887.73	-2.8%	
TOTAL CITIES AND TOWNS		3,943,879.28		4,237,393.98		7.4%	4,073,006.48	-3.9%	
Sales	Juab County	\$ 81,778.96	\$	91,679.78		12.1%	\$ 77,158.73	-15.8%	
Sales	Eureka	55,763.64		65,194.09		16.9%	56,162.48	-13.9%	
Sales	Levan	50,037.60		57,714.29		15.3%	55,073.57	-4.6%	
Sales	Mona	62,271.81		70,349.48		13.0%	70,848.51	0.7%	
Sales	Nephi	606,363.01		999,131.83		64.8%	611,426.45	-38.8%	
Sales	Rocky Ridge	40,398.97		40,442.00		0.1%	35,079.16	-13.3%	
TOTAL COUNTY AND CITIES		896,613.99		1,324,511.47		47.7%	905,748.90	-31.6%	
TOTAL CITIES AND TOWNS		814,835.03		1,232,831.69		51.3%	828,590.17	-32.8%	
Sales	Kane County	\$ 389,295.35	\$	368,423.24		-5.4%	\$ 331,311.20	-10.1%	
Sales	Alton	8,901.80		8,932.89		0.3%	9,590.69	7.4%	
Sales	Glendale	25,129.42		24,256.34		-3.5%	25,817.58	6.4%	
Sales	Kanab	459,501.63		458,089.37		-0.3%	484,187.72	5.7%	
Sales	Orderville	69,556.73		66,622.61		-4.2%	70,314.74	5.5%	
Sales	Big Water	35,509.59		36,329.81		2.3%	34,760.47	-4.3%	
TOTAL COUNTY AND CITIES		987,894.52		962,654.26		-2.6%	955,982.40	-0.7%	
TOTAL CITIES AND TOWNS		598,599.17		594,231.02		-0.7%	624,671.20	5.1%	
Sales	Millard County	\$ 349,160.73	\$	356,717.91		2.2%	\$ 600,860.03	68.4%	
Sales	Delta	545,078.94		526,804.91		-3.4%	527,923.10	0.2%	
Sales	Fillmore	316,410.30		329,008.39		4.0%	323,170.09	-1.8%	
Sales	Hinckley	47,810.24		46,896.20		-1.9%	51,383.10	9.6%	
Sales	Holden	31,844.49		29,710.36		-6.7%	29,319.33	-1.3%	
Sales	Kanosh	35,863.88		35,328.61		-1.5%	35,332.97	0.0%	
Sales	Leamington	14,488.29		14,543.39		0.4%	14,618.77	0.5%	
Sales	Lynndyl	10,812.11		10,639.62		-1.6%	11,167.03	5.0%	
Sales	Meadow	21,784.49		21,838.16		0.2%	22,762.00	4.2%	
Sales	Oak City	45,442.41		44,789.42		-1.4%	44,603.57	-0.4%	
Sales	Scipio	34,439.39		27,150.48		-21.2%	25,145.06	-7.4%	
TOTAL COUNTY AND CITIES		1,453,135.27		1,443,427.45		-0.7%	1,686,285.05	16.8%	
TOTAL CITIES AND TOWNS		1,103,974.54		1,086,709.54		-1.6%	1,085,425.02	-0.1%	
Sales	Morgan County	\$ 373,787.11	\$	369,338.29		-1.2%	\$ 407,211.28	10.3%	
Sales	Morgan	366,512.83		334,079.77		-8.8%	336,367.14	0.7%	
TOTAL COUNTY AND CITIES		740,299.94		703,418.06		-5.0%	743,578.42	5.7%	
TOTAL CITIES AND TOWNS		366,512.83		334,079.77		-8.8%	336,367.14	0.7%	

Distribution of Local Sales and Use Taxes Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004		FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change	
Sales	Piute County	\$ 17,546.26	\$	18,077.67		3.0%	\$ 18,730.67	3.6%	
Sales	Circleville	45,484.83		45,574.86		0.2%	42,445.72	-6.9%	
Sales	Junction	14,860.76		14,381.91		-3.2%	15,134.51	5.2%	
Sales	Kingston	9,644.16		9,727.28		0.9%	9,359.83	-3.8%	
Sales	Marysville	32,756.75		35,006.43		6.9%	35,201.30	0.6%	
TOTAL COUNTY AND CITIES		120,292.76		122,768.15		2.1%	120,872.03	-1.5%	
TOTAL CITIES AND TOWNS		102,746.50		104,690.48		1.9%	102,141.36	-2.4%	
Sales	Rich County	\$ 54,096.06	\$	58,563.84		8.3%	\$ 63,442.75	8.3%	
Sales	Garden City	77,157.48		77,602.14		0.6%	78,515.16	1.2%	
Sales	Laketown	19,286.59		21,823.20		13.2%	19,399.95	-11.1%	
Sales	Randolph	43,455.40		44,080.43		1.4%	45,269.10	2.7%	
Sales	Woodruff	19,816.48		19,043.27		-3.9%	20,339.12	6.8%	
TOTAL COUNTY AND CITIES		213,812.01		221,112.88		3.4%	226,966.08	2.6%	
TOTAL CITIES AND TOWNS		159,715.95		162,549.04		1.8%	163,523.33	0.6%	
Sales	Salt Lake County	\$ 21,511,490.36	\$	21,240,574.10		-1.3%	\$ 21,478,596.90	1.1%	
Sales	Alta	240,989.00		254,681.10		5.7%	262,023.39	2.9%	
Sales	Bluffdale	400,584.20		397,211.69		-0.8%	458,659.58	15.5%	
Sales	Draper	3,606,329.20		3,595,704.50		-0.3%	3,863,654.08	7.5%	
Sales	Herriman	116,666.44		136,877.79		17.3%	362,440.40	164.8%	
Sales	Holladay	2,230,698.51		2,373,915.30		6.4%	2,609,245.20	9.9%	
Sales	Midvale	5,392,713.62		4,662,769.38		-13.5%	4,600,795.88	-1.3%	
Sales	Murray	11,512,942.46		11,014,840.52		-4.3%	11,855,714.04	7.6%	
Sales	Riverton	2,189,991.56		2,143,396.64		-2.1%	2,414,726.73	12.7%	
Sales	Salt Lake City	36,483,565.46		34,274,192.13		-6.1%	35,657,053.90	4.0%	
Sales	Sandy	14,727,213.60		14,623,446.84		-0.7%	15,018,633.27	2.7%	
Sales	South Jordan	2,559,791.97		2,767,735.31		8.1%	3,194,898.84	15.4%	
Sales	South Salt Lake	10,439,434.41		9,834,747.69		-5.8%	9,788,900.45	-0.5%	
Sales	Taylorsville	6,620,107.41		6,230,916.31		-5.9%	6,278,197.90	0.8%	
Sales	West Jordan	9,738,462.11		10,502,385.56		7.8%	11,088,162.13	5.6%	
Sales	West Valley	15,567,789.55		14,471,758.42		-7.0%	15,081,775.21	4.2%	
TOTAL COUNTY AND CITIES		143,338,769.86		138,525,153.28		-3.4%	144,013,477.90	4.0%	
TOTAL CITIES AND TOWNS		121,827,279.50		117,284,579.18		-3.7%	122,534,881.00	4.5%	
Sales	San Juan County	\$ 807,696.48	\$	784,691.36		-2.8%	\$ 763,739.43	-2.7%	
Sales	Blanding	366,482.56		366,289.03		-0.1%	354,124.52	-3.3%	
Sales	Monticello	225,812.77		218,446.30		-3.3%	212,572.81	-2.7%	
TOTAL COUNTY AND CITIES		1,399,991.81		1,369,426.69		-2.2%	1,330,436.76	-2.8%	
TOTAL CITIES AND TOWNS		592,295.33		584,735.33		-1.3%	566,697.33	-3.1%	
Sales	Sanpete County	\$ 253,742.15	\$	257,353.22		1.4%	\$ 283,550.22	10.2%	
Sales	Centerfield	87,626.50		84,914.58		-3.1%	87,710.43	3.3%	
Sales	Ephraim	634,081.93		644,455.58		1.6%	687,401.72	6.7%	
Sales	Fairview	126,237.72		117,382.22		-7.0%	114,643.73	-2.3%	
Sales	Fayette	14,882.80		13,850.16		-6.9%	14,915.34	7.7%	
Sales	Fountain Green	69,691.84		66,788.33		-4.2%	68,589.05	2.7%	
Sales	Gunnison	281,008.86		258,811.40		-7.9%	263,257.52	1.7%	
Sales	Manti	267,023.39		257,474.19		-3.6%	263,534.97	2.4%	
Sales	Mayfield	31,199.20		29,563.50		-5.2%	28,917.45	-2.2%	
Sales	Moroni	113,080.58		109,699.57		-3.0%	115,560.70	5.3%	
Sales	Mount Pleasant	303,760.02		311,135.12		2.4%	312,771.40	0.5%	
Sales	Spring City	68,637.85		69,223.79		0.9%	68,629.09	-0.9%	
Sales	Sterling	20,125.21		27,666.80		37.5%	25,703.81	-7.1%	
Sales	Wales	16,219.58		14,950.47		-7.8%	15,785.56	5.6%	
TOTAL COUNTY AND CITIES		2,287,317.63		2,263,268.93		-1.1%	2,350,970.99	3.9%	
TOTAL CITIES AND TOWNS		2,033,575.48		2,005,915.71		-1.4%	2,067,420.77	3.1%	

Distribution of Local Sales and Use Taxes Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004		FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change	
Sales	Sevier County	\$ 272,147.71	\$	285,559.01		4.9%	\$ 283,472.36	-0.7%	
Sales	Annabella	44,597.30		47,713.33		7.0%	45,859.15	-3.9%	
Sales	Aurora	82,723.58		87,596.15		5.9%	85,843.57	-2.0%	
Sales	Elsinore	54,815.94		54,725.42		-0.2%	54,156.26	-1.0%	
Sales	Glenwood	29,878.39		30,920.69		3.5%	29,579.64	-4.3%	
Sales	Joseph	20,988.87		21,485.10		2.4%	20,673.62	-3.8%	
Sales	Koosharem	20,271.01		19,608.84		-3.3%	25,306.60	29.1%	
Sales	Monroe	147,684.93		143,431.49		-2.9%	143,768.16	0.2%	
Sales	Redmond	68,119.18		65,932.24		-3.2%	63,541.66	-3.6%	
Sales	Richfield	1,235,715.08		1,243,244.19		0.6%	1,306,008.38	5.0%	
Sales	Salina	344,418.60		338,650.48		-1.7%	340,310.64	0.5%	
Sales	Sigurd	40,576.76		36,497.38		-10.1%	30,212.46	-17.2%	
TOTAL COUNTY AND CITIES		2,361,937.35		2,375,364.32		0.6%	2,428,732.50	2.2%	
TOTAL CITIES AND TOWNS		2,089,789.64		2,089,805.31		0.0%	2,145,260.14	2.7%	
Sales	Summit County	\$ 2,965,230.68	\$	2,900,709.70		-2.2%	\$ 3,271,643.96	12.8%	
Sales	Coalville	162,731.60		150,669.18		-7.4%	153,954.92	2.2%	
Sales	Francis	58,501.37		56,205.68		-3.9%	55,320.73	-1.6%	
Sales	Henefer	50,344.76		51,606.73		2.5%	55,675.92	7.9%	
Sales	Kamas	185,916.20		179,554.54		-3.4%	189,311.54	5.4%	
Sales	Oakley	80,798.11		85,548.72		5.9%	85,777.16	0.3%	
Sales	Park City	3,362,059.91		3,213,566.54		-4.4%	3,400,609.73	5.8%	
TOTAL COUNTY AND CITIES		6,865,582.63		6,637,861.09		-3.3%	7,212,293.96	8.7%	
TOTAL CITIES AND TOWNS		3,900,351.95		3,737,151.39		-4.2%	3,940,650.00	5.4%	
Sales	Tooele County	\$ 899,055.32	\$	834,379.90		-7.2%	\$ 944,438.17	13.2%	
Sales	Grantsville	499,552.69		485,569.51		-2.8%	537,583.42	10.7%	
Sales	Ophir	1,505.11		1,481.32		-1.6%	1,542.16	4.1%	
Sales	Stockton	32,348.85		31,367.47		-3.0%	37,308.49	18.9%	
Sales	Tooele	2,995,134.77		2,849,267.86		-4.9%	3,221,448.30	13.1%	
Sales	Vernon	17,562.79		18,165.21		3.4%	16,995.72	-6.4%	
Sales	Wendover	151,206.77		145,178.84		-4.0%	147,759.20	1.8%	
Sales	Rush Valley	32,641.24		31,598.85		-3.2%	32,295.92	2.2%	
TOTAL COUNTY AND CITIES		4,629,007.54		4,397,008.96		-5.0%	4,939,371.38	12.3%	
TOTAL CITIES AND TOWNS		3,729,952.22		3,562,629.06		-4.5%	3,994,933.21	12.1%	
Sales	Uintah County	\$ 1,313,316.05	\$	1,250,253.43		-4.8%	\$ 1,379,574.33	10.3%	
Sales	Naples	572,604.55		500,585.11		-12.6%	790,340.40	57.9%	
Sales	Vernal	2,555,334.92		2,298,499.28		-10.1%	2,514,853.02	9.4%	
Sales	Ballard	108,769.82		108,948.33		0.2%	112,545.83	3.3%	
TOTAL COUNTY AND CITIES		4,550,025.34		4,158,286.15		-8.6%	4,797,313.58	15.4%	
TOTAL CITIES AND TOWNS		3,236,709.29		2,908,032.72		-10.2%	3,417,739.25	17.5%	

Distribution of Local Sales and Use Taxes Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004		FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change	
Sales	Utah County	\$ 897,270.49	\$	966,933.74		7.8%	\$ 1,132,685.17	17.1%	
Sales	Alpine	515,048.66		510,310.52		-0.9%	577,091.57	13.1%	
Sales	American Fork	3,388,752.88		3,354,306.16		-1.0%	3,659,897.75	9.1%	
Sales	Cedar Fort	26,662.87		26,424.58		-0.9%	25,925.00	-1.9%	
Sales	Draper City South	-		-		N.A.	276.87	n/a	
Sales	Eagle Mountain	144,590.63		243,199.99		68.2%	410,299.23	68.7%	
Sales	Genola	67,848.88		78,042.65		15.0%	73,002.86	-6.5%	
Sales	Goshen	58,261.02		58,694.24		0.7%	59,015.06	0.5%	
Sales	Lehi	2,131,776.23		2,184,802.68		2.5%	2,342,409.04	7.2%	
Sales	Lindon	1,466,886.61		1,562,004.67		6.5%	1,635,728.22	4.7%	
Sales	Mapleton	468,386.45		454,938.71		-2.9%	490,330.86	7.8%	
Sales	Orem	13,911,612.33		13,736,440.66		-1.3%	13,897,477.01	1.2%	
Sales	Payson	1,340,411.57		1,341,631.97		0.1%	1,495,233.69	11.4%	
Sales	Pleasant Grove	2,044,709.66		2,192,780.54		7.2%	2,241,092.99	2.2%	
Sales	Provo	12,898,658.12		12,477,560.48		-3.3%	12,434,374.07	-0.3%	
Sales	Salem	373,540.13		344,317.15		-7.8%	393,945.99	14.4%	
Sales	Santaquin	386,998.78		365,702.13		-5.5%	406,509.30	11.2%	
Sales	Saratoga Springs	73,617.77		78,811.91		7.1%	294,273.94	273.4%	
Sales	Highland	712,713.23		710,613.86		-0.3%	895,080.98	26.0%	
Sales	Spanish Fork	2,631,127.63		2,520,231.29		-4.2%	2,707,153.03	7.4%	
Sales	Springville	2,540,726.50		2,623,790.07		3.3%	2,815,541.74	7.3%	
Sales	Vineyard	124,340.73		24,463.85		-80.3%	43,577.05	78.1%	
Sales	Cedar Hills	213,529.25		211,179.40		-1.1%	308,291.33	46.0%	
Sales	Elk Ridge	127,719.22		124,936.52		-2.2%	139,922.00	12.0%	
Sales	Woodland Hills	64,078.72		63,179.28		-1.4%	73,697.46	16.6%	
TOTAL COUNTY AND CITIES		46,609,268.36		46,255,297.05		-0.8%	48,552,832.21	5.0%	
TOTAL CITIES AND TOWNS		45,711,997.87		45,288,363.31		-0.9%	47,420,147.04	4.7%	

Note: Effective 01/01/2004, Draper City annexed a portion of Utah County. The section of Draper City that is located in Utah County is called Draper City South.

Sales	Wasatch County	\$ 461,663.42	\$	464,306.01		0.6%	\$ 519,011.08	11.8%
Sales	Charleston	65,934.41		64,608.24		-2.0%	67,874.69	5.1%
Sales	Heber	1,133,724.22		1,137,430.11		0.3%	1,182,661.75	4.0%
Sales	Midway	250,930.79		239,070.85		-4.7%	261,704.17	9.5%
Sales	Park City East	-		-		n/a	267.07	n/a
Sales	Wallsburg	21,088.57		20,617.16		-2.2%	20,407.42	-1.0%
TOTAL COUNTY AND CITIES		1,933,341.41		1,926,032.37		-0.4%	2,051,926.18	6.5%
TOTAL CITIES AND TOWNS		1,471,677.99		1,461,726.36		-0.7%	1,532,915.10	4.9%

Note: Effective 01/01/2004, Park City annexed a portion of Wasatch County. The section of Park City that is located in Wasatch County is called Park City East.

Sales	Washington County	\$ 483,213.47	\$	508,586.61		5.3%	\$ 579,135.21	13.9%
Sales	Enterprise	112,552.42		110,933.63		-1.4%	112,987.58	1.9%
Sales	Hurricane	930,746.13		943,214.97		1.3%	1,051,266.26	11.5%
Sales	Ivins	350,827.54		358,265.85		2.1%	419,238.12	17.0%
Sales	La Verkin	272,664.47		292,712.04		7.4%	283,540.12	-3.1%
Sales	Leeds	45,250.80		45,245.65		-0.0%	48,607.55	7.4%
Sales	New Harmony	15,527.98		14,847.76		-4.4%	18,314.04	23.3%
Sales	Rockville	17,080.62		17,493.78		2.4%	17,767.94	1.6%
Sales	St George	8,796,629.34		9,087,837.61		3.3%	10,158,951.67	11.8%
Sales	Santa Clara	343,186.27		339,911.61		-1.0%	384,318.26	13.1%
Sales	Springdale	182,776.57		191,048.26		4.5%	216,098.21	13.1%
Sales	Toquerville	62,477.55		61,929.94		-0.9%	66,485.35	7.4%
Sales	Virgin	30,989.32		31,168.49		0.6%	34,588.62	11.0%
Sales	Washington	1,433,698.90		1,438,002.77		0.3%	1,672,622.45	16.3%
Sales	Hildale	165,235.42		166,278.98		0.6%	183,442.08	10.3%
TOTAL COUNTY AND CITIES		13,242,856.80		13,607,477.95		2.8%	15,247,363.46	12.1%
TOTAL CITIES AND TOWNS		12,759,643.33		13,098,891.34		2.7%	14,668,228.25	12.0%

Distribution of Local Sales and Use Taxes

Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004	FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change
Sales	Wayne County	\$ 90,136.73	\$	92,636.06		2.8%	\$ 124,173.20	34.0%
Sales	Bicknell	39,870.45		39,634.72		-0.6%	44,298.90	11.8%
Sales	Hanksville	31,999.57		31,221.59		-2.4%	28,309.41	-9.3%
Sales	Loa	76,777.04		75,942.16		-1.1%	77,276.61	1.8%
Sales	Lyman	16,160.64		15,825.23		-2.1%	17,264.23	9.1%
Sales	Torrey	30,902.85		30,154.81		-2.4%	25,446.18	-15.6%
TOTAL COUNTY AND CITIES		285,847.28		285,414.57		-0.2%	316,768.53	11.0%
TOTAL CITIES AND TOWNS		195,710.55		192,778.51		-1.5%	192,595.33	-0.1%
Sales	Weber County	\$ 1,239,075.65	\$	1,253,687.95		1.2%	\$ 1,554,336.19	24.0%
Sales	Farr West	396,609.36		394,319.48		-0.6%	428,500.39	8.7%
Sales	Harrisville	767,260.07		795,379.02		3.7%	856,349.91	7.7%
Sales	Hooper	300,957.26		316,667.01		5.2%	332,366.76	5.0%
Sales	Huntsville	69,495.39		61,740.30		-11.2%	65,838.77	6.6%
Sales	Marriott-Slaterville	259,780.84		248,469.13		-4.4%	235,953.01	-5.0%
Sales	North Ogden	1,209,446.57		1,224,361.19		1.2%	1,301,204.77	6.3%
Sales	Ogden	11,785,414.01		11,286,071.57		-4.2%	11,396,651.18	1.0%
Sales	Plain City	245,651.91		244,045.01		-0.7%	271,299.29	11.2%
Sales	Pleasant View	441,333.42		435,619.61		-1.3%	472,081.33	8.4%
Sales	Riverdale	3,497,976.93		4,169,847.50		19.2%	4,440,111.73	6.5%
Sales	Roy	3,093,004.52		3,083,025.23		-0.3%	3,282,534.08	6.5%
Sales	South Ogden	1,731,899.02		1,686,870.21		-2.6%	1,727,061.79	2.4%
Sales	Uintah	111,330.14		117,714.34		5.7%	110,352.75	-6.3%
Sales	Washington Terr	609,663.62		599,344.72		-1.7%	619,779.01	3.4%
Sales	West Haven	633,685.63		616,246.85		-2.8%	682,939.40	10.8%
TOTAL COUNTY AND CITIES		26,392,584.34		26,533,409.12		0.5%	27,777,360.36	4.7%
TOTAL CITIES AND TOWNS		25,153,508.69		25,279,721.17		0.5%	26,223,024.17	3.7%
GRAND TOTAL COUNTY AND CITIES		317,202,911.67		312,252,006.09		-1.6%	326,906,759.47	4.7%
GRAND TOTAL CITIES AND TOWNS		280,279,944.36		275,609,686.64		-1.7%	287,911,085.13	4.5%

Distribution of Local Sales and Use Taxes

Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004		FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change	
Transient	Beaver County	\$ 92,924.44	\$	101,344.12		9.1%	\$ 89,233.54	-11.9%	
Transient	Box Elder County	81,197.82		77,915.41		-4.0%	82,804.43	6.3%	
Transient	Cache County	261,324.22		216,402.19		-17.2%	236,150.34	9.1%	
Transient	Carbon County	143,758.04		146,526.48		1.9%	132,163.36	-9.8%	
Transient	Daggett County	63,227.41		53,091.18		-16.0%	55,027.21	3.6%	
Transient	Davis County	583,356.15		516,274.09		-11.5%	487,143.39	-5.6%	
Transient	Duchesne County	26,779.55		25,957.67		-3.1%	30,344.54	16.9%	
Transient	Emery County	20,149.22		31,967.02		58.7%	144,618.71	352.4%	
Transient	Garfield County	429,641.46		434,018.73		1.0%	462,931.61	6.7%	
Transient	Grand County	477.75		41.51		n/a	-	n/a	
Transient	Iron County	393,535.81		424,294.67		7.8%	445,533.35	5.0%	
Transient	Juab County	65,895.18		63,987.02		-2.9%	56,051.32	-12.4%	
Transient	Kane County	264,670.93		252,932.45		-4.4%	270,539.80	7.0%	
Transient	Millard County	72,774.16		86,558.64		18.9%	81,263.03	-6.1%	
Transient	Morgan County	10,544.49		1,261.65		-88.0%	1,286.02	1.9%	
Transient	Piute County	4,455.07		6,102.67		37.0%	7,654.09	25.4%	
Transient	Rich County	53,030.37		57,277.41		8.0%	56,577.29	-1.2%	
Transient	Salt Lake County	8,577,445.26		7,542,645.36		-12.1%	7,493,756.05	-0.6%	
Transient	San Juan County	226,420.20		223,823.53		-1.1%	217,916.00	-2.6%	
Transient	Sanpete County	46,352.55		42,492.78		-8.3%	40,397.25	-4.9%	
Transient	Sevier County	189,551.00		199,581.28		5.3%	201,092.67	0.8%	
Transient	Summit County	3,261,907.71		3,209,744.80		-1.6%	3,270,085.81	1.9%	
Transient	Tooele County	130,812.95		119,527.36		-8.6%	117,189.98	-2.0%	
Transient	Uintah County	164,957.81		162,968.83		-1.2%	167,939.97	3.1%	
Transient	Utah County	1,070,164.11		907,956.82		-15.2%	934,563.32	2.9%	
Transient	Wasatch County	243,367.53		202,343.41		-16.9%	209,326.16	3.5%	
Transient	Washington County	1,208,924.56		1,273,771.89		5.4%	1,410,193.55	10.7%	
Transient	Wayne County	81,772.61		91,011.48		11.3%	90,480.16	-0.6%	
Transient	Weber County	611,776.52		451,899.31		-26.1%	525,898.32	16.4%	
TOTAL COUNTY TRANSIENT		18,381,194.88		16,923,719.76		-7.9%	17,318,161.27	2.3%	
Note 1: Effective 04/01/2003, the portion of Green River City previously located in Grand County was annexed into Emery County.									
Note 2: Grand County collects it's own transient room tax, the amounts listed in this report are primarily due to audits conducted by the Tax Commission.									
Muni-Transient	Brigham	\$ 14,866.38	\$	13,587.17		-8.6%	\$ 15,035.51	10.7%	
Muni-Transient	Price	44,932.72		45,018.33		0.2%	37,562.04	-16.6%	
Muni-Transient	Layton	-		-		n/a	21,247.69	n/a	
Muni-Transient	Roosevelt	6,936.74		5,626.74		-18.9%	6,312.43	12.2%	
Muni-Transient	Green River	4,224.28		7,282.42		72.4%	45,787.26	528.7%	
Muni-Transient	Moab	252,452.79		270,696.80		7.2%	315,203.83	16.4%	
Muni-Transient	E. Green River	40,724.36		40,547.63		-0.4%	-	-100.0%	
Muni-Transient	Holladay	15,872.84		27,222.11		71.5%	30,387.48	11.6%	
Muni-Transient	South Salt Lake	27,020.66		18,009.56		-33.3%	24,637.21	36.8%	
Muni-Transient	Blanding	16,584.28		15,544.59		-6.3%	13,988.28	-10.0%	
Muni-Transient	Monticello	11,372.25		10,557.08		-7.2%	10,002.05	-5.3%	
Muni-Transient	Tooele	-		-		n/a	7,477.34	n/a	
Muni-Transient	Richfield	-		672.31		n/a	-	n/a	
Muni-Transient	Salina	-		192.78		n/a	-	n/a	
Muni-Transient	London	552.21		505.53		-8.5%	348.57	-31.0%	
Muni-Transient	Orem	57,176.28		45,007.49		-21.3%	49,255.02	9.4%	
Muni-Transient	Heber	17,807.19		13,901.55		-21.9%	18,819.20	35.4%	
Muni-Transient	Midway	45,264.95		34,313.63		-24.2%	34,890.73	1.7%	
Muni-Transient	Santa Clara	-		237.39		n/a	392.77	n/a	
Muni-Transient	Springdale	79,150.53		87,117.66		10.1%	96,612.67	10.9%	
Muni-Transient	Marriott-Slaterville	19,667.01		16,467.61		-16.3%	17,374.15	5.5%	
TOTAL MUNICIPALITY TRANSIENT		654,605.47		652,508.38		-0.3%	745,334.23	14.2%	
Note 1: Effective 04/01/2003, the portion of Green River City previously located in Grand County was annexed into Emery County.									
Note 2: Richfield and Salina collect their own municipal transient room tax, the amounts listed in this report are primarily due to audits conducted by the Tax Commission.									
COMBINED CO. & MUNIC. TRANSIENT		19,035,800.35		17,576,228.14		-7.7%	18,063,495.50	2.8%	
Tour Trans	Salt Lake County	\$ 1,429,490.95	\$	1,257,034.34		-12.1%	\$ 1,248,886.60	-0.6%	
TOTAL TOUR TRANSIENT		1,429,490.95		1,257,034.34		-12.1%	1,248,886.60	-0.6%	
COMBINED ALL TRANSIENT ROOM TYPES		20,465,291.30		18,833,262.48		-8.0%	19,312,382.10	2.5%	

Distribution of Local Sales and Use Taxes

Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004	FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change
Resort	Green River	\$ 142,674.58	\$	160,906.26		12.8%	\$ 260,224.69	61.7%
Resort	Boulder	19,332.43		17,084.36		-11.6%	18,728.55	9.6%
Resort	Panguitch	116,819.33		98,450.82		-15.7%	109,483.05	11.2%
Resort	Tropic	40,349.06		34,787.59		-13.8%	37,739.26	8.5%
Resort	Moab	1,462,629.68		1,516,472.39		3.7%	1,629,034.80	7.4%
Resort	E Green River	114,040.21		119,622.80		4.9%	1.51	0.0%
Resort	Brian Head	178,237.73		180,589.27		1.3%	186,417.49	3.2%
Resort	Kanab	372,438.80		373,723.95		0.3%	391,372.53	4.7%
Resort	Orderville	-		39,596.31		n/a	52,274.27	32.0%
Resort	Garden City	530.98		60,549.60		n/a	73,231.60	20.9%
Resort	Alta	286,726.58		301,355.73		5.1%	331,326.59	9.9%
Resort	Monticello	57,455.85		57,405.83		-0.1%	61,731.74	7.5%
Resort	Park City	4,181,865.25		4,052,223.80		-3.1%	4,054,760.76	0.1%
Resort	Park City East	-		-		n/a	156,949.64	n/a
Resort	Springdale	333,916.25		360,226.06		7.9%	400,810.85	11.3%
TOTAL RESORT		7,307,016.73		7,372,994.77		0.9%	7,764,087.33	5.3%

Note 1: Effective 04/01/2003, the portion of Green River City previously located in Grand County was annexed into Emery County.

Note 2: Effective 01/01/2004, Park City annexed a portion of Wasatch County. The section of Park City that is located in Wasatch County is called Park City East.

Note 3: Garden City imposed the resort tax on 4/01/2002. The number shown for fiscal year 2002 does not represent a full year's collections.

Mass	Brigham	\$ 504,929.72	\$	398,404.24		-21.1%	\$ 487,835.73	22.4%
Mass	Perry	47,553.34		140,115.86		194.6%	91,507.75	-34.7%
Mass	Willard	25,855.34		20,426.27		-21.0%	19,344.59	-5.3%
Mass	Cache County	11,521.65		8,334.81		-27.7%	6,595.24	-20.9%
Mass	Hyde Park	43,531.43		53,638.92		23.2%	49,991.05	-6.8%
Mass	Hyrum	64,752.25		67,761.96		4.6%	76,534.04	12.9%
Mass	Logan	1,514,132.31		1,530,462.29		1.1%	1,652,040.07	7.9%
Mass	Millville	7,165.84		10,235.17		42.8%	12,550.77	22.6%
Mass	North Logan	398,525.26		408,246.35		2.4%	427,009.14	4.6%
Mass	Providence	25,269.77		32,737.90		29.6%	45,213.62	38.1%
Mass	Richmond	15,226.69		14,518.38		-4.7%	19,184.23	32.1%
Mass	River Heights	4,785.29		7,156.23		49.5%	5,475.17	-23.5%
Mass	Smithfield	114,218.62		115,797.62		1.4%	125,225.65	8.1%
Mass	Nibley	8,903.04		9,375.99		5.3%	15,602.54	66.4%
Mass	Davis County	13,160,762.48		13,411,587.88		1.9%	14,012,533.07	4.5%
Mass	Salt Lake County	67,030,106.53		64,854,233.57		-3.2%	67,761,908.88	4.5%
Mass	Park City	1,142,774.76		1,078,083.25		-5.7%	1,166,405.36	8.2%
Mass	Tooele County	114,948.52		109,508.11		-4.7%	136,289.18	24.5%
Mass	Tooele	670,170.01		656,621.00		-2.0%	680,135.46	3.6%
Mass	Utah County	37,034.45		35,715.10		-3.6%	39,182.66	9.7%
Mass	Alpine	47,444.16		41,122.90		-13.3%	51,811.31	26.0%
Mass	American Fork	893,117.61		884,094.71		-1.0%	1,026,867.95	16.1%
Mass	Lehi	421,743.10		449,703.22		6.6%	442,584.88	-1.6%
Mass	Lindon	454,327.20		509,109.07		12.1%	512,648.10	0.7%
Mass	Mapleton	49,193.89		44,256.05		-10.0%	52,027.15	17.6%
Mass	Orem	3,786,872.93		3,680,797.96		-2.8%	3,838,296.11	4.3%
Mass	Payson	253,964.29		259,772.92		2.3%	279,118.85	7.4%
Mass	Pleasant Grove	282,173.33		331,181.46		17.4%	347,084.37	4.8%
Mass	Provo	2,771,967.72		2,622,753.32		-5.4%	2,631,040.83	0.3%
Mass	Salem	48,852.57		36,036.00		-26.2%	43,045.71	19.5%
Mass	Highland	96,030.41		93,830.37		-2.3%	132,700.24	41.4%
Mass	Spanish Fork	600,308.10		558,054.99		-7.0%	588,925.29	5.5%
Mass	Springville	559,473.55		587,681.34		5.0%	645,803.40	9.9%
Mass	Cedar Hills	17,310.26		13,082.09		-24.4%	17,952.80	37.2%
Mass	Park City East	-		-		n/a	190.75	n/a
Mass	Weber County	12,247,910.12		12,414,071.29		1.4%	12,937,504.86	4.2%
TOTAL MASS		107,472,856.54		105,488,508.59		-1.8%	110,378,166.80	4.6%

Note: Effective 01/01/2004, Park City annexed a portion of Wasatch County. The section of Park City that is located in Wasatch County is called Park City East.

Distribution of Local Sales and Use Taxes

Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004		FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change	
Restaurant	Beaver County	\$ 35,705.96	\$	51,935.21		45.5%	\$ 58,167.92	12.0%	
Restaurant	Box Elder County	286,109.04		280,959.40		-1.8%	299,876.38	6.7%	
Restaurant	Cache County	617,164.64		635,669.17		3.0%	677,729.05	6.6%	
Restaurant	Carbon County	161,850.37		161,268.61		-0.4%	168,270.56	4.3%	
Restaurant	Daggett County	20,133.60		13,441.28		-33.2%	15,114.80	12.5%	
Restaurant	Davis County	1,835,467.97		1,854,104.36		1.0%	1,948,293.48	5.1%	
Restaurant	Duchesne County	70,120.91		69,962.88		-0.2%	74,201.30	6.1%	
Restaurant	Garfield County	101,734.13		107,605.23		5.8%	116,056.04	7.9%	
Restaurant	Grand County	213,671.14		224,649.69		5.1%	221,603.91	-1.4%	
Restaurant	Iron County	314,468.60		327,525.88		4.2%	334,116.84	2.0%	
Restaurant	Juab County	75,115.73		71,799.29		-4.4%	75,965.08	5.8%	
Restaurant	Kane County	81,050.37		76,964.70		-5.0%	86,343.27	12.2%	
Restaurant	Morgan County	18,745.69		20,750.72		10.7%	24,467.55	17.9%	
Restaurant	Rich County	105,295.67		32,901.55		-68.8%	31,558.17	-4.1%	
Restaurant	Salt Lake County	11,475,844.45		11,395,381.56		-0.7%	11,804,791.38	3.6%	
Restaurant	Sanpete County	89,489.00		76,448.39		-14.6%	74,949.59	-2.0%	
Restaurant	Sevier County	139,621.80		146,284.88		4.8%	137,113.92	-6.3%	
Restaurant	Summit County	1,031,697.95		969,593.11		-6.0%	1,099,972.24	13.4%	
Restaurant	Tooele County	222,203.82		230,599.75		3.8%	284,750.20	23.5%	
Restaurant	Uintah County	190,407.78		183,806.65		-3.5%	200,861.00	9.3%	
Restaurant	Utah County	2,811,883.14		2,878,898.58		2.4%	3,031,540.96	5.3%	
Restaurant	Wasatch County	218,108.26		196,832.99		-9.8%	199,581.43	1.4%	
Restaurant	Washington County	960,585.69		1,031,259.57		7.4%	1,132,036.47	9.8%	
Restaurant	Wayne County	32,055.17		35,253.10		10.0%	38,066.95	8.0%	
Restaurant	Weber County	1,598,213.17		1,658,988.12		3.8%	1,798,714.36	8.4%	
TOTAL RESTAURANT		22,706,744.05		22,732,884.67		0.1%	23,934,142.85	5.3%	
Leasing	Davis County	\$ 324,885.12	\$	329,062.81		1.3%	\$ 321,656.21	-2.3%	
Leasing	Duchesne County	-		-		n/a	1,629.34	n/a	
Leasing	Grand County	11,329.54		30,266.99		167.2%	14,418.91	-52.4%	
Leasing	Morgan County	7,504.18		7,174.58		-4.4%	6,998.11	-2.5%	
Leasing	Salt Lake County	8,075,176.61		7,632,884.63		-5.5%	7,516,023.71	-1.5%	
Leasing	Sevier County	21,908.11		19,527.18		-10.9%	20,191.46	3.4%	
Leasing	Uintah County	3,432.61		3,353.23		-2.3%	2,386.79	-28.8%	
Leasing	Utah County	-		-		n/a	22,921.01	n/a	
Leasing	Washington County	96,102.26		182,222.86		89.6%	214,338.94	17.6%	
Leasing	Weber County	269,027.50		255,897.99		-4.9%	252,797.12	-1.2%	
TOTAL LEASING		8,809,365.93		8,460,390.27		-4.0%	8,373,361.60	-1.0%	
MV Rental	State-Wide MV Rental	\$ 3,538,282.92	\$	3,186,784.04		-9.9%	\$ 3,150,820.25	-1.1%	
TOTAL MV RENTAL		3,538,282.92		3,186,784.04		-9.9%	3,150,820.25	-1.1%	
Hospital	Beaver City	\$ 304,332.78	\$	310,993.43		2.2%	\$ 318,391.90	2.4%	
Hospital	Garfield County	660,138.53		646,178.28		-2.1%	697,133.28	7.9%	
Hospital	Kane County	1,008,914.73		986,609.73		-2.2%	979,272.19	-0.7%	
Hospital	Uintah County	1,968,370.25		1,762,358.07		-10.5%	2,094,508.58	18.8%	
TOTAL HOSPITAL		3,941,756.29		3,706,139.51		-6.0%	4,089,305.95	10.3%	
Arts & Zoo	Cache County	\$ -	\$	73,988.93		n/a	\$ 1,036,483.18	n/a	
Arts & Zoo	Salt Lake County	15,644,105.32		14,982,052.28		-4.2%	15,646,194.68	4.4%	
Arts & Zoo	Summit County	715,173.01		805,289.51		n/a	881,580.37	n/a	
Arts & Zoo	Uintah County	492,970.62		442,220.64		-10.3%	524,058.48	18.5%	
TOTAL ARTS & ZOO		16,852,248.95		16,303,551.36		-3.3%	18,088,316.71	10.9%	

Note: Cache County imposed the Arts & Zoo tax on 4/01/2003. The number shown for fiscal year 2003 does not represent a full year's collections.

Distribution of Local Sales and Use Taxes

Fiscal Years 2002, 2003 and 2004 (cont.)

Net Distribution After Administrative Costs

Tax	Community	FY 2002		FY 2003		FY 02-FY 03	FY 2004	FY 03-FY 04
		Jul 01 - Jun 02		Jul 02 - Jun 03		% Change	Jul 03 - Jun 04	% Change
Highway	Price	\$ 564,406.48	\$	523,661.05		-7.2%	\$ 532,992.86	1.8%
Highway	Wellington	29,083.66		58,018.00		99.5%	58,736.91	1.2%
Highway	Roosevelt	201,024.13		197,712.87		-1.6%	219,616.33	11.1%
Highway	Green River	18,677.13		22,383.61		19.8%	45,333.80	102.5%
Highway	Moab	277,323.20		281,869.62		1.6%	300,346.10	6.6%
Highway	E Green River	28,225.10		26,593.14		-5.8%	49.54	-99.8%
Highway	Brian Head	30,081.25		30,306.37		0.7%	31,752.25	4.8%
Highway	Nephi	129,892.78		133,148.75		2.5%	123,401.99	-7.3%
Highway	Ephraim	147,996.24		157,370.33		6.3%	162,800.93	3.5%
Highway	Gunnison	55,066.41		48,741.57		-11.5%	50,059.00	2.7%
Highway	Richfield	353,554.76		365,089.04		3.3%	395,806.78	8.4%
Highway	Salina	84,937.06		86,240.62		1.5%	84,327.52	-2.2%
Highway	Vernal	747,225.79		688,821.53		-7.8%	778,532.84	13.0%
Highway	Heber	299,286.98		294,053.53		-1.7%	288,588.51	-1.9%
Highway	Hurricane	192,121.66		196,949.03		2.5%	224,128.39	13.8%
Highway	Ivins	31,739.44		35,524.05		11.9%	42,244.71	18.9%
Highway	La Verkin	26,471.54		34,863.86		31.7%	29,533.18	-15.3%
Highway	St George	2,552,069.75		2,701,847.13		5.9%	3,114,963.31	15.3%
Highway	Santa Clara	29,223.59		27,614.50		-5.5%	35,080.54	27.0%
Highway	Washington	434,370.75		430,043.97		-1.0%	493,073.60	14.7%
TOTAL HIGHWAY		6,232,777.70		6,340,852.57		1.7%	7,011,369.09	10.6%
Note: Effective 04/01/2003, the portion of Green River City previously located in Grand County was annexed into Emery County.								
County Opt	Beaver County	\$ 177,066.83	\$	232,901.60		31.5%	\$ 175,546.66	-24.6%
County Opt	Box Elder County	1,243,106.20		1,240,035.76		-0.2%	1,304,978.60	5.2%
County Opt	Cache County	2,811,783.51		2,833,931.63		0.8%	2,981,625.84	5.2%
County Opt	Carbon County	817,537.78		782,516.38		-4.3%	800,123.96	2.3%
County Opt	Daggett County	74,551.65		71,920.03		-3.5%	74,029.59	2.9%
County Opt	Davis County	7,580,638.67		7,602,294.57		0.3%	7,958,454.38	4.7%
County Opt	Duchesne County	450,406.52		432,923.87		-3.9%	477,005.38	10.2%
County Opt	Garfield County	167,103.07		164,401.26		-1.6%	169,098.51	2.9%
County Opt	Grand County	356,483.16		359,824.36		0.9%	356,470.61	-0.9%
County Opt	Iron County	1,125,900.13		1,195,607.81		6.2%	1,170,879.87	-2.1%
County Opt	Juab County	232,454.35		315,222.59		35.6%	236,421.63	-25.0%
County Opt	Morgan County	193,519.74		185,807.02		-4.0%	195,282.12	5.1%
County Opt	Piute County	73,798.44		73,895.62		0.1%	74,169.88	0.4%
County Opt	Rich County	73,658.17		74,087.87		0.6%	74,361.72	0.4%
County Opt	Salt Lake County	35,549,174.02		34,545,479.68		-2.8%	35,877,373.79	3.9%
County Opt	San Juan County	368,705.40		363,669.54		-1.4%	351,996.11	-3.2%
County Opt	Sanpete County	599,407.82		596,943.22		-0.4%	617,682.01	3.5%
County Opt	Sevier County	608,191.83		613,630.71		0.9%	628,003.82	2.3%
County Opt	Summit County	1,576,608.99		1,535,921.15		-2.6%	1,671,227.58	8.8%
County Opt	Tooele County	1,181,345.52		1,143,953.50		-3.2%	1,282,111.44	12.1%
County Opt	Uintah County	1,065,562.34		997,213.21		-6.4%	1,118,952.81	12.2%
County Opt	Utah County	11,892,479.93		11,860,593.30		-0.3%	12,456,172.34	5.0%
County Opt	Wasatch County	493,704.62		494,231.92		0.1%	526,070.67	6.4%
County Opt	Washington County	3,357,184.88		3,460,960.39		3.1%	3,874,657.53	12.0%
County Opt	Wayne County	73,954.61		74,071.03		0.2%	81,032.27	9.4%
County Opt	Weber County	6,595,457.13		6,598,470.58		0.0%	6,887,133.51	4.4%
TOTAL COUNTY OPTION		78,739,785.31		77,850,508.60		-1.1%	81,420,862.63	4.6%



Property Tax

Property taxes are levied at the local level, based on valuations established by elected county assessors and, in the case of certain properties, by the State Tax Commission's Property Tax Division. The tax is collected by the counties, and distributed to the taxing entities. All monies collected from property taxes are distributed back to local government entities and school districts.

Real and Personal Property Taxes and Rates

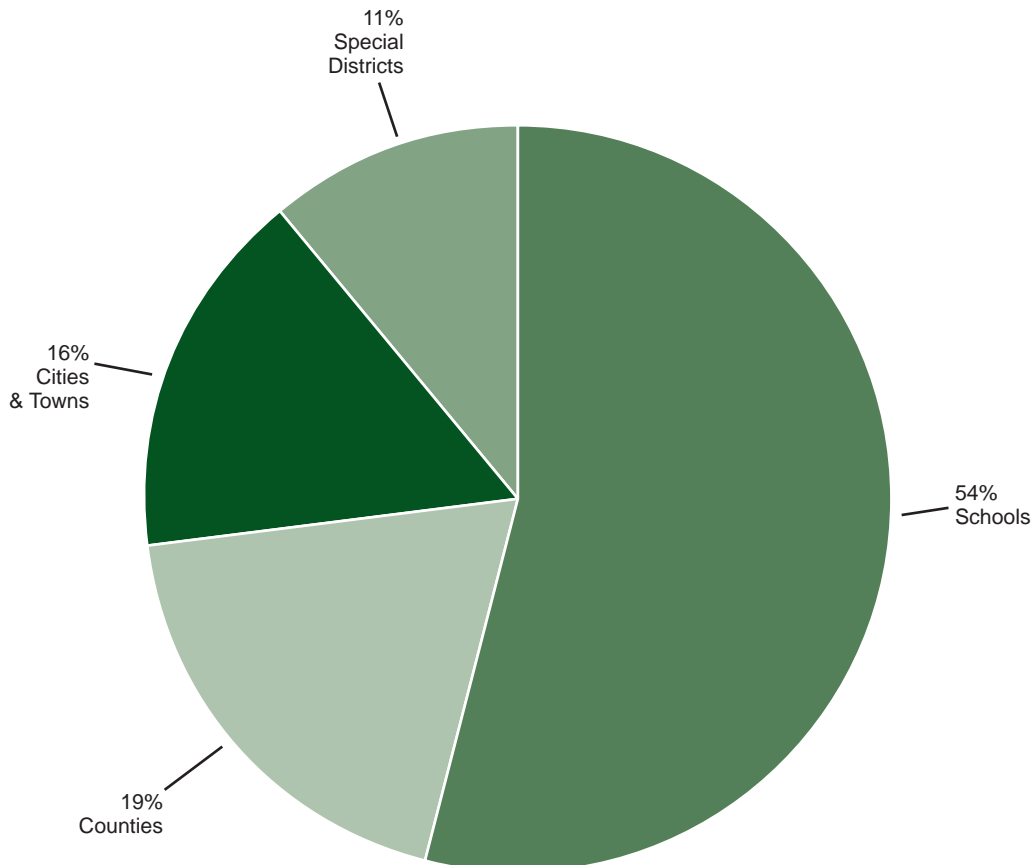
Tax rates are set by local entities, such as counties, cities and towns, school districts and special taxing districts. A statewide rate also is levied to finance Utah's schools through the Uniform School Fund. Those rates are applied against the taxable value of real and personal property except motor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

Fees Due on Motor Vehicles

Utah motor vehicles including boat and recreational vehicles are subject to the personal property tax. Passenger vehicles are assessed using a fee schedule based on the age of the vehicle; other vehicles continue to be subject to the statewide fee-in-lieu which is 1.5 percent of the vehicle's fair market value.

Distribution of Property Taxes Charged

Calendar Year 2003



Value of and Taxes Charged on Utah Property

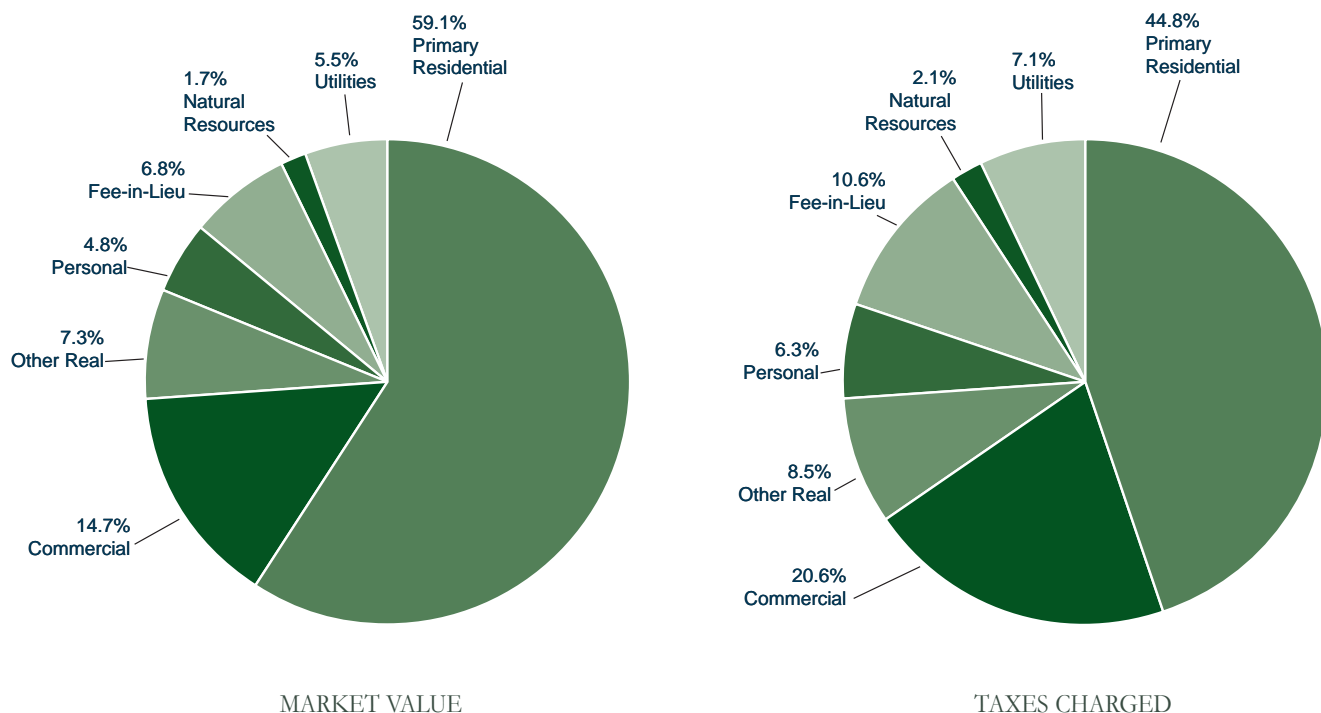
Calendar Year 2003

<u>CLASS OF PROPERTY</u>	<u>TAXABLE VALUE</u>	<u>%</u>	<u>MARKET VALUE</u>	<u>%</u>	<u>TAXES CHARGED</u>	<u>%</u>
Primary Residential	\$ 57,428,781,528	44.4%	\$ 104,415,966,414	59.1%	\$ 755,504,646	44.8%
Commercial/Industrial	25,995,762,668	20.1%	25,995,762,668	14.7%	347,061,087	20.6%
Other Real	12,900,782,786	10.0%	12,900,782,786	7.3%	143,060,469	8.5%
Personal	8,300,521,588	6.4%	8,509,149,517	4.8%	107,007,925	6.3%
Fee-in-Lieu	11,973,726,252	9.3%	11,973,726,252	6.8%	179,605,894	10.6%
Natural Resources	3,002,785,404	2.3%	3,002,785,404	1.7%	34,920,431	2.1%
<u>Utilities</u>	<u>9,742,802,798</u>	<u>7.5%</u>	<u>9,742,802,798</u>	<u>5.5%</u>	<u>119,604,872</u>	<u>7.1%</u>
Statewide	\$129,345,163,024	100%	\$176,540,975,839	100%	\$1,686,765,323	100%

Details on individual tables may not add to 100% due to independent rounding

Comparison of Market Value and Taxes Charged by Type

Calendar Year 2003



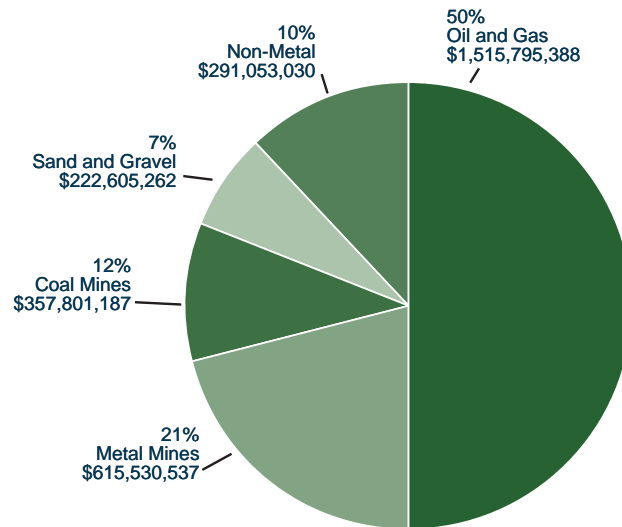
Centrally Assessed Property

The Property Tax Division is responsible for the valuation of mines, utilities, airlines, motor carriers and rail carriers. The market value of multistate utilities is determined by the “unit value” approach, which values the entire intrastate or interstate operation as a unit then allocates the value to the State of Utah and then to the counties.

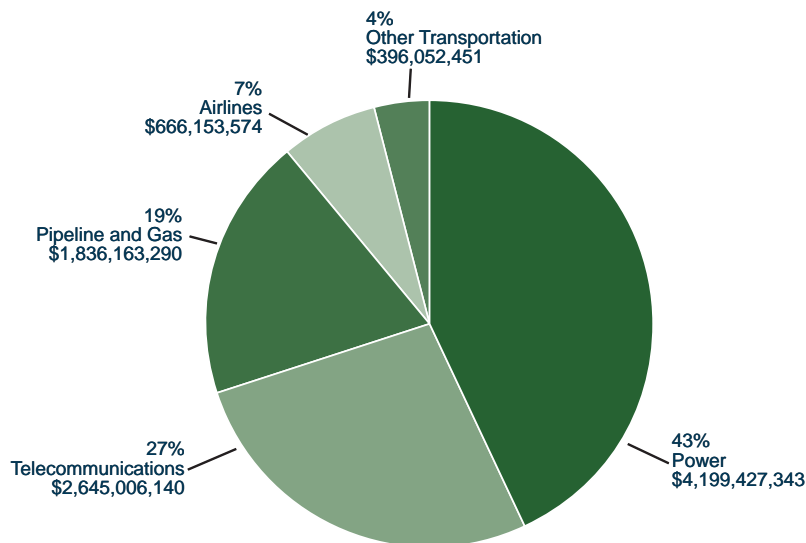
Properties of mining operations, as well as gas and oil companies, are physically valued to arrive at fair market value. Producing mines and oil and gas wells are valued by discounting future estimated cash flows to present value. Patented mining claims are valued based on the fair market value of the surface property.

Statewide Taxable Values

Calendar Year 2003



TAXABLE VALUE -NATURAL RESOURCES



TAXABLE VALUE -UTILITIES

Property Tax Relief

Utah Code Ann. §59-2-1104 through 1109 and §59-2-1202 through 1220

The State of Utah provides several forms of property tax relief:

Veteran's Exemption

An exemption of up to \$82,500 in taxable value on a residence or personal property may be granted to a disabled veteran, to the unmarried veteran's widow(er), and/or to minor orphans.

Blind Exemption

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

Indigent (Poor) Abatement

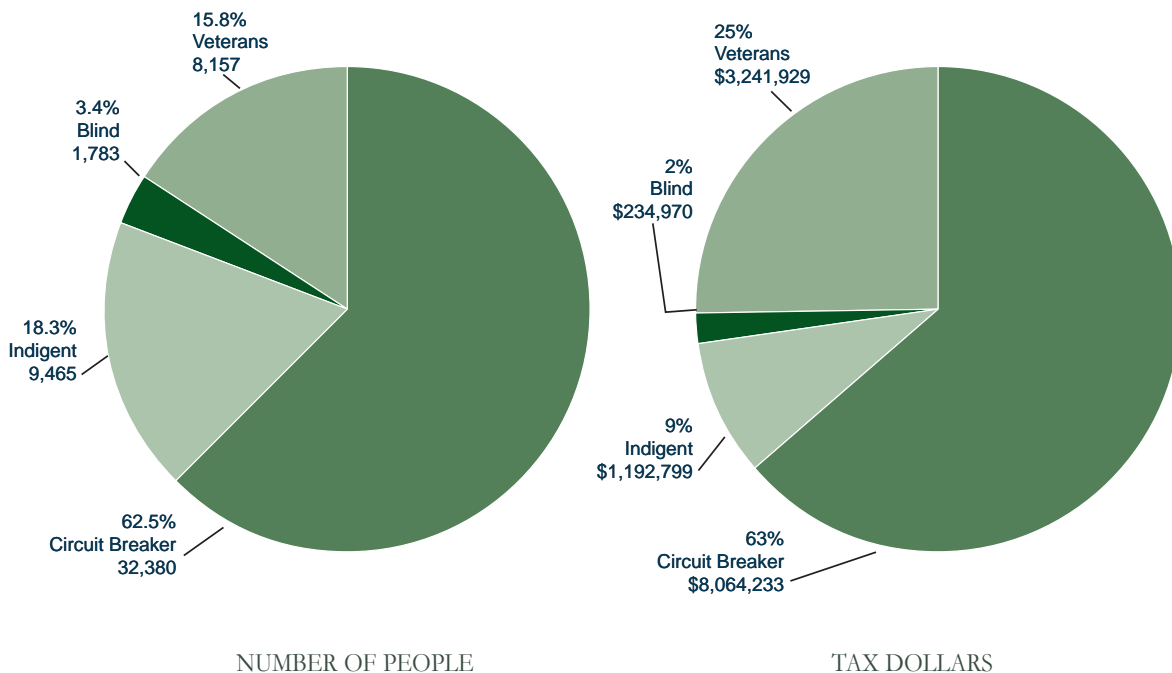
An indigent or poor abatement may be granted in an amount of 50 percent of the taxes levied, not to exceed \$646 for year 2004.

Circuit Breaker

Elderly and/or low-income or widowed homeowners and mobile home owners may apply through the county for "circuit breaker" relief, up to \$646 for year 2004. Renters are also eligible and may apply for relief to the State Tax Commission.

Property Tax Relief

Calendar Year 2003





Income Tax

Utah has both an individual income tax and a corporate franchise tax based on income. The Uniform School Fund was established constitutionally in 1938. Since 1947, all taxes based on income have been constitutionally required to be used for public education. In 1996, voters in Utah approved a constitutional change providing that these revenues could also be used for higher education. Utah is the only state where this constitutional mandate exists.

Individual Income Tax

Utah Code Ann. §59-10-102

Utah levies an income tax tied to the federal tax system, which means that Utah allows for the federal standard deduction or itemized deductions, and 75% of the federal personal exemption. Utah has six tax brackets, which for the last return year had a top rate of 7.0 percent, levied on taxable income greater than \$8,626 for married joint head of household or qualifying widower filers. The top rate of 7.0 percent is levied on taxable incomes greater than \$4,313 for single or married separate returns.

Fiscal Year 2004 Revenues: \$1,699,183,228

Individual income tax revenues include withholding amounts and \$6,906,564 in mineral production withholding

Individual Income Tax Withholding

Utah Code Ann. §59-10-402

An employer must withhold state income tax from employee paychecks 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 without the state of Utah, on an employer/employee basis.

Individual Income Tax revenues include withholding amounts

Corporate Franchise Tax

Utah Code Ann. §59-7-101

The Corporate Franchise and Income Tax rate is 5 percent of Utah apportioned net income for tax years beginning on or after January 1, 1984, with a \$100 minimum tax.

Fiscal Year 2004 Revenues: \$155,364,657

Corporate franchise tax revenues include \$10,359,845 in mineral production withholding tax.

Gross Receipts Tax and Radioactive Waste Tax

Utah Code Ann. §59-8-101 and 8a-101, and §59-24-101

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 or declare dividends.

In addition, the Legislature 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 was imposed on containerized class A waste (12%), processed class A waste (10%), uncontainerized, unprocessed class A waste (5%), radioactive mixed waste (5%), higher radionuclide mixed waste (10%). In addition, a tax of 10 cents per cubic foot was imposed on alternate feed material and other by-product material disposed in a radioactive waste facility

Fiscal Year 2004 Revenues: \$ 13,146,921

Utah Income Tax Statistics

From 2002 Tax Returns, by Tax Line - Full-Year Resident

<u>TAX LINE</u>	<u>NUMBER OF RETURNS</u>	<u>TOTAL</u>	<u>AVERAGE</u>
Total Exemptions #	794,493	2,040,358	2.57
Adjusted Gross Income	883,761	\$38,397,498,903	\$43,447.83
All Additions	1,194	\$7,300,572	\$6,114.38
Federal Deductions	888,387	\$12,737,189,163	\$14,337.43
Personal Exemption \$	789,902	\$4,559,926,295	\$5,772.77
One-Half Federal Tax	629,077	\$1,976,667,515	\$3,142.17
Taxpayer 65 or Older	82,928	82,998	1.00
Spouse 65 or Older	39,171	39,183	1.00
Retirement Exemption	78,909	\$677,459,660	\$8,585.33
Total Other Deductions	76,071	\$342,911,935	\$4,507.79
Utah Taxable Income	705,447	\$22,836,126,131	\$32,371.14
Utah Income Tax Liability	697,364	\$1,468,719,754	\$2,106.10
Total Non-Refundable Credits	17,599	\$25,127,933	\$1,427.80
Total Contributions	14,049	\$323,965	\$23.06
Withholding	784,620	\$1,425,333,070	\$1,816.59
Prepaid Taxes	16,711	\$127,609,872	\$7,636.28
Net Refund	672,741	\$320,660,972	\$476.65
Taxes Due With Return	165,767	\$207,557,470	\$1,252.10

More lines and more data can be found at <http://tax.utah.gov/esu/income/state02/res.htm>

Utah Income Tax Liability

From 2002 Tax Returns, by County and Residency

<u>COUNTY</u>	<u>INCOME TAX LIABILITY</u>	<u>FULL-YEAR RESIDENT INCOME TAX LIABILITY</u>	<u>NON OR PARTYEAR RESIDENT INCOME TAX LIABILITY</u>
State of Utah	\$ 1,532,519,853	\$ 1,468,090,707	\$ 64,429,145
Beaver County	2,205,482	2,186,186	19,296
Box Elder County	23,403,398	23,247,120	156,277
Cache County	47,206,725	46,674,989	531,736
Carbon County	10,655,254	10,528,519	126,735
Daggett County	427,341	411,568	15,773
Davis County	180,843,450	178,381,683	2,461,767
Duchesne County	6,077,779	6,020,552	57,226
Emery County	4,955,433	4,921,822	33,611
Garfield County	1,529,626	1,500,190	29,436
Grand County	4,225,671	4,059,187	166,484
Iron County	13,151,444	12,945,148	206,296
Juab County	3,265,553	3,248,938	16,614
Kane County	2,478,602	2,424,111	54,492
Millard County	4,748,259	4,729,562	18,697
Morgan County	5,414,239	5,354,270	59,969
Piute County	326,597	.	.
Rich County	938,326	928,420	9,906
Salt Lake County	666,889,610	659,719,828	7,169,782
San Juan County	2,466,845	2,440,043	26,802
Sanpete County	7,383,420	7,329,902	53,519
Sevier County	7,532,474	7,483,298	49,176
Summit County	42,904,462	41,699,438	1,205,024
Tooele County	24,993,109	24,624,239	368,870
Uintah County	12,425,207	12,316,776	108,431
Utah County	203,062,429	200,913,024	2,149,406
Wasatch County	10,509,512	10,376,930	132,583
Washington County	44,994,838	44,214,932	779,906
Wayne County	806,091	799,478	6,613
Weber County	130,220,474	128,914,631	1,305,843
Out of State	66,288,032	19,205,005	47,083,028
Other Utah	190,170	165,486	24,684

Access to various in-depth Utah State Tax Commission information, economic and revenue reports including previously published annual reports is available at www.tax.utah.gov



2004 Legislative Summary

The following tax-related legislation was enrolled during the 2004 General Session of the Utah Legislature. For more information on these bills, please visit the Legislature's Internet page at <http://le.utah.gov>.

House Bills

HB 15 Motor Vehicle Title and Registration Amendments – Rep. Joseph G. Murray (Effective May 3, 2004) This bill provides that an application for registration renewal shall be accompanied by a certificate of emissions inspection; provides that the Motor Vehicle Division may deliver a certificate of title to the owner or lienholder electronically.

HB 36 Management, Enhancement, and Funding of 911 System – Rep. Brad L. Dee (Effective July 1, 2004) This bill creates a 13 cent per month state fee on telephone services for unified statewide E-911 emergency services; provides for the administration, collection, and enforcement of telephone E-911 emergency fees by the Tax Commission; deposits the fees into a restricted account in the General Fund for unified statewide E-911 emergency services; repeals the advisory Utah 911 Committee in the Bureau of Communications in the Department of Public Safety; creates a new state Utah 911 Committee in the Department of Public Safety to develop state standards for the unified E-911 emergency system and to administer the fund; establishes criteria for the use of the fund to ensure implementation of land-based and wireless E-911; requires the Utah 911 Committee to report annually to the Executive Appropriations Committee; authorizes local governments to increase the local levy on telephone services for 911 emergency services from a maximum of 53 cents per month to a maximum of 65 cents per month; allows exchange carriers some cost recovery for implementing Phase I technology and collecting and administering the levy; reduces the 13 cent state E-911 emergency service fee in 2006 to eight cents; sunsets the state imposed fee on July 1, 2011.

HB 51 Nonresident User Fee for Off-Highway Vehicle Users – Rep. DeMar Bud Bowman (Effective July 1, 2004) This bill amends the \$30 snowmobile nonresident user fee to include all off-highway vehicles; provides that all off-highway vehicles, not just snowmobiles, that are owned by nonresidents and are displaying a Utah off-highway vehicle user fee decal are exempt from registration; exempts off-highway vehicles used exclusively for a scheduled competitive event from the decal requirement; eliminates the off-highway vehicle registration exemption for nonresidents.

HB 64 Amendments to Local Option Sales Tax for Municipalities – Rep. Sheryl L. Allen (Effective May 3, 2004) This bill extends from five to eight years the period for which the municipality imposed sales tax may be levied; requires each election for voter approval of the sales tax to take place at a regular general election or municipal general election; after a city has imposed the tax, a county may impose a county tax on all areas within the county except the city that has imposed the tax; and, effective July 1, 2004, extends to cities and towns in counties of the second class the authority to impose a sales tax for funding recreational and zoological facilities and botanical, cultural, and zoological organizations.

HB 74 Extension of Sales and Use Tax Exemption for Steel Industry – Rep. Ben C. Ferry (Effective July 1, 2004) This bill extends the sunset date to June 30, 2014 for the sales and use tax exemption for sales or leases of rolls, rollers, refractory brick, electric motors, or other replacement parts used in the furnaces, mills, or ovens of certain steel mills.

HB 122 Private Investigator Amendments – Rep. Margaret Dayton (Effective May 3, 2004) This bill limits access to protected motor vehicle and driver license records by a licensed private investigator by requiring the investigator to hold a valid agency or registrant license; provides that an apprentice private investigator may not directly obtain protected information from the Motor Vehicle Division or Driver License Division within the Department of Public Safety.

HB 133 Property Tax – Veteran's Exemption – Rep. Don E. Bush (Effective January 1, 2004) This bill provides that the unmarried surviving spouse or minor orphan of a veteran may be allowed a veteran's exemption regardless of whether the unmarried surviving spouse or minor orphan is the owner of the property as of January 1 of the year the exemption is claimed; provides that the exemption is equal to the lesser of the percentage of disability multiplied by \$82,500, or the total taxable value of the claimant's real and tangible personal property; if the deceased veteran served in the military prior to January 1, 1921, the exemption is equal to the lesser of \$82,500 or the total taxable value of the claimant's real and tangible personal property (provided the veterans percentage of disability is 10% or more); modifies the procedures and requirements for claiming a veteran's exemption, including: extending the deadline for filing an application and extending the deadline for amending an application for veteran's exemption to Sept. 1 of the following year in certain circumstances.

HB 145 Approval Required for Disposal of Radioactive Waste – Rep. Stephen H. Urquhart (Effective March 23, 2004) This bill imposes a tax on radioactive waste equal to 10% of the gross receipts of a radioactive facility derived from the disposal of mixed waste received from a non-governmental entity and containing a higher radionuclide concentration level than the mixed waste received by any radioactive waste facility in the state prior to April 1, 2004.

HB 168 Individual Income Tax and Corporate Franchise and Income Tax Task Force – Rep. Wayne A. Harper (Effective May 3, 2004) This bill provides for a task force, including one member representing the Tax Commission, to study Utah’s individual income and corporate franchise and income tax; the task force is required to make recommendations on: (1) whether the taxes should be replaced with a flat or consumption based tax; (2) whether the individual income tax brackets should be increased for inflation; (3) whether either tax should be decoupled from the federal tax; and (4) whether there should be a state earned income tax credit.

HB 178 Motor Vehicle Purchase Amendments – Rep. Don E. Bush (Effective May 3, 2004) This bill changes the deadline for a purchaser to return a vehicle for which the dealer has not transferred the title and registration in the new owner’s name from 180 days after the date of purchase to any day prior to the time the dealer submits a certificate of title and all documents required to Motor Vehicle Division, but only if the purchaser makes a written request to rescind the sale.

HB 189 Tobacco Compliance Amendments – Rep. David L. Hogue (Effective May 3, 2004) This bill authorizes the State Tax Commission to require by rule that Qualified Escrow Fund deposits by nonparticipating tobacco manufacturers be made quarterly; requires a nonparticipating manufacturer to certify compliance with Qualified Escrow Fund requirements; requires tobacco manufacturers to update the list of cigarette brands sold for consumption in the state 30 days prior to any change of brand; authorizes the State Tax Commission to recover tobacco enforcement costs.

HB 191 Corporate Franchise and Income Tax Amendments – Rep. Gordon E. Snow (Effective January 1, 2004) This bill amends the definition of “nonresident shareholder” to repeal language providing that any organization exempt under Section 501, Internal Revenue Code, is a nonresident shareholder; repeals references to foreign sales corporations that have been repealed under federal law.

HB 203 Special Group License Plate – Rep. David L. Hogue (Effective May 3, 2004) This bill provides that a special group license plate symbol decal may not be reordered unless the Motor Vehicle Division receives a symbol decal reorder fee in an amount established by the division.

HB 220 Off-Highway Vehicle Amendments – Rep. Brent H. Goodfellow (Effective July 1, 2004) This bill increases maximum fees for off-highway vehicle registrations (from \$10 to \$17), duplicate certificates (from \$2 to \$3), and duplicate stickers (from \$4 to \$5); provides that a portion of the annual off-highway vehicle registration fee is deposited in the Lands Grant Management Fund for use by the Utah School and Institutional Trust Lands Administration for costs associated with off-highway vehicle use on trust lands.

HB 239 Sexually Explicit Business and Escort Service Tax – Rep. Duane E. Bourdeaux (Effective July 1, 2004) This bill imposes a 10% tax on transactions conducted by a sexually explicit business or escort service to be remitted to the Tax Commission at the same time as the entity remits its sales taxes; dedicates the revenue generated by the tax imposed by the bill to a restricted special revenue fund for various treatment programs and task forces dealing with sex offenders.

HB 240 Revenue and Taxation – Offenses and Penalties – Rep. Ron Bigelow (Effective May 3, 2004) This bill establishes a civil and criminal penalty for persons who prepare or present tax returns that the person knows will understate the tax liability; the civil penalty is set at \$500 for each document; the criminal penalty is a second degree felony with a fine not less than \$1500 and not more than \$25,000; provides that the Tax Commission may seek a court order to enjoin a person from engaging in conduct that is subject to the penalties.

HB 252 Calculation of Property Tax Levies – Rep Merlynn T. Newbold (Effective March 15, 2004) This bill codifies the following calculations that a Tax Commission rule requires be used in the calculation of property tax levies for a taxing entity: (1) an adjustment to value for RDAs; and (2) an adjustment to value for locally and centrally assessed board of equalization adjustments to real and personal property.

HB 273 Tax and Charge Amendments – Rep. Wayne A. Harper (Effective July 1, 2004) This bill amends the definition of durable medical equipment to require the equipment be used for home use only; reinstates language placing state sales tax revenues from non-nexus sellers into the Remote Sales Restricted Account when those revenues exceed a stated threshold; requires any revenues in the Remote Sales Restricted Account on July 1, 2004 to be deposited into the General Fund; provides that the account shall earn interest, which shall be deposited into the account; amends the sales tax exemption for drugs to allow the exemption regardless of whether a doctor or the patient presents the required prescription; clarifies that drugs purchased by a hospital or other medical facility qualify for the exemption; requires a seller that files a simplified electronic return to file an information report with the Tax Commission; indicates the information that a seller must include on the information report; requires the information report be filed electronically; provides for a \$1,000 penalty, which may be waived by the commission for reasonable cause, for failure to file the information report; requires a non-nexus seller that is registered under the SST agreement to file an electronic sales tax return; provides that if a certified service provider is used as the seller’s agent, the seller is not responsible for the certified service provider’s failure to collect and remit sales taxes; relieves the certified service provider from: (a) the duty to remit sales tax for the seller’s purchases; and (b) liability for a sales tax liability arising from the seller’s fraud; provides that a seller/certified service provider is not liable for failing to collect and remit tax if the failure to collect and remit the tax is due to the seller’s/certified service provider’s reliance on incorrect data in the taxability matrix prepared by the Tax Commission and required by the SST agreement; provides that a seller that uses a certified automated system or proprietary system is not liable for failure to collect and remit tax if the failure is due to an error in the system and the error occurs prior to the discovery of the error; requires a seller to remit taxes electronically if the seller is required to file a return electronically, or the seller has nexus and files a simplified electronic return; for all agreement sales and use taxes, establishes a vendor discount of 1.31% (instead of the current 1.5% state rate and 1% local rate on only certain local option sales taxes); the revenues the state would otherwise have been required to allow a vendor in the absence of the change to the state rate are allocated to (cont.)

HB 273 (cont.) local taxing jurisdictions based on a local taxing jurisdiction's percentage of total sales tax distributions; provides for a monetary allowance in accordance with terms to be determined by the governing board of the SST agreement; makes the following changes to the 1% local option sales tax hold harmless: (1) for all transactions other than transactions reported on the simplified electronic return by a seller that has multiple locations, the amendments will make the distribution of the 1% local option sales tax identical to the distribution of those revenues prior to SST; and (2) for transactions reported on the simplified electronic return by a seller with multiple locations, the revenues will be distributed among local taxing jurisdictions based on sellers' sales tax patterns for the previous year; estimates for new store locations that have an impact of at least 5% to the local taxing jurisdiction and are reported to the commission by the local taxing jurisdictions, and for new businesses, will be included in this distribution algorithm; allows a seller to use a 5-digit ZIP Code for purposes of determining the location of a transaction if a 9-digit ZIP Code is not available for the location, or if the seller is unable to determine the 9-digit ZIP Code after exercising due diligence; provides the Tax Commission authority to indicate in rule when a seller has exercised due diligence in determining a 9-digit ZIP Code and how to determine the local taxing jurisdiction within which a transaction is made if a seller is unable to make that determination; provides an exception to the normal SST sourcing requirements for florist delivery transactions that codifies current sourcing for these transactions and is in accordance with 2003 changes to the SST agreement; conforms the language of all county and municipally imposed transient room taxes to match the language of the state sales tax on accommodations and services that are regularly rented for less than 30 consecutive days; amends Part 15, County Option Sales And Use Tax For Highways, Fixed Guideways, Or Systems For Public Transit (2003 HB 136) to bring that part into conformity with the SST agreement; amends Section 69-2-5, Funding for 911 emergency telephone service, to bring that section into conformity with the SST agreement.

HB 279 Counterfeit Tobacco Products – Rep. Eric K. Hutchings (Effective July 1, 2004) This bill prohibits issuing or maintaining a cigarette license if any combination of people owning more than 10% of the ownership interests in the applicant: (1) has been convicted of knowingly selling, receiving, or smuggling counterfeit cigarettes; (2) is neither a participating manufacturer, nor a nonparticipating manufacturer not in compliance with nonparticipating manufacturer escrow provisions; (3) has imported cigarettes into the U.S. in violation of federal law; or (4) has imported, or manufactured for distribution in the U.S., cigarettes that do not meet federal labeling standards; requires a cigarette importer and manufacturer located in the state to have a Utah cigarette license; provides that cigarettes purchased by tribal members on tribal lands are not subject to the tax, and cigarettes purchased by nontribal members on Indian lands are subject to the state tax less any tribal tax paid; provides penalties for sale or possession of counterfeit cigarettes.

HB 312 Nonparticipating Tobacco Manufacturer's Fee – Rep. David Ure (Effective July 1, 2004) This bill levies an equity assessment of 1.75 cents per cigarette on nonparticipating tobacco product manufacturers, in addition to current cigarette taxes; and designates cigarettes in violation of this section as contraband goods.

HB 332 Veterans Special Group License Plate Amendments – Rep. Steven R. Mascaro (Effective October 10, 2004) This bill provides that a contributor to the Office of Veteran's Affairs shall make an annual donation of \$10 for a veterans' special group license plate after the initial \$25 donation required at the time of application.

Senate Bills

SB 3 Minimum School Program Act Amendments – Sen. Howard A. Stephenson (Effective July 1, 2004) This bill requires each school district to impose a basic tax rate per dollar of taxable value that generates \$217,590,703 in revenues statewide and establishes a preliminary tax rate estimate of .001754 for 2004-05.

SB 13 Resort Communities Tax Amendment – Sen. Lyle W. Hillyard (Effective May 3, 2004) This bill defines the capacity of high-occupancy lodging, recreational unit lodging, special lodging unit lodging, and standard lodging; requires a municipality to file with the Tax Commission a form containing information regarding lodging capacity within the incorporated boundaries of the municipality at the time the resort community tax is originally imposed, and thereafter on or before September 1 annually; requires the Tax Commission to provide written notice to a municipality if the municipality has a transient room capacity that is less than 66% of the municipality's permanent census population; provides that a municipality that receives the written notice from the Tax Commission for 2 consecutive years may not impose a resort communities tax.

SB 19 Sales and Use Taxes – Exemption for Energy Related Equipment and Machinery – Sen. Leonard M. Blackham (Effective July 1, 2004) This bill provides a sales tax exemption for machinery or equipment used to make new or expanding renewable production facilities operational; provides an exemption for machinery or equipment used to make new or expanding waste facilities operational; provides an exemption for machinery or equipment installed on new or expanding facilities that produce fuel from biomass energy.

SB 76 Revisions to Royalty on Brine Shrimp – Sen. Thomas V. Hatch (Effective February 1, 2004) Imposes a \$550,000 royalty payment per brine shrimp harvest season; individual harvesters shall pay a proportionate share of the \$550,000 based on their share of the total volume of the harvest; Natural Resources shall receive volume information from harvesters, send this information to Tax Commission, and Tax Commission will bill harvesters.

SB 82 Deposits into Uintah Basin Revitalization Fund – Sen. Beverly Ann Evans (Effective May 3, 2004) This bill provides that monies may be deposited into the Uintah Basin Revitalization Fund if a county or the tribe does not impose or propose to impose a business or activity fee or a tax on gross receipts from oil and gas activities; extends the dates for making deposits into the fund; increases the cap on deposits into the fund to \$3,000,000 per fiscal year.

SB 98 Fees for Electronic Processing of Certain Motor Vehicle Transactions – Sen. Curtis S. Bramble (Effective May 3, 2004) This bill provides that the Motor Vehicle Enforcement Division may collect a fee to cover the cost of electronic payments on: (1) each purchase of a book of temporary permits; (2) each penalty issued for a delinquent temporary permit; and (3) each purchase of a salvage vehicle buyers license.

SB 109 Individual Income Tax Contributions for Education – Sen. David L. Thomas (Effective January 1, 2004) This bill authorizes a taxpayer to contribute \$1 or more to the Uniform School Fund on the taxpayer's individual income tax return; repeals obsolete language authorizing a taxpayer to contribute \$1 or more to an applied technology center or applied technology center and authorizes the contribution to be made to a campus of the Utah College of Applied Technology.

SB 120 Residential Property Tax Exemption – Sen. David L. Thomas (Effective January 1, 2005) This bill defines "household" to include married individuals that have established domiciles at separate locations within the state, but not legally separated individuals; provides that the residential property tax exemption is limited to one primary residence per household; provides that an owner of multiple residential properties located within the state is allowed a residential exemption for each residential property that is the primary residence of a tenant.

SB 124 Prohibition on Sales and Use Tax Incentive Payments by a Municipality – Sen. Sheldon L. Killpack (Effective July 1, 2004) This bill prohibits a county or municipality from making a sales and use tax incentive payment under an agreement entered into on or after July 1, 2004.

SB 133 Bulk Delivery of Motor Fuel – Sen. Howard A. Stephenson (Effective May 3, 2004) This bill repeals the 750 gallon minimum quantity purchase requirement by the United States government, this state, or political subdivisions of this state to qualify for a motor fuel tax exemption; grants rulemaking authority to the Tax Commission to administer this tax exemption.

SB 139 Individual Income Tax – Nonresident Income Amendments – Sen. Curtis S. Bramble (Effective January 1, 2004) This bill provides that compensation a nonresident service member receives for military service is subtracted from income for purposes of calculating the nonresident servicemember's state individual income tax.

SB 163 Property Tax – Confidentiality of Certain Information – Sen. Howard A. Stephenson (Effective March 23, 2004) This bill amends the purposes for which a meeting may be closed under the Open and Public Meetings chapter to include discussion of commercial information; prohibits state and local government officials from disclosing property tax commercial information; provides circumstances under which those individuals may disclose property tax commercial information; modifies penalty provisions to provide that an officer or employee of the state or a county who violates the property tax confidentiality statute may only be dismissed from office and be disqualified from holding office if that officer or employee is convicted of violating the property tax confidentiality statute.

SB 166 Off-Highway Vehicle Registration Provisions – Sen. Thomas V. Hatch (Effective January 1, 2005) This bill requires the Motor Vehicle Division to assign an off-highway vehicle registration number to each registered off-highway vehicle; requires the owner of an off-highway vehicle to affix and display the off-highway vehicle registration number assigned by the Motor Vehicle Division, in accordance with rules set by the Board of Parks and Recreation; prohibits a person from altering or defacing a registration sticker, registration card, permit, or off-highway vehicle registration number issued for an off-highway vehicle.

SB 171 Property Tax Treatment of Transportable Factory - Built Housing Units – Sen. Curtis S. Bramble (Effective January 1, 2004) This bill provides that transportable factory-built housing units that are located in a transportable factory-built housing unit park shall be treated as personal property, unless the housing unit owner also owns the underlying real property (in which case the unit is treated as real property); provides that a transportable factory-built housing unit that is not located in a transportable factory-built housing unit park is personal property unless the unit is an improvement (in which case the unit is real property).

SB 177 Property Tax – Outdoor Advertising – Sen. Michael G. Waddoups (Effective January 1, 2004) This bill amends the definition of personal property to clarify that outdoor advertising structures are personal property.

SB 190 Sales and Use Tax Exemption Relating to Film, Television, and Video – Sen. Howard A. Stephenson (Effective July 1, 2004) This bill exempts from state and local sales and use taxes purchases, leases, or rentals of machinery or equipment by establishments relating to film, television, and video if those purchases, leases, or rentals are related to the production or postproduction of motion pictures, television programs, television movies, music videos, commercials, or documentaries.

SB 191 Oil and Gas Related Taxes and Fees – Sen. Beverly Ann Evans (Effective January 1, 2004) This bill addresses how a fee on oil and gas is calculated; addresses the imposition of the severance tax on oil and gas including how the severance tax is calculated, severance tax rates, the valuation of oil and gas for severance tax purposes, and the filing of required statements; requires the Tax Commission to increase or decrease the tax rate based on estimates provided by the fiscal analyst and GOPB; and requires the Tax Commission to conduct a study and report to the Revenue and Taxation Interim Committee and the Utah Tax Review Commission.

SB 195 Taxation of Multi-Channel Video or Audio Service – Sen. Michael G. Waddoups (Effective July 1, 2004) This bill removes amounts paid or charged for multi-channel video or audio service from the sales and use tax base effective June 30, 2004; effective July 1, 2004, imposes a state tax of 6.25% on amounts paid or charged for multi-channel video or audio service.

SB 206 Property Tax Amendments – Sen. Howard A. Stephenson (Effective May 3, 2004) This bill modifies the definition of an improvement for property tax purposes to mean an item permanently attached to land if: (1) attachment is essential to the operation or use of the item; and (2) removal would cause substantial damage to the item or require substantial repair of the structure to which the item is attached; and requires the Tax Commission to designate an item as personal property for property tax purposes if that item was considered personal property in a Tax Commission rule in effect on January 1, 2004.

SB 230 Performance Plus – Reading Achievement – Sen. James M. Evans (Effective May 3, 2004) This bill creates the Performance Plus K-3 Reading Improvement Program to achieve the state's goals of having third graders reading at or above grade level; requires a school district or charter school to: (1) submit a reading proficiency improvement plan to qualify to use program monies; and (2) report on the expenditure of program monies; provides how program monies are to be allocated among qualifying school districts and charter schools; prohibits a school district or charter school from using program monies to supplant funds for existing programs; and authorizes a local school board leeway of up to .000121 to fund a school district's Performance Plus K-3 Reading Improvement Program.

SB 250 Prohibition of Class Actions Relating to Taxes and Fees Administered by the State Tax Commission – Sen. John L. Valentine (Effective March 16, 2004) This bill provides limitations on maintaining a class action that relates to a tax or fee administered by the Tax Commission; establishes requirements for a person to be included as a member of a class in a class action.