

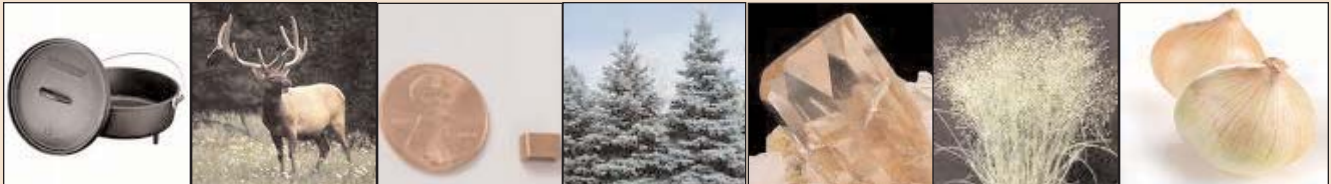


UTAH STATE
TAX
COMMISSION

ANNUAL REPORT

2007

FISCAL YEAR



UTAH STATE
Tax
Commission
ANNUAL REPORT
2007
FISCAL YEAR

On the Cover
**Utah's Official
State Symbols**

FRUIT Cherry	FISH Bonneville Cutthroat	ROCK Coal	BIRD Seagull	FLOWER Sego Lily	REPTILE Allosaurus	INSECT Honey Bee
COOKING POT Dutch Oven	ANIMAL Rocky Mtn. Elk	MINERAL Copper	TREE Blue Spruce	GEM Topaz	GRASS Indian Ricegrass	VEGETABLE Spanish Sweet Onion



State of Utah

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

UTAH STATE TAX COMMISSION

Pam Hendrickson
Commission Chair

R. Bruce Johnson
Commissioner

Marc B. Johnson
Commissioner

D'Arcy Dixon Pignanelli
Commissioner

Rodney G. Marrelli
Executive Director

December 15, 2007

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

On behalf of the Utah State Tax Commission, we are pleased to submit to you the annual report for the fiscal year ending June 30, 2007.

Total collections from all sources administered by the Tax Commission during the 2007 fiscal year totaled \$7,155,136,315. This represents an increase of \$679,911,750 in total collections from fiscal year 2006. The Education Fund increased \$334,035,665 or 12.4 percent; the Transportation Fund increased \$175,435,380 or 33.0 percent; and the unrestricted General Fund increased \$49,621,102 or 2.4 percent.

The Tax Commission is in the second year of a multi-year project to upgrade the State's tax computer system. The project will integrate systems that will enhance tax compliance, improve customer service, and provide flexibility for changes in the state's tax laws. Our dedicated staff along with system contractors successfully implemented the individual income tax system in January 2007 for the 2006 returns. We are in the process of developing a new sales tax system to be implemented in March 2008.

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

Sincerely,

Pam Hendrickson
Tax Commission Chair

Rodney G. Marrelli
Executive Director

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Office of the Commission

The Utah State Tax Commission has two distinct, but important roles: the Office of the Commission and Administration. The primary role of the Office of the Commission is to hear and rule on tax appeals, supervise and administer the State's tax laws, and promulgate rules to administer those tax laws. The Governor, with concurrence from the Utah State Senate, appoints four state tax commissioners. The Constitution of the State of Utah stipulates that no more than two Commissioners may be from a single political party.

The Office of the Commission mission statement reads: *Provide timely hearings and rulings on tax appeals, provide timely and accurate tax information, and improve tax processes through consistent administrative oversight.*

The Commission's priority is providing timely hearings and rulings on tax appeals. The State Tax Commission has set a performance target of 90 days from the receipt of an appeal to an initial event and a target of 75 days from an initial hearing or event to the issuance of a decision.

Vital to timely and accurate tax information is the posting of proposed and adopted administrative rules. These rules provide for written guidance to taxpayers on how a tax law will be interpreted, administered, and applied by the Commission. Proposed rule changes are posted on the Tax Commission website and sent to media outlets throughout the state at least 10 days prior to a Commission rule meeting. Adopted rules are posted within 10 days after being approved. Public comment is accepted until a rule is adopted.

The following comprise the Office of the Commission: four tax commissioners, administrative law judges, economists, internal auditors, public information officer, appeals staff, and clerical staff.



Pam Hendrickson
Commission Chair



Bruce Johnson
Commissioner



Marc Johnson
Commissioner

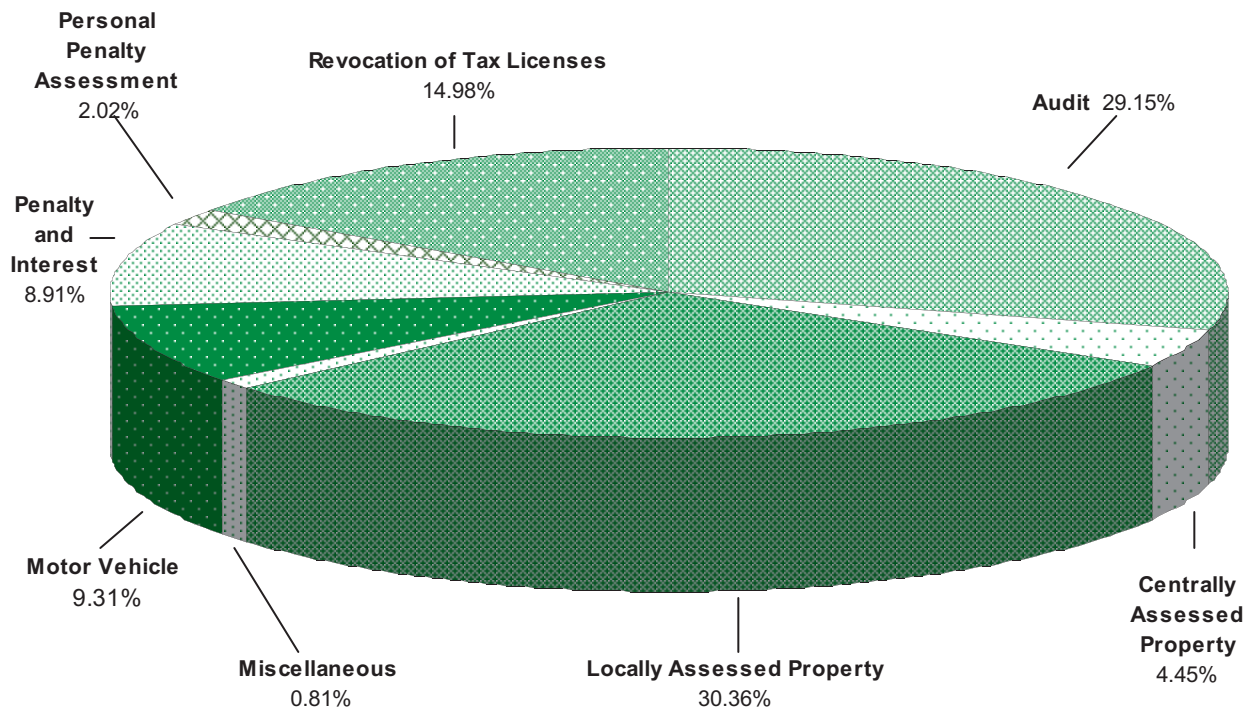


D'Arcy Dixon Pignanelli
Commissioner

The Commissioners, in consultation with the Governor, hire an executive director to oversee the administrative functions of the agency, including the Divisions of Motor Vehicle, Auditing, Taxpayer Services, Property Tax, Processing, Motor Vehicle Enforcement, and Administration. The operation of these functions serves to keep the appeals process separate from the administrative functions.

The Office of the Commission reviews the performance measures of the executive director and the divisions on a regular basis. In addition, the Commission utilizes internal audits to identify weaknesses in high risk areas. Items requiring improvement or corrective procedures are discussed with the executive director and a timeline set for future review.

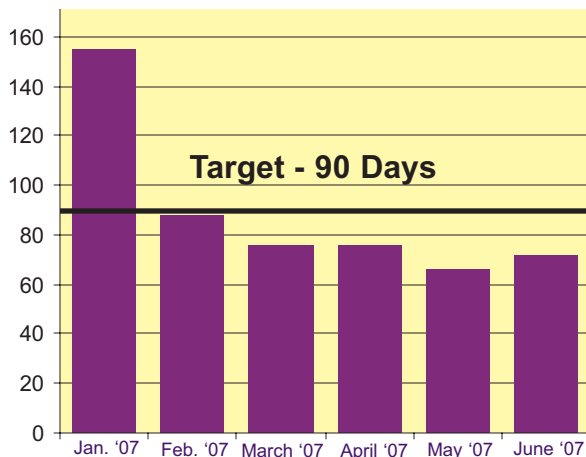
Appealed Cases by Type



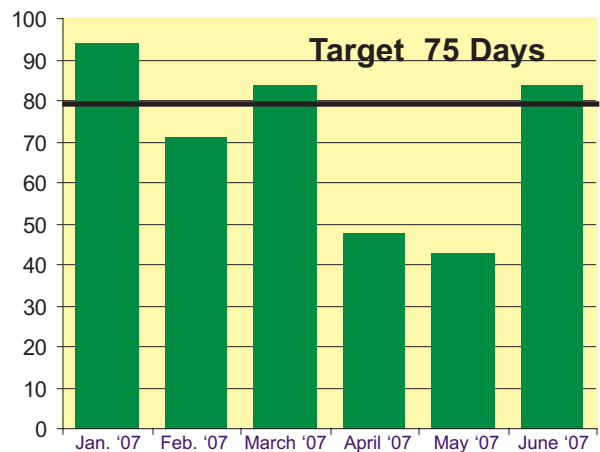
This chart shows the type and percentage of cases appealed and closed by the Tax Commission during fiscal year 2007.

Performance Measures

Days from Receipt of an Appeal To Initial Event

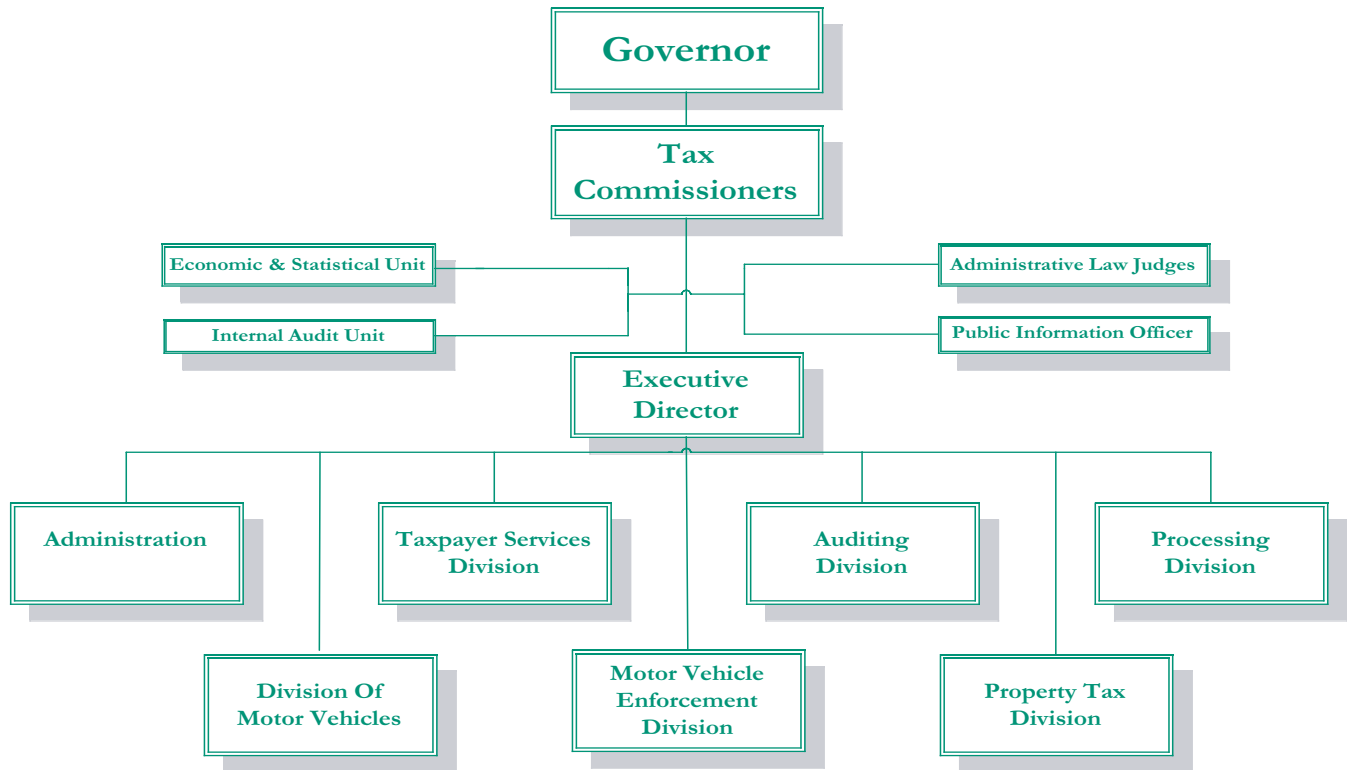


Days from Receipt of an Appeal To Issuance of a Decision



These charts show performance efficiencies of the Tax Commission in providing timely taxpayer hearings and appeals. The heavy black line shows the Commission's performance target. The following variables can affect the outcome of the performance measures: '*Number of Days from Receipt of Appeal to Initial Event*' - Availability of an administrative law judge and hearing room, type of appeal and any staffing changes; '*Number of Days from Initial Hearing to Issuance of a Decision*' - Number of hearings assigned to each administrative law judge, the complexity of the case, research and writing time, and deliberation time with a majority of commissioners present.

Administration



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

Mission

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

Do it Right the First Time

Effectively communicate and build working relationships with all customers

Better Tools for Better Results

Deliver quality products and services

Allow Great People to do Great Work

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

Make Compliance Easier, Evasion Harder

Purpose

We administer the following taxes and fees:

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

Divisions

Administration

- Oversees implementation of law changes
- Drafts rules and legislation
- Develops and manages the department's budgeting and accounting functions
- Distributes revenues to local governments
- Identifies tax fraud and develops criminal cases
- Oversees Department of Technology Services and Division of Human Resource Management functions assigned to Tax Commission

Division of Motor Vehicles

- Collected \$391 million in taxes and fees
- Processed a total of 4.3 million transactions which included 2.89 vehicle registrations.
- Trains staff of the counties that contract to administer motor vehicle programs for the state
- Provides vehicle identification services to law enforcement and evidence of vehicle ownership to individuals and financial institutions

Taxpayer Services Division

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

Auditing Division

- Audits all state taxes and certain local taxes as assigned by the Legislature
- Determines that taxes due have been reported
- Educates taxpayers in proper tax accounting
- Enhances voluntary taxpayer compliance

Processing Division

- Designs and prints publications and forms
- Deposited over \$7 billion in gross revenues received by the Tax Commission
- Processes, enters data, microfilms, and archives 2.67 million paper and electronic tax returns annually

Motor Vehicle Enforcement Division

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

Property Tax Division

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

Key Performance Measurements

The Utah State Tax Commission continues to meet the challenges of improved customer service through employee development and technological advancements. Services to Utah's residents and businesses are more accurate, faster, and convenient than in previous years. The costs of these services remain low while Tax Commission employees continue to be more efficient in carrying out their responsibilities.

Our employees focus on three main areas to improve service:

- 1) Quality systems and business processes
- 2) Timely service, and
- 3) Electronic filing and payment options.

Quality Systems And Business Processes

Tax and motor vehicle administration processes rely heavily on automated computer systems to accurately record and retain citizen information on millions of transactions annually. These systems are used extensively to ensure that citizens pay their fair share of financing the cost of state and local governments. Tax systems provide information for audits and identify delinquent account balances. Tax evaders are more easily identified using new technologies.

In response to these needs, the Tax Commission is in the second year of a multi year project to upgrade our tax computer system. The project will integrate systems that will enhance tax compliance, improve customer service, and provide flexibility for changes in the state's tax system.

This tax modernization project is a joint effort of the Tax Commission and the State Department of Technology Services to replace aged computer tax systems. It will replace five core tax systems. The results will serve as a foundation for the future and provide continued improved customer and tax administration service at the Utah State Tax Commission. A new individual income tax system was implemented in January 2007 for the 2006 returns and we are in the process of developing a new sales tax system to be implemented March 2008.



Rodney G. Marrelli
Executive Director
Utah State Tax Commission



This illustration shows the timeline of the Tax Commission's computer system upgrade project. The project serves as a foundation for the future and continued improved service.

Timely Service

Revenue Deposits

The timely collection and deposit of revenues in state accounts is critical for state investment purposes and to provide funds for government services.

State guidelines require all deposits of funds within 72 hours of receipt. Our goal is to deposit funds within 24 hours of receipt, and within 72 hours during peak return deadlines.

Income Tax Refunds

The public expects and relies on timely income tax refunds. Technology advancements and employee training have reduced the time taxpayers wait to receive state income tax refunds.

Timeliness of refunds generally depends on how early the taxpayer files the return. Income tax refunds are targeted to be processed within 15 days of receipt, which occurs at least 90 percent of the time. Exceptions occur when there is an error or unusual item. Those returns are then marked for review.

Citizen Assistance

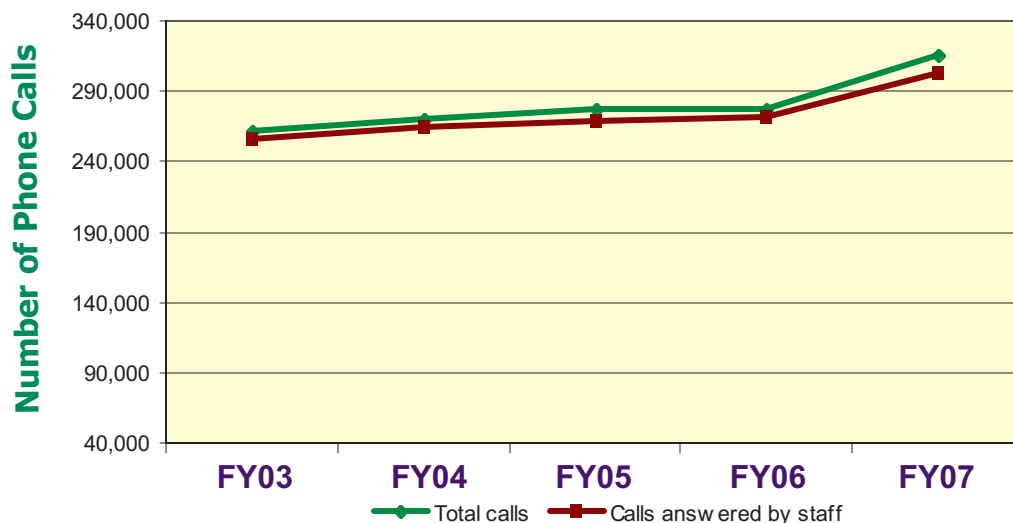
Since citizens are required to file tax

returns and register their vehicles, we need to provide timely and quality responses to all telephone inquiries in order to assist them in completing their transactions.

The Division of Motor Vehicles and Taxpayer Services Division continue to make improvements in assisting the number of citizens who contact the Tax Commission by telephone. When a customer discontinues a phone inquiry before contacting an employee, it is classified as an abandoned call. Both the number and the percentage of these types of phone calls have been reduced in recent years.

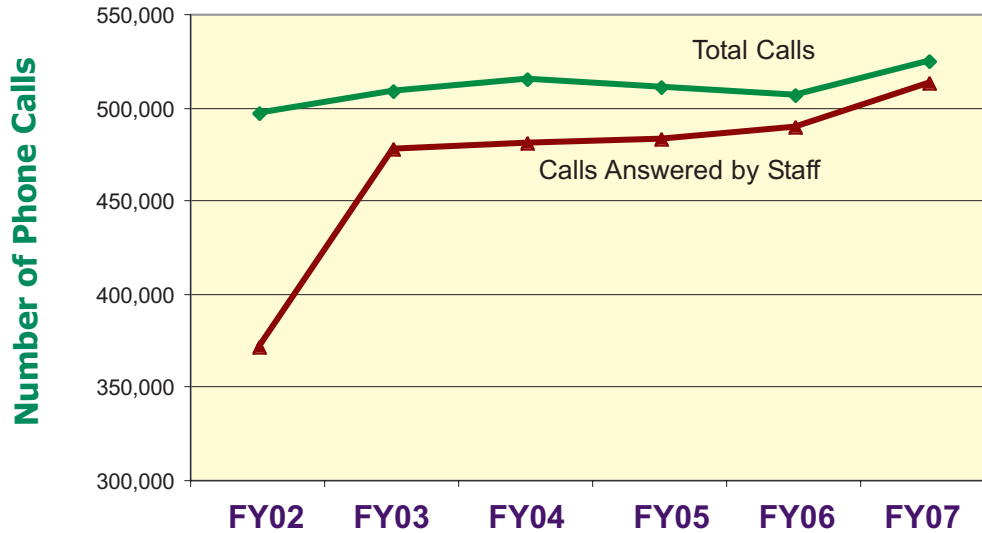
The Taxpayer Services Division is at the center of addressing and solving specific taxpayer questions. Employees provide customer service and maintain front line contact with the public on tax issues. This division also collects delinquent taxes and encourages future compliance with tax laws. The Division of Motor Vehicles answers all vehicle related questions from citizens. The charts below and on the following page show the progress made in timely responses to those calls.

Taxpayer Services Telephone Assistance



This chart shows consistency during the past several years in the percentage of customers who contacted Taxpayer Services by telephone and talked directly with employees.

DMV Telephone Assistance



This chart shows steady improvements during recent years in the percentage of customers who telephoned DMV and talked directly with employees.

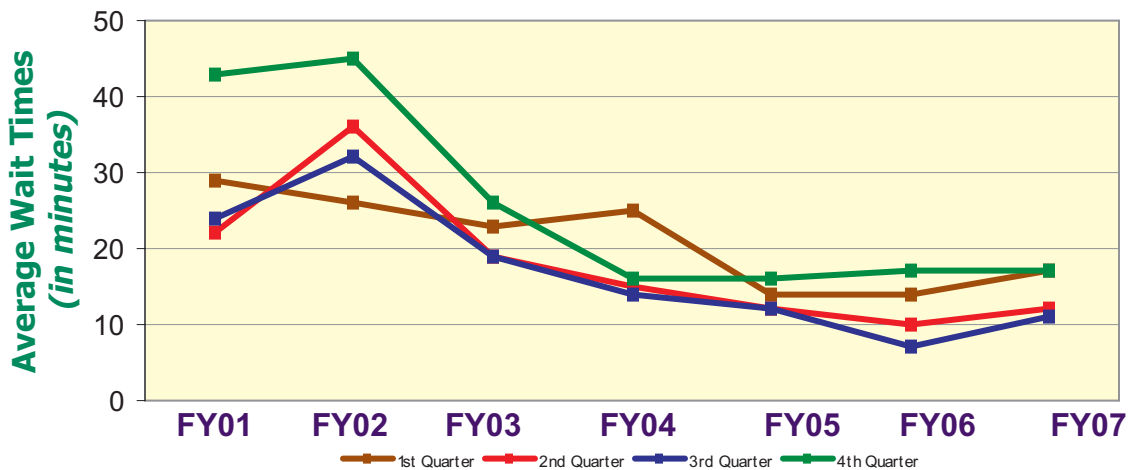
Wait Times

Citizens visiting the Motor Vehicle office expect efficient service in the least amount of time. This chart shows the average wait times for large state operated motor vehicle offices. These include all Wasatch Front offices and the St. George office. Wait times vary significantly from office to office depending on the day of the week, day of the month, and time of day. Due to these considerations, the Division of Motor Vehicle s focus continues to be on wait

time *trends* rather than specific daily wait times.

The Division of Motor Vehicle s goal is to keep average wait times shorter than 20 minutes. To reach this goal, the division utilizes seasonal employees to meet customer service demands during peak periods. Monthly wait times recorded by office automated systems are used to calculate the average quarterly wait times indicated below.

Division of Motor Vehicles Wait Times



This chart shows the average wait times by quarter in the Wasatch Front and Washington County DMV offices for the past seven years.

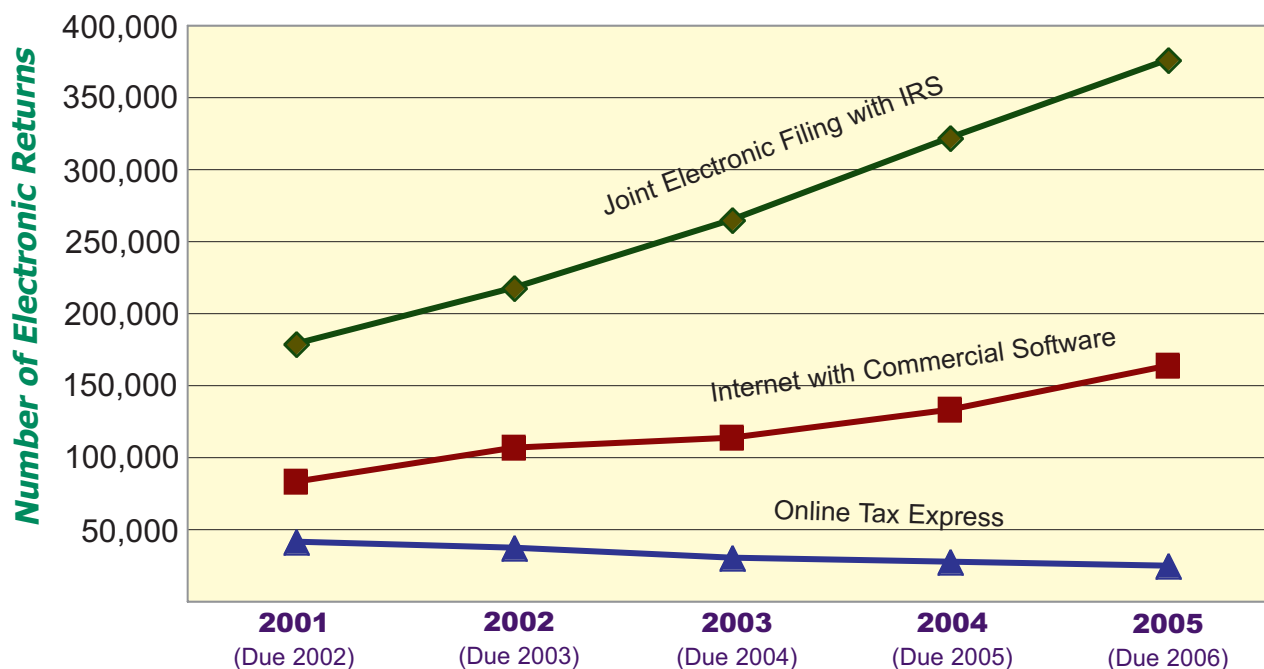
Electronic Filing and Payment Options

The Tax Commission continues to use technological advancements and alternative methods of filing income tax returns to keep pace with a growing population and economy. Over one million income tax returns are filed annually and we continue to encourage the use of electronic filing. Utahns have three electronic filing options available: 1) commercial software packages; 2) Joint electronic filing (JELF) with

the IRS; and 3) TaxExpress, the state's online option. Electronic filing is more accurate, faster, more secure, and saves taxpayers dollars.

As we continue to promote the use of electronic filing options, the number of traditional paper returns filed decreases. We expect the popularity of these options to continue.

Electronic Filing of Income Tax Returns



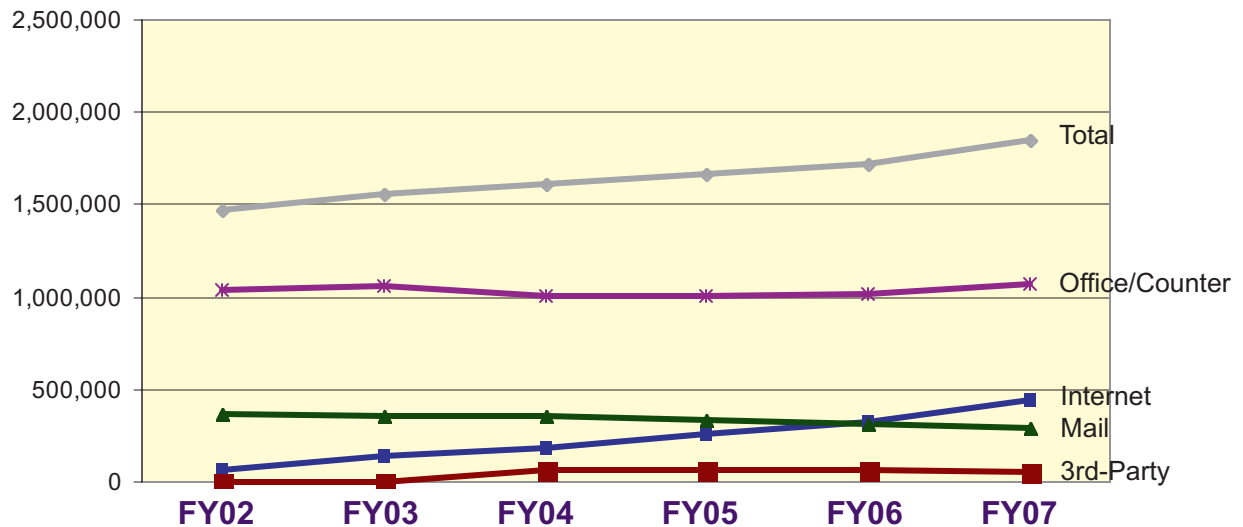
This chart shows the popularity of electronic filing options for income tax returns continues to grow. The number of traditional paper return filings has dropped from 661,040 in 2001 to 230,627 in 2005.

All motor vehicles, off highway vehicles, and boats operating in Utah must be licensed and registered by the Division of Motor Vehicles (DMV). Since documentation is required for some transactions, such as titles required for new vehicles, these must be completed in a DMV office. However, many transactions, including most registration renewals, can be completed electronically or by contracted private companies (third parties).

Third parties include authorized vehicle dealers, licensed inspection or emission stations.

We encourage citizens to complete renewal transactions through the Internet, mail, and authorized third parties. As more citizens complete transactions through these options, the current staff is able to meet the demands of growing population. Please see accompanying chart on the following page.

DMV Renewals by Function



This chart shows that the number of DMV transactions conducted through our Internet options and third party providers continues to grow, while mail and office transactions remain about the same. Third party transactions include those conducted by commercial contractors or other agencies outside of DMV offices.

Other Administrative Highlights

DMV Wins National Award; Opens New Offices

The GovMark Council honored the Utah Division of Motor Vehicles On the Spot program as the Best State and Local Marketing and Best Overall Marketing Program in the nation in 2007.

The council is a national organization for senior level marketing executives who serve the government information technology market.

On the Spot allows qualifying vehicle inspection stations to issue renewal decals at the station. At the end of fiscal year 2007, 160 Utah private inspection stations were serving customers in the program.

The program benefits citizens because it saves the time spent for an extra trip to the DMV office or completing it online or through the mail which delays the receipt of the renewal decal. It also serves as an added value service for participating stations to offer their customers.

In FY07, 163,959 vehicle registrations were recorded in the On the Spot program, an increase of 86,562 or 89 percent increase

from the previous fiscal year.

In an effort to improve customer service to motor vehicle owners as old leases expired, the Division of Motor Vehicles opened new offices in Washington and Davis counties in 2007.

The new Washington County office, which also serves as a Taxpayer Services office, is located in Hurricane, adjacent to the Drivers License Division and near the Washington County fairgrounds and justice buildings.

The Washington County office is also a full service branch for the motor carrier trucking industry.

The DMV Davis County office moved from the County Courthouse to the vicinity of the Davis County Justice Complex and fair grounds.

In addition to titling and registering vehicles, the new offices feature a drive through for vehicle renewals. Customers waiting for service in the new offices will now be seated, instead of standing in line.

Income Tax Filings

Two significant income tax filing milestones were reached at the State Tax Commission in the past year.

Last year was the first time that more than one million taxpayers filed state tax returns in Utah, a 4.25 percent increase over the previous year.

For the first time in the state's history, more people filed state income taxes

electronically than on paper. Of the 1,040,783 returns filed, 565,851 (54.37 percent) filed using commercial software over the Internet, joint electronic filing with the Internal Revenue Service, or using the state's online TaxExpress.

This compares to only 15.72 percent filing electronically in 2000.

Motor Vehicle Enforcement

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

Utah law enforcement agencies recognize MVED police officers as experts in investigations of vehicle theft rings, chop shops, and fraud involving motor vehicles, titles, odometers and related documents. The Division's dedicated investigation staff shares its knowledge with other agencies through shared intelligence and extensive training.

Recovered Stolen Vehicles	629
Value of Recovered Vehicles	\$7,067,795
Motor Vehicle Criminal Counts Filed.	589
Registration and Other Citations	3,334
Impoundments	374
Temporary Permit Audit Collections . . .	\$905,539
Complaints and Cases Investigated	2,352

Legislative Tax Reform

In the year of a strong economy combined with political cooperation among the Governor, the Senate, the House of Representatives, and special interest groups, the Legislature passed the largest tax cut in the history of Utah. It is estimated to save the average Utah family about \$300 annually. The chart below shows the estimated cuts made by the 2007 Legislature.

Legislative Tax Cuts

Personal and Corporate Income Tax	\$110 million
General State Sales Tax	\$40.8 million
State Sales Tax on Groceries	\$40.4 million
Cable Television	\$5 million
Business and Research Development Credit .	\$14.5 million
Mining Sales and Use Tax Exemptions	\$5 million
Corporate Renewable Energy Credits	\$2.32 million
Dental Prosthesis	\$1.9 million
Renewable Energy Credit for Homes	\$644,000

The Legislature approved 48 tax related bills, but Senate Bill 223 will have the greatest impact on taxpayers and those preparing returns for the 2008 tax year. The 183 page, 5,098 line tax amendment bill was tagged The Omnibus Tax Bill. It amends the Utah Revenue and Taxation title and the Rural Health Services chapter.

State Income Tax

2007 Tax Year

During the current tax year only, a taxpayer can choose either the traditional method or a single rate based on 2006 legislation. The traditional method uses graduated brackets and rates, with a top rate of 6.98 percent. The single rate method imposes a single 5.35 percent on all taxable income.

Additional legislation expands the nonrefundable renewable energy tax credit to include some geothermal sources. It also removes language reimbursing the Uniform School Fund for non refundable renewable energy tax credits.

A new refundable renewable energy tax credit is authorized as follows:

If an energy system placed in service on or after January 1, 2007, does not use wind, geothermal electricity, or biomass equipment capable of producing at least 660 kilowatts of electricity, a tax credit may be taken for 10 percent

of the installation costs of the energy system up to a maximum of \$50,000 per unit.

If that energy system uses wind, geothermal electricity, or biomass equipment capable of producing 660 or more kilowatts of electricity, a tax credit may be taken for 0.35 cents for each kilowatt hour of electricity produced for the first four years the energy system is in service.

Effective Jan. 1, 2008

The following major income tax changes will go into effect Jan. 1, 2008:

Utah's individual income tax based on graduated brackets and rates will be repealed.

A single rate income tax at a rate of 5 percent will be applied to all taxpayers.

Taxpayers will receive a non refundable credit based on either 6 percent of the federal standard deduction or 6 percent of federal itemized deductions excluding Utah income taxes paid.

Taxpayers will receive an additional non refundable tax credit equal to 4.5 percent of the federal personal exemption. (Under current law, taxpayers are allowed a deduction for 75 percent of the federal personal exemptions claimed. The 4.5 percent credit on the entire amount of the exemption is equivalent to a 6 percent credit on

75 percent of the exemption amount.)

Both credits are reduced by \$.013 for each dollar that state taxable income exceeds \$24,000 for those married filing jointly, \$12,000 for singles, or \$18,000 for heads of household.

Qualifying taxpayers may receive the following credits:

A non refundable credit of \$450 for a person 65 or older and born on or before Dec. 31, 1952.

A non refundable credit equal to the lesser of \$288 or 6 percent of the retirement income for a person under 65 and born on or before Dec. 31, 1952.

Both retirement credits are reduced \$.025 for each dollar by which income exceeds \$32,000 (married filing joint or head of household), \$16,000 (married filing separately), or \$25,000 (single).

Non refundable deduction/exemption and retirement tax credits will be apportioned for a non resident individual or part year resident.

Tax credits for research activities in the state are increasing from 6 percent to 7 percent. A taxpayer may claim an additional non refundable tax credit equal to 5 percent of a taxpayer's qualified research expenses for the current taxable year. This credit, however, may not be carried forward.

A new non refundable income tax credit retrospective to January 1, 2007, is allowed for a qualified investment in the Utah Educational Savings Plan Trust:

Taxpayers calculating their state income tax under the single rate system since those taxpayers are unable to take the deduction for amounts invested in the Trust;

Equal to the lesser of the actual qualified investment or the maximum qualified investment, multiplied by 5.35 percent.

Effective on or before May 1, 2008

The Legislature implemented a 3 tier penalty provision that applies to failure to file or pay income, fiduciary, sales, corporate, and

withholding taxes. The change will be implemented as the Tax Commission's new GenTax systems come online. GenTax is a commercial software system that is replacing aged systems at the Tax Commission over the next several years.

The sales, fiduciary, and income tax phase will become effective on or before May 1, 2008. Corporate and withholding taxes will be impacted no later than May 4, 2009. Those dates could change if the GenTax systems become operational earlier.

New penalties for failure to file, failure to pay, and failure to file a timely extension, once implemented, will be the greater of \$20, or

2 percent of the unpaid liability paid between one and five days late;

5 percent of the unpaid liability paid between six and 15 days late;

10 percent of the unpaid liability paid 16 or more days late.

State Sales Tax

The Legislature continues to reduce the rates of state and local sales taxes as part of tax reform. Lawmakers reduced the general state sales tax excluding groceries from 4.75 percent in 2006 to 4.65 percent in 2008. This is expected to save \$28 annually for the typical Utah family of four with a household income of \$60,000.

The state sales tax on unprepared food is in the second year of a three year rate reduction. This tax was lowered from 4.75 percent in 2006, to 2.75 percent in 2007, and will be lowered to 1.75 in 2008.

In addition to the decrease in state sales tax on unprepared food, the Legislature has prohibited the imposition of many locally imposed taxes on groceries. The new law provides that the local taxes on unprepared food will be a constant 1.25 percent for all counties, cities, and towns. These changes to the locally imposed food taxes, effective January 1, 2008, will lead to a statewide sales tax on unprepared food at three percent.

Revenue Collection

Tax Revenues

Growth in major state revenue sources coincided with growth across all sectors of the Utah economy. Net tax revenues, collected by the Tax Commission, increased from \$6.48 billion in FY 2006 to \$7.16 billion in FY 2007, growing by 10.5 percent.

General and Education Fund

Revenues derived from the major nine sources (sales, income, corporate franchise, insurance, beer, cigarette, tobacco, oil, and mining severance taxes), comprising 95 percent of the General and Uniform School Fund, grew from \$4.7 billion to \$5.08 billion between FY 2006 and FY 2007, which is an 8.2 percent increase.

Income and Corporate Taxes

Individual income tax collections grew by 12.4 percent to \$2.6 billion. Adjusted Gross Incomes grew in FY 2007 in correspondence with increases in wages, capital gains, partnership income, interest and dividends. Withholding on wages was up 10.1 percent, final payments rose nearly 25.6 percent, while demonstrating the strength in the non wage component of income.

The corporate franchise and income tax increased from \$380 million to \$428

million between FY 2006 and FY 2007, a 12.5 percent increase.

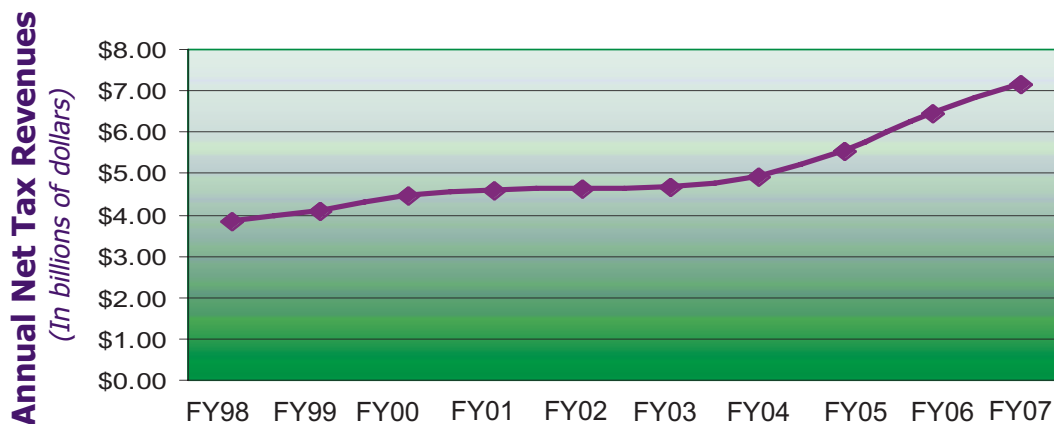
Sales Tax

Sales and use taxes, net of restricted funds, increased by 2.9 percent. When restricted revenue is added, particularly transportation earmarks, state sales and use taxes rose by more than 11 percent.

Increases in taxable sales and purchases, between FY 2006 and FY 2007, are attributable to continued growth in consumer spending and business expenditures. Mining, construction, manufacturing, and wholesale durable and non durable goods saw double digits increases at 15.5, 23.3, 15.1, 14.1 and 11.8 percent respectively. Retail sales grew by 12 percent, where the largest contributors were miscellaneous (18.2 percent), apparel (15.2 percent), motor vehicle (14.9 percent), and eating and drinking (11.8 percent) outlets.

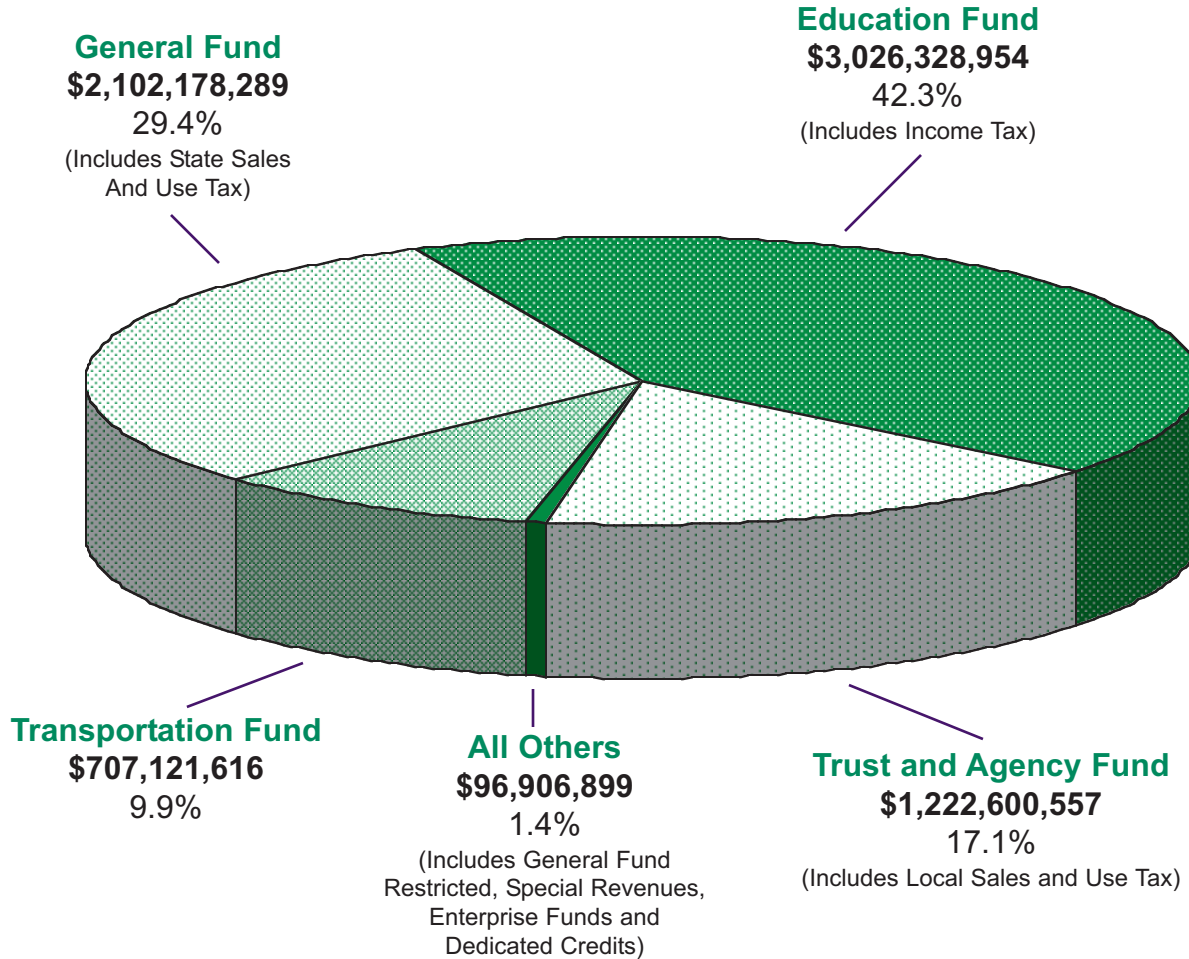
Transportation Fund

The three major Transportation Fund revenue sources increased from \$374 million to \$400 million, a growth of 7.0 percent from FY 2006 to FY 2007. Individually, special fuel taxes, the motor fuel tax, and motor vehicle registration fees grew by 10.0, 5.9 and 5.2 percent respectively.



Revenue Collection By Fund

Fiscal Year 2007



\$7,155,136,315

**Total Net Revenue Collected
By The Utah State Tax Commission**

Fiscal Year 2007

Total Net Revenue Collected

(Net FY88 to FY07)

2007	\$7,155,136,315	1997	\$3,223,448,534
2006	\$6,475,224,565	1996	\$3,221,673,913
2005	\$5,543,508,218	1995	\$2,966,041,867
2004	\$4,943,158,364	1994	\$2,677,314,005
2003	\$4,689,165,325	1993	\$2,414,732,208
2002	\$4,627,686,312	1992	\$2,227,789,484
2001	\$4,613,619,736	1991	\$2,081,908,892
2000	\$4,467,595,067	1990	\$1,948,025,214
1999	\$4,087,027,884	1989	\$1,848,202,100
1998	\$3,855,800,137	1988	\$1,718,247,057

Major Tax Revenue Sources

In Millions of Dollars

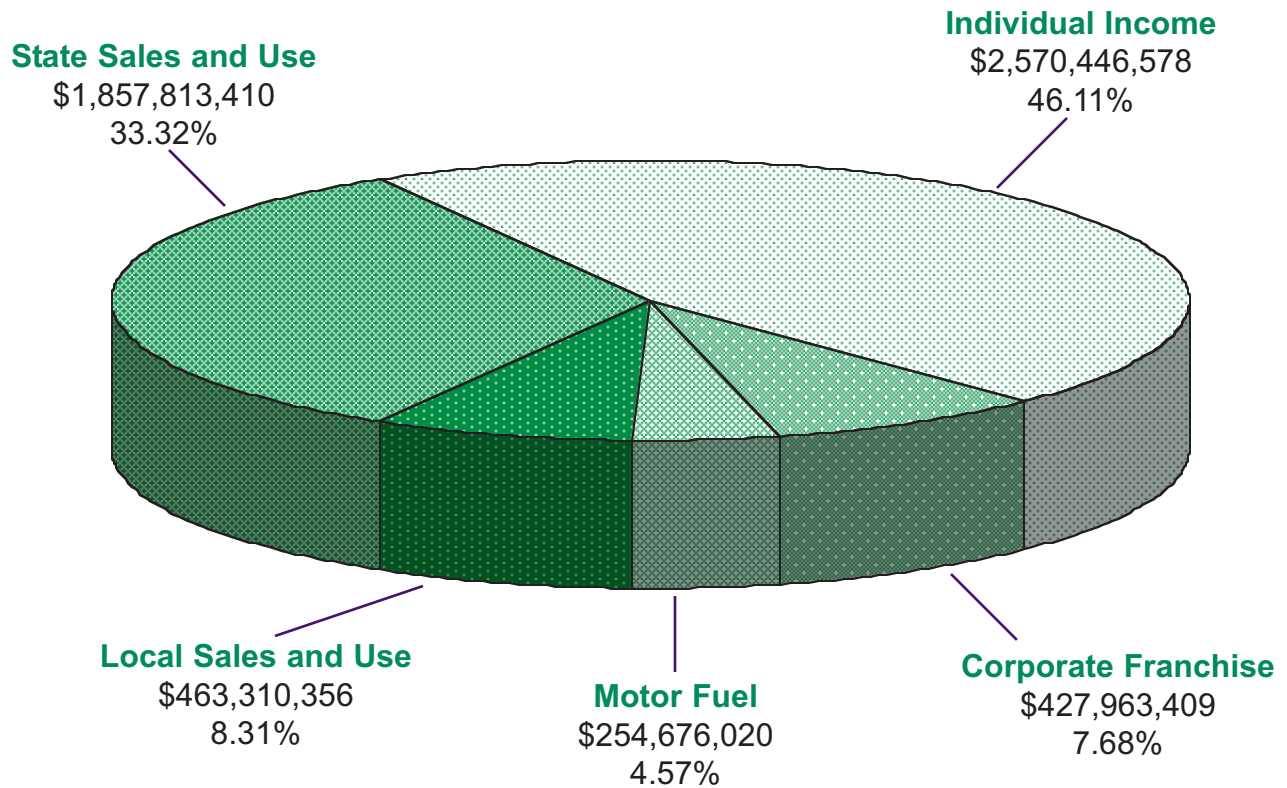
Fiscal Year	State Sales And Use ¹	Individual Income ²	Local Sales And Use	Motor Fuel	Corporate Franchise ^{3,4}
2007	1857.8	2570.4	463.3	254.7	428.0
2006	1806.3	2286.7	415.9	240.4	380.3
2005	1634.5	1933.3	361.1	241.5	198.9
2004	1501.9	1699.2	331.6	239.9	155.4
2003	1444.0	1575.4	325.2	236.6	152.5
2002	1441.3	1610.6	318.0	237.9	118.9
2001	1431.4	1713.1	314.3	229.4	174.4
2000	1369.6	1654.9	301.7	237.6	179.6
1999	1316.4	1463.9	284.5	225.2	184.3
1998	1251.8	1377.6	263.5	217.7	189.0
1997	1252.1	1237.3	258.1	168.4	182.9
1996	1162.5	1139.1	225.6	163.2	168.4
1995	1055.1	1026.9	212.6	155.5	153.5

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

² Includes 40 percent of mineral production withholding tax

³ Includes 60 percent of mineral production withholding tax

⁴ FY2006 and FY2007 includes radioactive waste and gross receipts tax



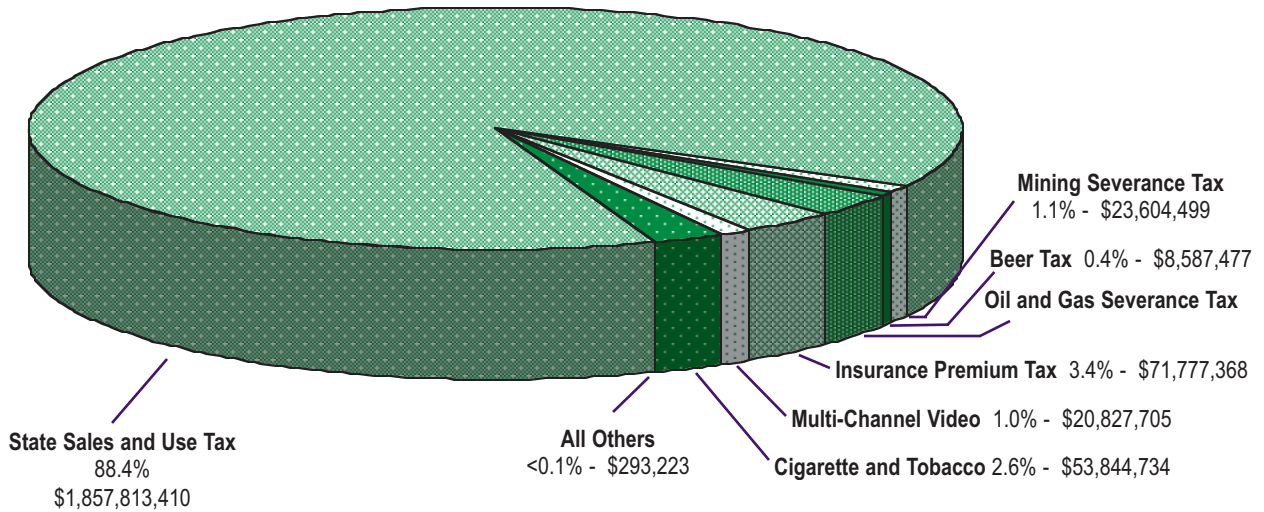
Percentages shown above are of the total major tax revenue sources and do not include other tax revenues. Total may not add to 100 due to rounding.

General Fund

Total Collections - \$2,102,178,289

(Excluding General Fund Restricted Funds)

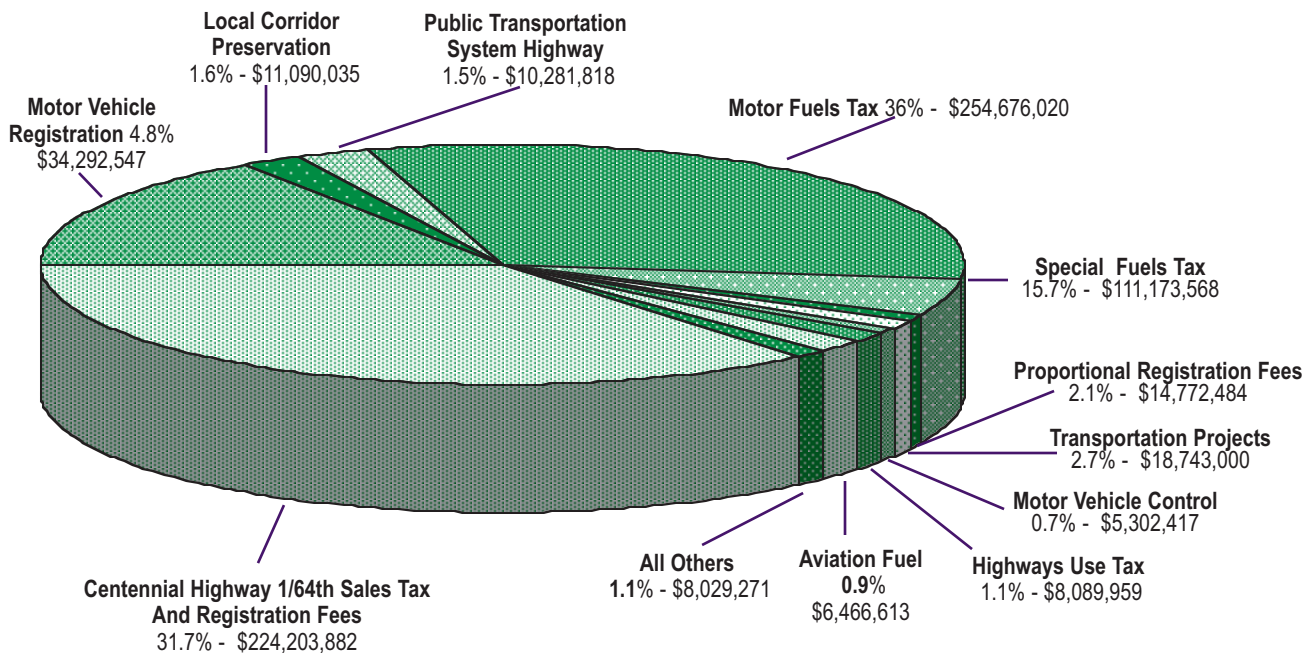
The Legislature appropriates from the General Fund monies for general government and higher education. Some General Fund revenue is also used to fund the public school system. The largest single source of revenues comes from the State's sales and use tax.



Transportation Fund

Total Collections - \$707,121,616

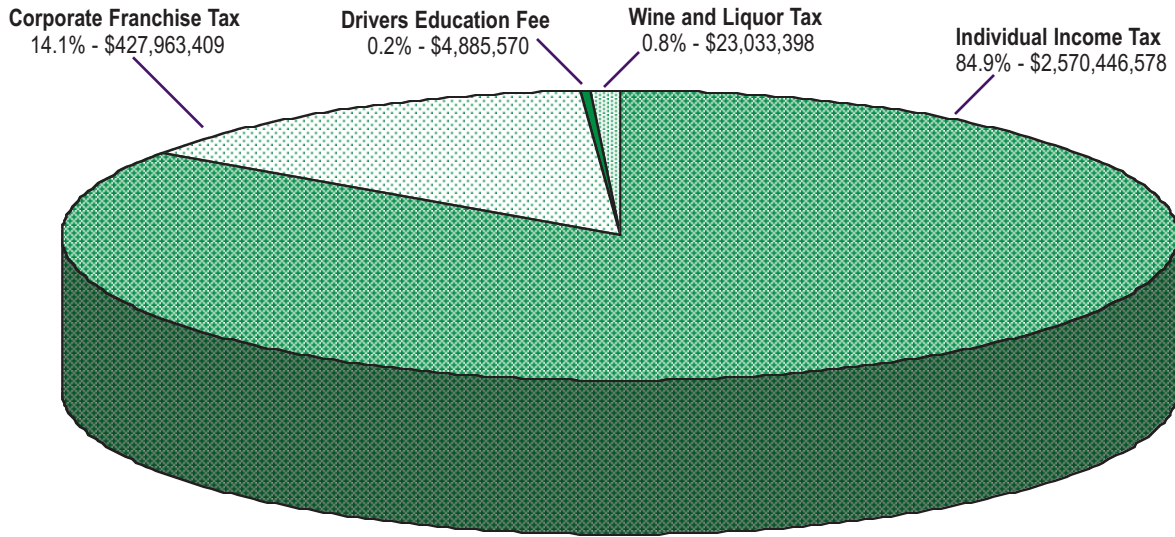
The Utah Constitution requires that taxes imposed on sales of motor fuel may only be used for specific highway purposes. This chart shows that most of the revenues deposited into the Transportation Fund come from the state's taxes on motor fuel and special fuel. Motor vehicle registration fees also contribute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



Education Fund

Total Collections - \$3,026,328,955

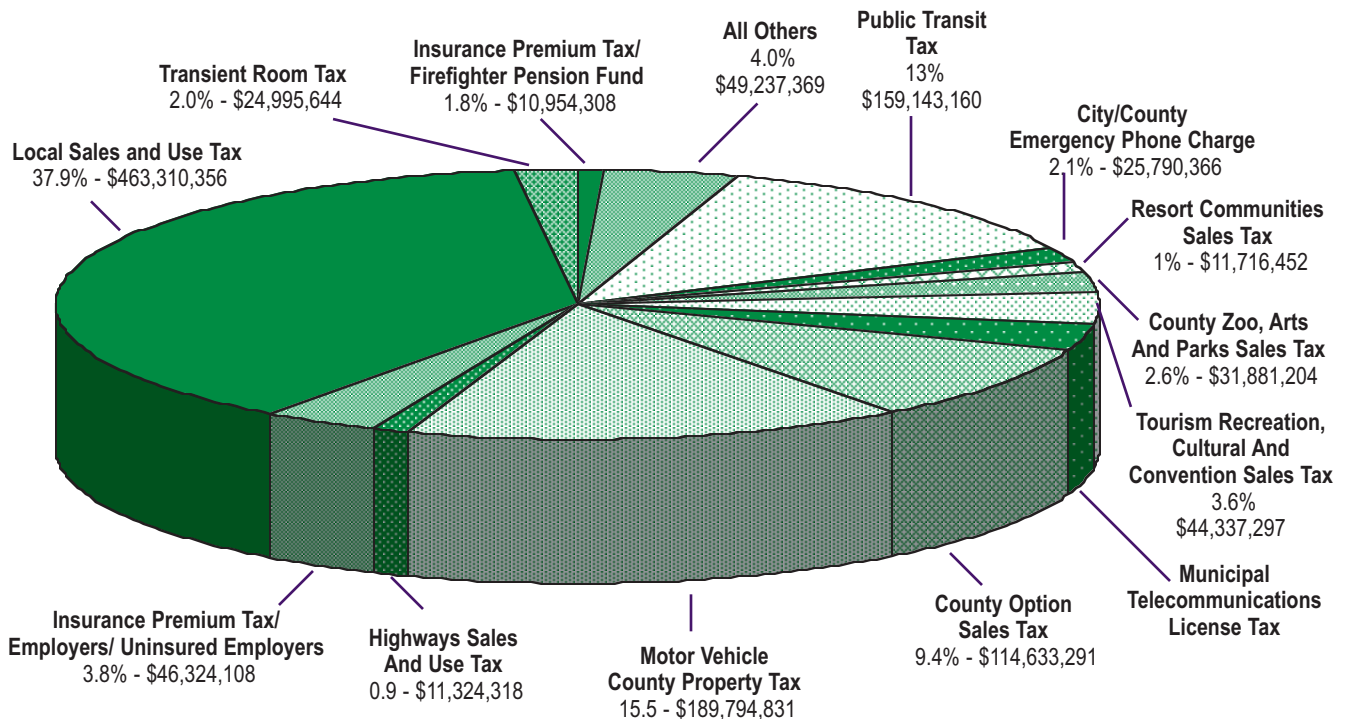
The Utah Constitution requires that the state income tax only be used to fund the state's public education and higher education systems. As shown in this chart, the Education Fund is largely composed of revenues generated by individual income and corporate franchise taxes. Gross receipts taxes and the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



Trust and Agency Fund

Total Collections - \$1,222,600,557

The Trust and Agency Fund includes taxes collected on behalf of public and private entities outside of Utah State government. City and County sales taxes, pensions, and trust funds are examples of the accounts in the Trust and Agency Fund.



Net Revenue Comparison

Fiscal Years 2006 and 2007/TC-23 Report

Dedicated Credits

Reporting Category Source <u>And Distribution</u>	FY2007 <u>Net Revenue</u>	FY2006 <u>Net Revenue</u>	Net Amount <u>Change</u>	Net % <u>Change</u>
Admin. Allowance Service Charge: Sales Tax	7,443,080	9,047,109	(1,604,029)	(17.7%)
MV Regist/Plate Fees: Plate, Admin Fee	2,518,690	2,597,783	(79,093)	(3.0%)
MV Contract Services Sale of Info	260,123		260,123	
Off Highway Vehicle Reg. Fees	570,910	537,053	33,857	6.3%
Federal Revenues & Grants	513,631	578,707	(65,076)	(11.2%)
Ded. Cred: DNR Watershed Rehab/Cloud Seed	650,000		650,000	
Ded. Cred: Electronic Payments Offset Fee	37,137	34,342	2,795	8.1%
Ded. Cred: DNR Plants/Animal Protect: Sales	2,450,000	2,450,000		0.0%
Ded. Cred: Electronic Conv. Fees Pmt Express	1,925,544	1,333,661	591,883	44.4%
Misc. Dedicated Credits: Tax Comm.	1,559,517	1,247,065	312,452	25.1%
Misc. Dedicated Credits: Other Agencies	217,226	197,240	19,986	10.1%
County Property Tax Transaction Fees	2,176,231	2,146,537	29,694	1.4%
Driving Under Influence Impound Fees	307,839	274,336	33,503	12.2%
30 Day Motor Veh Reg Permit	2,641,478	2,282,941	358,536	15.7%
Private Organ Donation Contributions	84,354	67,942	16,413	24.2%
Water & Wastewater Proj: Div of Water Rights	812,221	175,000	637,221	364.1%
Dedicated Credits Total	24,167,981	22,969,716	1,198,265	5.2%

Enterprise Funds

Land Grant Management Fund Reg. Fees	(31,222)	117,719	(148,941)	(126.5%)
Enterprise Funds Total	(31,222)	117,719	(148,941)	(126.5%)

General Fund

State Sales And Use Tax	1,857,813,410	1,806,264,423	51,548,987	2.9%
Insurance Premium Tax: Admitted Insurers	71,777,368	71,417,541	359,826	0.5%
Cigarette Taxes	46,510,880	45,348,314	1,162,566	2.6%
Inheritance Tax	497,617	7,448,037	(6,950,419)	(93.3%)
Oil And Gas Severance Tax	65,429,873	71,513,869	(6,083,996)	(8.5%)
Beer Tax	8,587,477	8,720,081	(132,603)	(1.5%)
Mining Severance Tax	23,604,499	17,042,798	6,561,701	38.5%
Tobacco Products Tax	7,314,289	6,763,963	550,326	8.1%
Motor Vehicle Bus. Regulation Fees: MVED	2,229,894	2,149,465	80,430	3.7%
DUI Impound Fees	1,103,973	983,827	120,146	12.2%
Court Warrant/Garn/Lien Fees	299,071		299,071	
Energy Savings Tax Credit	(223,295)	(133,228)	(90,067)	67.6%
Property Tax Relief Credits: Circuit Breaker	(5,915,615)	(5,460,801)	(454,814)	8.3%
Cigarette Licenses & Fees	19,565	19,869	(304)	1.5%
Misc. Taxes & Other	2,301,578	0	2,301,578	
Multi Channel Video or Audio Service Tax	20,827,705	20,479,030	348,675	1.7%
General Fund Total	2,102,178,289	2,052,557,187	49,621,102	2.4%

Net Revenue Comparison

Fiscal Years 2006 and 2007/TC-23 Report

General Restricted Fund

Reporting Category Source And Distribution	FY2007 Net Revenue	FY2006 Net Revenue	Net Amount Change	Net % Change
Cigarette Tax Tobacco Prevention Rstrctd	8,647,757	8,187,942	459,815	5.6%
Ins. Premium & Other Restricted	1,631,261	1,572,771	58,490	3.7%
Water & Wastewater Proj: Sales Restricted	25,440,139	14,875,000	10,565,139	71.0%
Fire Academy Support Fund Restricted	5,476,157	5,216,795	259,362	5.0%
Inc Tax Contrib: Organ/Homeless/Wolf/Spay	245,598	192,141	53,457	27.8%
Lubricating Oil Fee: Used Oil Restricted	590,227	642,823	(52,597)	(8.2%)
Oil & Gas Conservation Fee Restricted	4,747,883	5,560,449	(812,566)	(14.6%)
Other Misc. Restricted	1,327,636	936,326	391,310	(41.8%)
Boat Registration Fees Restricted	660,952	658,115	2,837	0.4%
Boat Fuel Tax Restricted	2,845,354	2,828,682	16,672	0.6%
Off Highway Vehicle Reg. Fees Restricted	3,208,896	2,090,458	1,118,438	53.5%
Snowmobile Registrations Restricted	6,853	306,971	(300,118)	(97.8%)
Off Highway Vehicle Fuel Tax Restricted	1,050,000	1,050,000		0.0%
Alcohol Beverage Enforce/Treatment Restrct	4,350,000	3,741,888	608,112	16.3%
Statewide Unified E 911 Emergency Services	5,486,116	4,872,791	613,325	12.6%
General Restricted Total	65,714,829	52,733,151	12,981,677	24.6%

Special Revenues Fund

Uintah Basin Revitalization Fund	5,000,000	3,000,000	2,000,000	66.7%
Navajo Revitalization Fund	2,000,000	1,988,076	11,924	0.6%
Misc Special Revenues	55,311	226	55,085	24373.9%
Special Revenues Total	7,055,311	4,988,302	2,067,009	41.4%

Transportation Fund

Motor Fuel Tax	254,676,020	240,431,781	14,244,239	5.9%
Special Fuel Tax	111,173,568	101,097,515	10,076,053	10.0%
Motor Vehicle Registration Fees	34,292,547	32,579,496	1,713,051	5.3%
Proportional Registration Fees	14,772,484	13,039,751	1,732,733	13.3%
Proportional Registration: Highway Use Tax	8,089,959	8,587,893	(497,934)	(5.8%)
Aviation Fuel Tax Restricted	6,466,613	6,981,440	(514,827)	(7.4%)
Motor Vehicle Control Fees	5,302,417	5,062,528	239,889	4.7%
Uninsured Motorist Fees Restricted	2,585,469	2,492,301	93,168	3.7%
DUI Impound Fees Restricted	1,029,668	917,607	112,061	12.2%
Motorcycle Safety Fees Dedicated Credit	326,996	289,804	37,192	12.8%
Transportation Projects: Sales Tax Restricted	18,743,000	16,807,773	1,935,227	11.5%
Public Trans Sys Tax Hwy: Sales Restricted	10,281,818	11,817,674	(1,535,856)	(13.0%)
Motor Vehicle Rental Tax Restricted	4,030,263	4,243,466	(213,203)	(5.0%)
Centennial Highway MV Registration Fee	22,297,129	21,447,542	849,587	4.0%
Centennial Highway 1/64% Sales Tax & Transfers	201,906,753	65,851,436	136,055,317	206.6%
Local Transportation Corridor Preservation Fee	11,090,035		11,090,035	
Clean Fuel Incentive Surcharge	56,875	38,229	18,646	48.8%
Transportation Total	707,121,616	531,686,236	175,435,380	33.0%

Net Revenue Comparison

Fiscal Years 2006 and 2007/TC-23 Report

Trust and Agency Fund

Reporting Category Source <u>And Distribution</u>	FY2007 <u>Net Revenue</u>	FY2006 <u>Net Revenue</u>	Net Amount <u>Change</u>	Net % <u>Change</u>
Local Sales And Use Tax	463,310,356	415,904,148	415,904,148	11.4%
Transient Room Tax	24,995,644	20,294,926	20,294,926	23.2%
Municipality Transient Room Tax	1,223,782	1,089,242	1,089,242	12.4%
Resort Communities Tax	11,716,452	10,609,677	10,609,677	10.4%
Public Transit Tax	159,143,160	136,416,309	136,416,309	16.7%
County Option Fixed Guideway	1,499,204		1,499,204	
Tourism, Recreation, Cultural, Convention Tax	44,337,297	45,401,207	(1,063,910)	(2.3%)
County Option Zoo, Arts Parks	31,881,204	26,242,424	5,638,780	21.5%
Rural County Hospital Tax	7,874,753	6,443,531		22.2%
Highways Sales & Use Tax	11,324,318	10,344,378	979,940	9.5%
County Option Sales & Use Tax	114,633,291	102,809,849	11,823,442	11.5%
Town Option Sales & Use Tax	35,539	33,112	2,427	7.3%
Municipal Energy Sales & Use Tax	3,180,300	4,961,214	(1,780,913)	(35.9%)
MV County Collections Courtesy/Internet				
MV County Collections MVA	189,794,831	182,096,662	7,698,169	
Waste Tire Recycling Fees	2,946,974	2,872,276	74,699	4.2%
Employers Reins. & Uninsured Employers	46,324,108	43,440,929	2,883,179	2.6%
Environmental Surcharge On Petroleum	6,085,428	6,904,367	(818,939)	(11.9%)
Fireman's Pension Fund	10,954,308	10,431,262	523,046	5.0%
Car & Bus Tax	8,370,234	7,001,318	1,368,916	19.6%
Local Sports / Recreational Bonding (1/64)	230,530	207,572	22,958	11.1%
Centennial / Olympic License Plate Fees				
Collegiate License Plate Fees	312,746	263,750	48,996	18.6%
Illegal Drug Stamp Tax: Law Enforcement	151		151	
Municipal Telecommunications License Tax	39,157,851	39,959,327	(801,476)	(2.0%)
Emergency Services Phone Charge	25,790,366	25,434,065	356,300	1.4%
Inc. Tax Contributions: Education	67,096	34,106	32,990	96.7%
Inc. Tax Contributions: Election Campaign	131,194	132,866	(1,672)	(1.3%)
Motor Vehicle Blindness Prevention Checkoff	32,221	27,683	4,538	16.4%
Tax Cash Bonds				
Childrens License Plate Fees	42,163	42,640	(478)	(1.1%)
Boy Scout License Plate Fees	10,972	10,169	804	7.9%
Other License Plate and Contributions	72,100	64,820	7,280	11.2%
Tax Commission Suspense	17,121,982	18,405,136	(1,283,154)	(7.0%)
Trust & Agency Total	1,222,600,557	1,117,878,964	104,721,593	9.4%

Education Fund

Individual Income Tax: Withholding	2,124,207,671	1,929,550,629	194,657,043	10.1%
Individual Income Tax: Final Payments	437,016,447	348,061,013	88,955,434	25.6%
Corporate Tax	414,129,718	366,625,805	47,503,913	13.0%
Mineral Production Tax Withholding	23,056,151	22,734,690	321,461	1.4%
Driver Education Fees Dedicated Credits	4,885,570	4,735,406	150,163	3.2%
Wine And Liquor Tax Dedicated Credits	23,033,398	20,585,747	2,447,651	11.9%
Education/USF Total	3,026,328,954	2,692,293,290	334,035,665	12.4%
Net Revenue	7,155,136,315	6,475,224,565	679,911,750	10.5%

Income Tax

Individual income tax, corporate income, and franchise taxes in Utah are based on income. Between 1947 and 1996, all income taxes were constitutionally required to be used for public education. In 1996, Utah voters approved a change to the state's Constitution providing that these revenues could also be used for higher education. Utah is the only state where this constitutional mandate exists.

Utah levies an income tax tied directly to the federal tax system. This allows Utah taxpayers to claim the federal standard deduction or itemized deductions, and 75 percent of the federal personal exemption. For the 2006 tax year, Utah had six tax brackets for income tax. The highest rate was 6.98 percent for the top bracket of income on income over \$11,000 for married filing jointly, head of household, or qualifying widows or widowers. The 6.98 percent rate was also levied on taxable income greater than \$5,500 for single taxpayers or married filing separate returns.

FY2007 Revenues: \$2,570,446,578

(Individual income tax revenues include withholding amounts and \$9,222,460 in mineral production withholding taxes.)

Income Tax Collected

(Net FY88 to FY07)

2007	\$2,570,446,578
2006	\$2,286,705,518
2005	\$1,933,290,318
2004	\$1,699,183,228
2003	\$1,575,386,384
2002	\$1,610,598,033
2001	\$1,713,051,786
2000	\$1,654,948,944
1999	\$1,463,897,285
1998	\$1,377,582,984
1997	\$1,237,331,651
1996	\$1,139,080,026
1995	\$1,026,894,837
1994	\$925,301,613
1993	\$842,275,277
1992	\$784,430,264
1991	\$717,599,792
1990	\$647,593,113
1989	\$615,603,770
1988	\$569,853,201

Corporate Franchise, Gross Receipts, and Radioactive Waste Taxes

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

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

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

A percentage tax on gross receipts at radioactive waste facilities is imposed on the

specific types of waste. These percentages range from 5 to 12 percent, depending on the specific type of waste received.

FY2007 Revenues: \$427,963,409

(Corporate franchise tax, gross receipts tax, and the radioactive waste tax revenues include \$13,833,691 in mineral production withholding tax.)

Individual Income Tax Withholding

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

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

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

Income Tax of Utah Residents

From 2005 State Tax Returns by Tax Line/Full-Year Resident

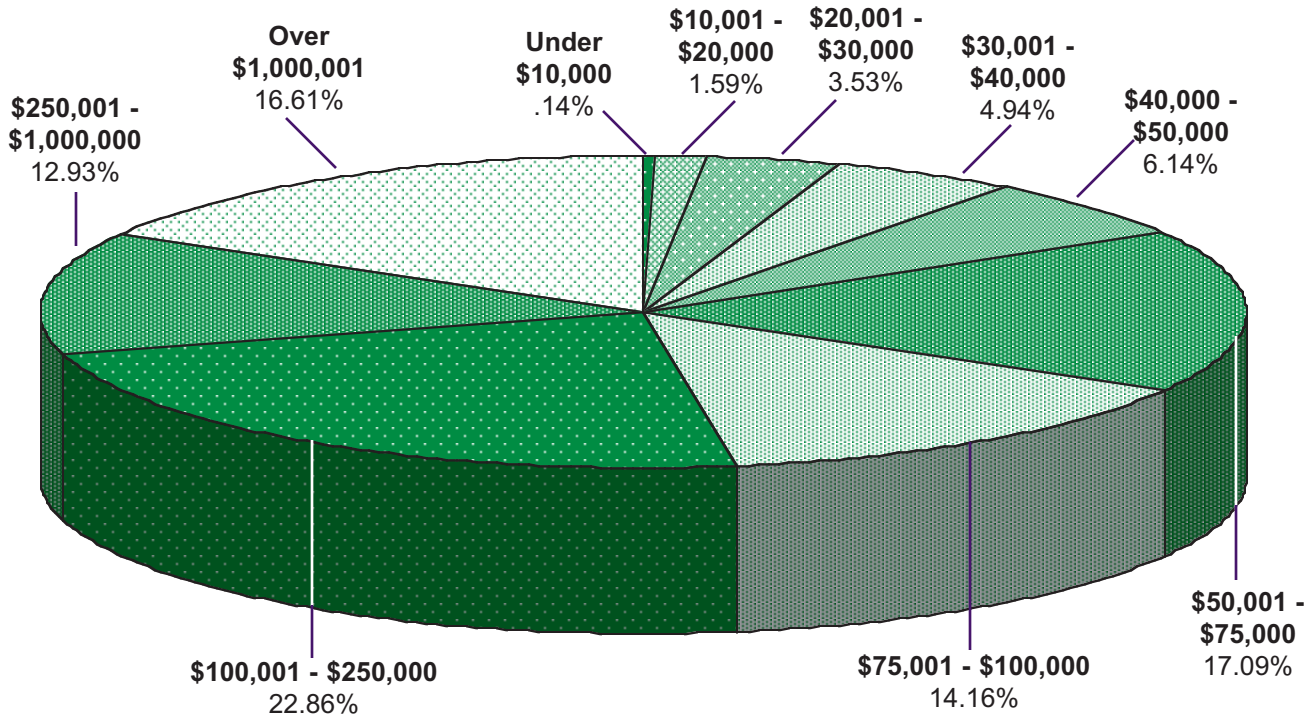
<u>TAX LINE</u>	<u>RETURNS</u>	<u>AMOUNT</u>	<u>AVERAGE</u>
Adjusted Gross Income	943,477	\$50,150,215,179	\$53,155
All Additions	5,983	\$43,082,659	\$7,201
Federal Deductions	950,514	\$12,593,473,843	\$13,249
Personal Exemptions	855,186	\$5,236,453,093	\$6,123
One Half Federal Tax	641,790	\$2,652,154,539	\$4,132
Retirement Exemption	77,250	\$654,241,553	\$8,469
Total Number of Exemptions	863,794	2,221,999	2.57
Total Other Deductions	65,451	\$229,963,288	\$3,514
Utah Taxable Income	756,833	\$31,545,163,195	\$41,680
Utah Income Tax Liability	735,885	\$2,068,163,288	\$2,810
Total Non Refundable Credits	19,748	\$54,376,832	\$2,754
Total Contributions	10,579	\$236,699	\$22
Withholding	837,723	\$1,696,296,873	\$2,025
Prepaid Taxes	20,840	\$332,888,647	\$15,974
Net Refund	709,295	\$381,404,201	\$538
Taxes Due with Return	141,685	\$255,526,800	\$1,803

2005 State Voluntary Checkoffs

<u>Category</u>	<u>Number Of Returns</u>		<u>Amount Contributed</u>	
	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>
Non game Wildlife Fund	3,274	3,400	\$35,690	\$38,985
Homeless Assistance	4,083	4,511	69,185	76,315
Children s Organ Transplant	6,185	5,702	70,719	70,625
School District Foundations	1,972	1,760	30,833	30,559
Applied Technology Centers	303	530	3,128	4,146
Uniform School Fund	407	537	4,926	5,674
Wolf Depredation	<u>1,106</u>	<u>1,285</u>	<u>9,669</u>	<u>10,395</u>
TOTAL	17,330	17,725	\$225,150	\$236,699

2005 State Income Tax Distribution

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



2005 State Income Taxes of Utah Residents

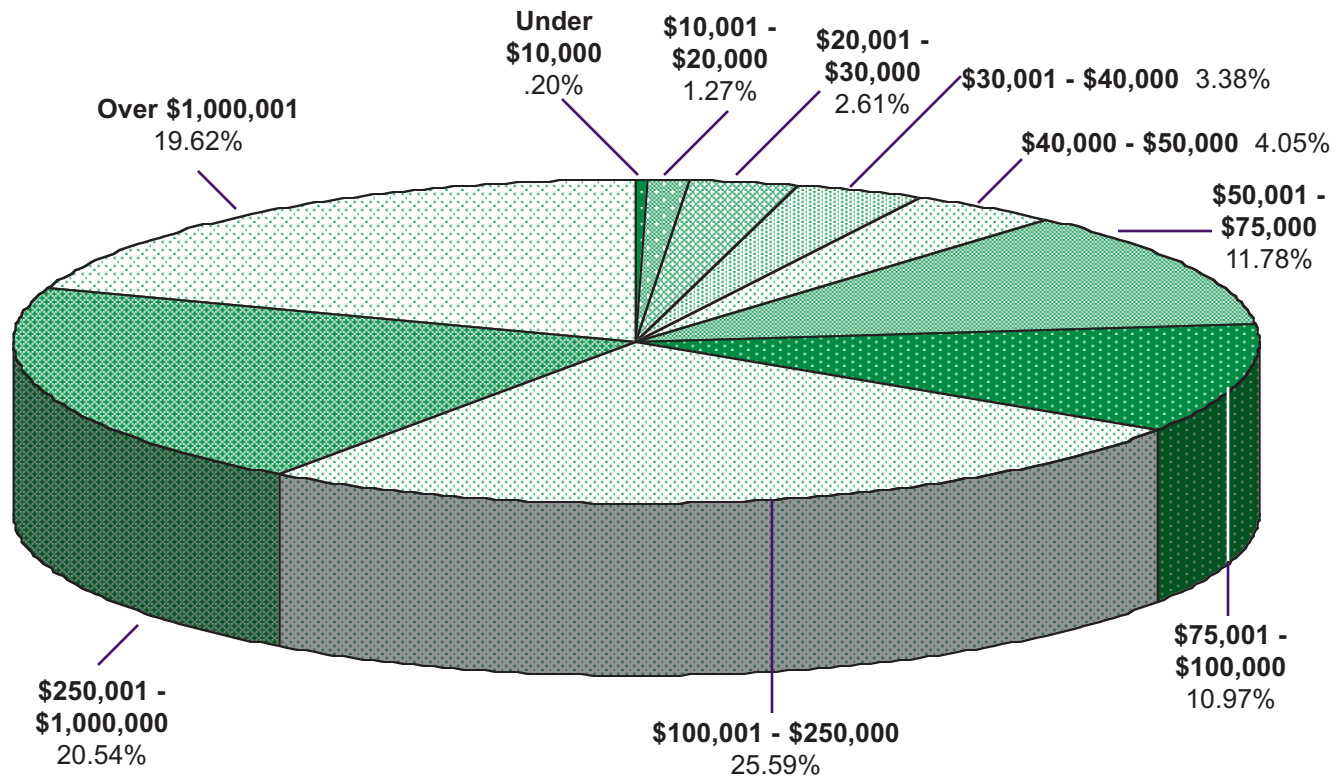
Paid by AGI Groups/Full Year Residents Only

<u>Income (AGI)</u>	<u>Returns</u>	<u>Returns</u>	<u>Taxes Paid</u>	<u>Taxes Paid</u>
Under \$10,000	172,345	18.09	\$2,966,388	.14
\$10,001 \$20,000	156,705	16.45	32,930,030	1.60
\$20,001 \$30,000	131,425	13.80	72,808,034	3.53
\$30,001 \$40,000	101,126	10.62	101,965,941	4.94
\$40,001 \$50,000	83,313	8.75	126,543,828	6.14
\$50,001 \$75,000	146,033	15.33	352,416,849	17.09
\$75,001 \$100,000	77,099	8.09	291,907,319	14.16
\$100,001 \$250,000	70,982	7.45	471,323,619	22.86
\$250,001 \$1,000,000	11,826	1.24	266,588,146	12.93
Over \$1,000,000	<u>1,662</u>	<u>.17</u>	<u>342,582,392</u>	<u>16.61</u>
TOTAL	952,516	100	\$2,062,032,546	100

Dollar amounts and percentages may not sum exactly due to rounding

2005 Federal Income Tax Distribution

Percent Paid Among Adjusted Gross Income Groups/Utah Residents



2005 Federal Income Taxes

Paid by AGI Groups/Utah Residents

Adjusted Gross Income (AGI)	Federal Returns	Federal Returns	Income Taxes Paid	Federal Taxes Paid
Under \$10,000	192,289	18.89	\$10,272,671	.20
\$10,001 - \$20,000	169,986	16.69	64,272,813	1.27
\$20,001 - \$30,000	140,071	13.76	132,144,853	2.61
\$30,001 - \$40,000	107,302	10.54	171,115,298	3.38
\$40,001 - \$50,000	87,788	8.62	205,325,452	4.05
\$50,001 - \$75,000	153,199	15.05	596,672,251	11.78
\$75,001 - \$100,000	80,508	7.91	555,331,941	10.97
\$100,001 - \$250,000	73,838	7.25	1,295,780,922	25.59
\$250,001 - \$1,000,000	11,720	1.15	1,040,035,399	20.54
Over \$1,000,001	<u>1,473</u>	<u>.14</u>	<u>993,368,527</u>	<u>19.62</u>
TOTAL	1,018,174	100	\$5,064,320,127	100

Dollar amounts and percentages may not sum exactly due to rounding

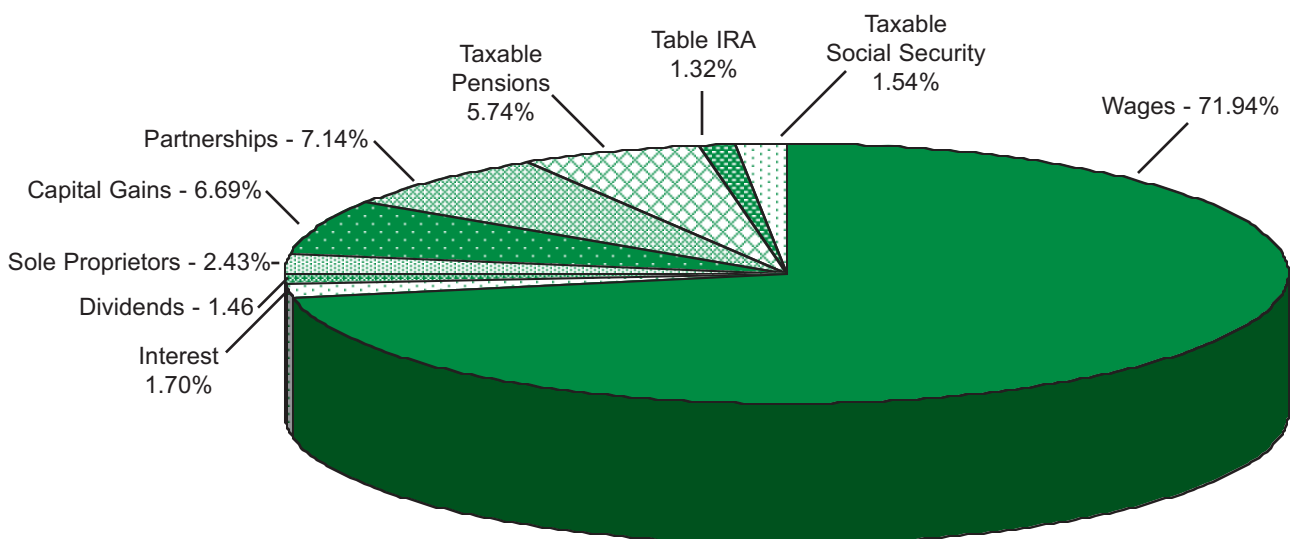
2005 Federal Income Tax Data

Select Return Data

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>% Change</u> <u>2004 2005</u>
Returns	964,687	987,914	1,018,174	3.06%
Adjusted Gross Income (in millions of dollars)	\$40,940	\$44,084	\$49,483	12.25%
Personal Exemptions (number)	2,226,549	2,281,001	2,347,193	2.90%
Federal Taxes (in millions of dollars)	\$4,019	\$4,244	\$5,064	19.32%
Itemized Deductions (in millions of dollars)	\$7,891	\$8,313	\$9,081	9.24%
Itemized Deductions (number)	388,707	401,392	415,872	3.61%
Share Itemized/AGI	40.3%	40.6%	40.8%	0.53%
Itemized/AGI	19.3%	18.9%	18.4%	2.67%
AGI/Return	\$42,439	\$44,624	\$48,599	8.91%

Sources of Income *(In millions of dollars)*

<u>Source</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>% Change</u> <u>2004 2005</u>
Total	\$41,532	\$44,627	\$50,114	12.30%
Wages	\$31,680	\$33,656	\$36,052	7.12%
Interest	\$749	\$706	\$858	21.53%
Dividends	\$511	\$567	\$735	29.63%
Sole Proprietors	\$983	\$1,054	\$1,220	15.75%
Capital Gains	\$1,470	\$2,144	\$3,351	56.30%
Partnerships	\$2,175	\$2,631	\$3,579	36.03%
Taxable Pensions	\$2,518	\$2,693	\$2,876	6.80%
Taxable IRA	\$537	\$591	\$664	12.35%
Taxable Social Security	\$582	\$657	\$773	17.66%



Percentages may not equal 100% because of rounding.

2005 Federal Income Tax Data

By County

<u>County</u>	<u>Number Of Returns</u>	<u>Average Adjusted Gross Income</u>	<u>Average Federal Taxes</u>	<u>Average Net Exemptions</u>
BEAVER	2,290	\$36,675	\$4,192	2.75
BOX ELDER	17,951	41,040	4,474	2.66
CACHE	36,071	40,598	5,114	2.65
CARBON	7,765	40,804	5,165	2.37
DAGGETT	329	41,597	5,354	2.26
DAVIS	105,162	50,691	6,560	2.62
DUCHESNE	6,128	42,285	6,065	2.65
EMERY	3,811	39,702	4,461	2.72
GARFIELD	1,771	33,079	3,873	2.47
GRAND	3,784	35,754	4,904	2.02
IRON	14,045	38,843	4,922	2.57
JUAB	3,207	36,433	3,804	2.84
KANE	2,475	40,346	5,075	2.29
MILLARD	4,287	34,359	3,870	2.82
MORGAN	3,263	54,745	7,176	2.75
PIUTE	453	30,272	2,737	2.50
RICH	762	38,128	4,305	2.69
SALT LAKE	385,352	47,874	7,138	2.39
SAN JUAN	3,205	32,079	3,740	2.70
SANPETE	7,489	34,996	4,147	2.85
SEVIER	6,992	37,650	4,686	2.67
SUMMIT	14,425	81,942	17,455	2.37
TOOELE	18,664	44,042	4,566	2.67
UINTAH	9,654	46,435	6,836	2.57
UTAH	147,480	44,244	5,919	2.82
WASATCH	6,978	51,243	7,302	2.71
WAYNE	923	31,451	3,524	2.51
WASHINGTON	43,593	45,696	6,317	2.47
WEBER	<u>86,992</u>	<u>43,506</u>	<u>5,387</u>	<u>2.41</u>
*STATE OF UTAH	1,018,174	\$48,705	\$7,430	2.54

*The total of all counties is \$945,301. This total of \$1,018,174 includes some prior year returns and out-of-state returns.

Individual Income Tax Liability

By County

<u>County</u>	<u>Income Tax Liability</u>	<u>Full Year Resident</u>	<u>Non or Part Year Resident</u>
BEAVER	\$3,091,287	\$3,058,787	\$32,500
BOX ELDER	29,065,419	28,838,694	226,725
CACHE	59,775,163	59,064,197	710,967
CARBON	13,017,425	12,902,451	114,974
DAGGETT	520,877	497,018	23,859
DAVIS	234,914,562	232,111,473	2,803,088
DUCHESNE	15,236,684	15,023,875	212,808
EMERY	5,704,878	5,667,158	37,720
GARFIELD	2,258,066	2,199,028	59,038
GRAND	6,072,713	5,954,326	118,387
IRON	21,958,230	21,624,477	333,753
JUAB	4,265,407	4,226,044	39,363
KANE	3,546,804	3,422,375	124,428
MILLARD	5,625,450	5,584,072	41,378
MORGAN	7,893,846	7,805,462	88,385
PIUTE	434,101		
RICH	1,087,252	1,073,746	13,506
SALT LAKE	932,647,989	921,291,967	11,356,022
SAN JUAN	3,311,904	3,253,217	58,687
SANPETE	9,185,118	9,121,144	63,974
SEVIER	9,751,557	9,665,164	86,393
SUMMIT	71,513,656	69,263,475	2,250,181
TOOELE	31,573,905	31,053,815	520,090
UINTAH	28,949,681	28,659,018	290,662
UTAH	294,629,602	291,283,319	3,346,283
WASATCH	16,244,552	16,034,951	209,601
WASHINGTON	88,834,701	86,801,678	2,033,023
WAYNE	1,019,480	999,830	19,650
WEBER	155,396,246	153,845,199	1,551,047
OUT OF STATE	119,290,102	31,109,381	88,180,721
OTHER UTAH	<u>185,682</u>	<u>165,512</u>	<u>20,170</u>
STATE OF UTAH	\$2,177,002,338	\$2,062,032,547	\$114,969,792

Sales Tax

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

State Sales and Use Tax

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

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

Use tax is imposed on taxable transactions where the purchaser remits the tax directly to the Tax Commission. The two taxes are compensating taxes, one supplementing the other, but cannot be applicable to the same transaction. The rate of the tax is the same. Beginning January 1, 2007, the state sales tax on food was reduced from 4.75 percent to 2.75 percent.

Utah Code Ann. §59 12 101

FY2007 Revenues/\$1,857,813,410

State law designated an additional \$257,445,193 in revenues as state sales tax dedicated credits and restricted funds. These included natural resource protection, water, wastewater, transportation, and other projects. This amount excludes \$10,281,818 of the Public Transportation System Tax and Transfer because this amount applies to a local memorandum of understanding.

State Sales Tax Collected

(Net FY88 to FY07)

2007 . . .	\$1,857,813,410
2006 . . .	\$1,806,264,423
2005 . . .	\$1,634,522,084
2004 . . .	\$1,501,937,738
2003 . . .	\$1,443,974,180
2002 . . .	\$1,441,318,271
2001 . . .	\$1,431,419,465
2000 . . .	\$1,369,637,021
1999 . . .	\$1,316,403,921
1998 . . .	\$1,251,765,342
1997 . . .	\$1,252,131,165
1996 . . .	\$1,162,524,830
1995 . . .	\$1,055,060,896
1994 . . .	\$978,247,622
1993 . . .	\$881,917,156
1992 . . .	\$802,391,187
1991 . . .	\$740,306,985
1990 . . .	\$707,443,441
1989 . . .	\$667,402,562
1988 . . .	\$617,624,358

Local Sales and Use Tax

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

Utah Code Ann. §59 12 201

FY2007 Revenues \$463,310,356

Local Sales and Use Tax Collected

(Net FY88 to FY07)

2007	\$463,310,356	1997	\$258,148,104
2006	\$415,904,148	1996	\$225,576,867
2005	\$361,096,500	1995	\$212,640,426
2004	\$331,554,140	1994	\$188,542,186
2003	\$325,159,963	1993	\$173,142,246
2002	\$317,978,847	1992	\$157,949,323
2001	\$314,336,985	1991	\$147,184,955
2000	\$301,728,683	1990	\$127,393,793
1999	\$284,525,922	1989	\$117,229,769
1998	\$263,504,219	1988	\$107,911,328

Local Sales and Use Tax Distribution

Community	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Beaver County	113,650	132,673	16.7%	163,311	23.1%
Beaver City	312,017	383,865	23.0%	481,227	25.4%
Milford	180,661	139,119	(23.0%)	207,248	49.0%
Minersville	66,517	73,850	11.0%	95,210	28.9%
Total County and Cities	672,845	729,507	8.4%	946,996	29.8%
Total Cities and Towns	559,195	596,834	6.7%	783,685	31.3%
Box Elder County	765,574	979,558	28.0%	1,162,392	18.7%
Bear River	59,901	66,754	11.4%	80,764	21.0%
Brigham	2,176,763	2,405,302	10.5%	2,776,623	15.4%
Corinne	73,651	79,168	7.5%	101,766	28.5%
Deweyville	23,728	27,230	14.8%	35,182	29.2%
Elwood	60,584	75,004	23.8%	91,035	21.4%
Fielding	38,054	40,195	5.6%	47,886	19.1%
Garland	161,746	174,881	8.1%	212,304	21.4%
Honeyville	100,710	110,719	9.9%	137,682	24.4%
Howell	18,086	18,239	0.8%	22,569	23.7%
Mantua	60,034	63,847	6.4%	77,678	21.7%
Perry	578,242	644,460	11.5%	743,330	15.3%
Plymouth	38,780	41,913	8.1%	47,182	12.6%
Portage	18,713	21,770	16.3%	26,356	21.1%
Snowville	29,909	31,169	4.2%	33,680	8.1%
Tremonton	891,200	989,818	11.1%	1,100,415	11.2%
Willard	178,685	184,609	3.3%	203,189	10.1%
Total County and Cities	5,274,361	5,954,634	12.9%	6,900,032	15.9%
Total Cities and Towns	4,508,787	4,975,076	10.3%	5,737,640	15.3%
Cache County	573,432	620,456	8.2%	717,783	15.7%
Amalga	42,181	39,711	(5.9%)	42,353	6.7%
Clarkston	50,082	53,469	6.8%	60,159	12.5%
Cornish	20,342	21,036	3.4%	24,216	15.1%
Hyde Park	346,073	357,655	3.3%	431,035	20.5%
Hyrum	594,690	650,878	9.4%	733,985	12.8%
Lewiston	159,690	169,232	6.0%	187,965	11.1%
Logan	6,788,023	7,403,073	9.1%	8,222,778	11.1%
Mendon	75,214	82,142	9.2%	96,045	16.9%
Millville	132,940	146,255	10.0%	163,752	12.0%
Newton	53,203	58,907	10.7%	65,830	11.8%
North Logan	1,419,898	1,577,550	11.1%	1,751,237	11.0%
Paradise	58,068	62,143	7.0%	72,551	16.7%
Providence	433,541	495,106	14.2%	639,432	29.2%
Richmond	173,068	186,558	7.8%	208,544	11.8%
River Heights	107,341	134,865	25.6%	128,290	4.9%
Smithfield	839,624	915,679	9.1%	1,021,540	11.6%
Wellsville	225,810	246,962	9.4%	280,724	13.7%
Trenton	33,467	35,401	5.8%	41,123	16.2%
Nibley	184,904	243,890	31.9%	319,129	30.8%
Total County and Cities	12,311,595	13,500,968	9.7%	15,208,468	12.6%
Total Cities and Towns	11,738,162	12,880,512	9.7%	14,490,686	12.5%

Local Sales and Use Tax Distribution

Community	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Carbon County	750,043	961,326	28.2%	976,173	1.5%
Helper	280,892	319,759	13.8%	318,718	(0.3%)
Price	1,863,281	2,130,794	14.4%	2,309,779	8.4%
Scofield	2,442	3,124	27.9%	3,591	15.0%
Sunnyside	40,977	44,225	7.9%	53,195	20.3%
Wellington	243,607	310,018	27.3%	348,323	12.4%
East Carbon	101,799	108,993	7.1%	130,377	19.6%
Total County and Cities	3,283,043	3,878,239	18.1%	4,140,158	6.8%
Total Cities and Towns	2,532,999	2,916,913	15.2%	3,163,985	8.5%
Daggett County	82,003	144,409	76.1%	106,588	(26.2%)
Manila	38,160	42,029	10.1%	44,362	5.6%
Total County and Cities	120,164	186,437	55.2%	150,950	(19.0%)
Total Cities and Towns	38,160	42,029	10.1%	44,362	5.6%
Davis County	682,203	759,330	11.3%	685,701	(9.7%)
Bountiful	4,938,165	5,412,521	9.6%	6,064,416	12.0%
Centerville	2,464,102	2,688,152	9.1%	2,923,770	8.8%
Clearfield	2,727,480	3,041,477	11.5%	3,578,223	17.6%
Fruit Heights	373,250	409,634	9.7%	495,259	20.9%
Farmington	1,327,419	1,512,790	14.0%	1,821,827	20.4%
Kaysville	2,343,716	2,633,554	12.4%	3,104,001	17.9%
Layton	10,249,747	11,043,415	7.7%	12,218,807	10.6%
North Salt Lake	1,682,459	1,890,707	12.4%	2,325,480	23.0%
South Weber	472,540	543,272	15.0%	663,807	22.2%
Sunset	519,704	568,762	9.4%	675,888	18.8%
Syracuse	1,348,826	1,668,126	23.7%	2,233,014	33.9%
West Point	470,227	567,576	20.7%	754,115	32.9%
Woods Cross	1,703,381	1,960,085	15.1%	2,110,792	7.7%
Clinton	1,613,848	1,957,809	21.3%	2,362,816	20.7%
West Bountiful	727,886	981,256	34.8%	1,340,690	36.6%
Total County and Cities	33,644,952	37,638,468	11.9%	43,358,607	15.2%
Total Cities and Towns	32,962,750	36,879,138	11.9%	42,672,906	15.7%
Duchesne County	975,870	1,117,610	14.5%	1,357,604	21.5%
Altamont	43,674	38,706	(11.4%)	47,596	23.0%
Duchesne	197,855	236,129	19.3%	301,423	27.7%
Myton	70,765	112,596	59.1%	159,917	42.0%
Roosevelt	966,271	1,255,486	29.9%	1,460,272	16.3%
Tabiona	12,961	14,508	11.9%	16,721	15.3%
Total County and Cities	2,267,397	2,775,036	22.4%	3,343,533	20.5%
Total Cities and Towns	1,291,526	1,657,426	28.3%	1,985,929	19.8%
Emery County	191,569	219,158	14.4%	316,902	44.6%
Castle Dale	267,526	296,986	11.0%	282,278	5.0%
Clawson	12,431	12,970	4.3%	16,921	30.5%
Cleveland	62,666	69,375	10.7%	79,539	14.7%
Elmo	30,457	31,060	2.0%	37,549	20.9%
Emery City	26,256	26,271	0.1%	32,170	22.5%
Ferron	151,025	152,690	1.1%	185,165	21.3%
Green River	211,678	209,369	(1.1%)	247,916	18.4%
Huntington	341,019	413,966	21.4%	475,772	14.9%
Orangeville	159,985	162,284	1.4%	209,871	29.3%
Total County and Cities	1,454,610	1,594,129	9.6%	1,884,083	18.2%
Total Cities and Towns	1,263,041	1,374,971	8.9%	1,567,181	14.0%

Local Sales and Use Tax Distribution

<u>Community</u>	<u>FY2005</u> <u>July 04-June 05</u>	<u>FY2006</u> <u>July 05-June 06</u>	<u>FY2006</u> <u>% Change</u>	<u>FY2007</u> <u>July 06-June 07</u>	<u>FY2007</u> <u>% Change</u>
Garfield County	333,996	373,804	11.9%	337,055	(9.8%)
Antimony	12,027	13,469	12.0%	15,207	12.9%
Boulder	26,516	28,987	9.3%	30,865	6.5%
Cannonville	16,989	16,542	(2.6%)	18,629	12.6%
Escalante	85,968	97,960	13.9%	100,723	2.8%
Hatch	16,545	16,742	1.2%	18,019	7.6%
Henrieville	11,019	12,294	11.6%	14,516	18.1%
Panguitch	190,269	193,975	1.9%	219,171	13.0%
Tropic	65,382	62,126	(5.0%)	68,690	10.6%
Total County and Cities	758,711	815,898	7.5%	822,875	0.9%
Total Cities and Towns	424,715	442,094	4.1%	485,820	9.9%
Grand County	482,542	563,040	16.7%	637,367	13.2%
Castle Valley	27,188	31,714	16.6%	36,830	16.1%
Moab	1,069,820	1,175,900	9.9%	1,286,850	9.4%
E Green River ¹	165	0	(100.0%)	28	N.A.
Total County and Cities	1,579,715	1,770,654	12.1%	1,961,075	10.8%
Total Cities and Towns	1,097,173	1,207,614	10.1%	1,323,708	9.6%
Note 1: The portion of Green River City previously located in Grand County was annexed into Emery County effective April 1, 2003. The amounts listed in this report are primarily due to audits conducted by the Tax Commission and taxpayer reporting error.					
Iron County	554,243	619,172	11.7%	750,101	21.1%
Cedar City	3,847,900	4,577,496	19.0%	5,193,054	13.4%
Enoch	284,288	321,829	13.2%	416,556	29.4%
Kanarraville	27,229	29,962	10.0%	33,014	10.2%
Paragonah	41,287	46,504	12.6%	54,241	16.6%
Parowan	256,893	281,215	9.5%	330,514	17.5%
Brian Head	125,753	113,742	(9.6%)	127,456	12.1%
Total County and Cities	5,137,593	5,989,921	16.6%	6,904,935	15.3%
Total Cities and Towns	4,583,350	5,370,749	17.2%	6,154,834	14.6%
Juab County	664,475	129,969	(80.4%)	472,205	263.3%
Eureka	59,212	66,755	12.7%	80,019	19.9%
Levan	59,773	68,608	14.8%	83,560	21.8%
Mona	51,390	100,800	96.1%	123,969	23.0%
Nephi	666,250	798,188	19.8%	809,058	1.4%
Rocky Ridge	36,538	49,207	34.7%	53,511	8.7%
Total County and Cities	1,537,638	1,213,528	(21.1%)	1,622,323	33.7%
Total Cities and Towns	873,164	1,083,558	24.1%	1,150,118	6.1%
Kane County	331,823	387,505	16.8%	384,204	(0.9%)
Alton	9,987	11,231	12.5%	14,387	28.1%
Glendale	26,368	28,884	9.5%	34,863	20.7%
Kanab	513,148	590,241	15.0%	658,531	11.6%
Orderville	73,610	83,236	13.1%	92,883	11.6%
Big Water	36,684	40,197	9.6%	46,779	16.4%
Total County and Cities	991,619	1,141,293	15.1%	1,231,648	7.9%
Total Cities and Towns	659,796	753,788	14.2%	847,444	12.4%

Local Sales and Use Tax Distribution

Community	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Millard County					
Delta	448,222	463,847	3.5%	873,267	88.3%
Fillmore	538,210	589,854	9.6%	596,418	1.1%
Hinckley	319,220	355,168	11.3%	377,748	6.4%
Holden	55,915	60,012	7.3%	71,196	18.6%
Kanosh	31,140	34,014	9.2%	39,666	16.6%
Leamington	43,423	41,178	(5.2%)	49,155	19.4%
Lynndyl	15,480	17,217	11.2%	20,691	20.2%
Meadow	11,519	13,003	12.9%	13,513	3.9%
Oak City	24,589	26,291	6.9%	30,120	14.6%
Scipio	47,867	50,814	6.2%	61,708	21.4%
Total County and Cities	28,297	42,652	50.7%	47,999	12.5%
Total Cities and Towns	1,563,882	1,694,049	8.3%	2,181,482	28.8%
	1,115,660	1,230,202	10.3%	1,308,215	6.3%
Morgan County					
Morgan	446,768	500,913	12.1%	594,477	18.7%
Total County and Cities	352,856	394,141	11.7%	443,900	12.6%
Total Cities and Towns	799,625	895,055	11.9%	1,038,378	16.0%
	352,856	394,141	11.7%	443,900	12.6%
Piute County					
Circleville	19,543	22,647	15.9%	27,441	21.2%
Junction	44,840	48,687	8.6%	59,354	21.9%
Kingston	14,630	15,964	9.1%	18,960	18.8%
Marysville	10,177	11,141	9.5%	13,292	19.3%
Total County and Cities	37,654	40,992	8.9%	47,805	16.6%
Total Cities and Towns	126,844	139,430	9.9%	166,852	19.7%
	107,301	116,783	8.8%	139,411	19.4%
Rich County					
Garden City	68,190	78,816	15.6%	91,499	16.1%
Laketown	78,627	101,667	29.3%	110,473	8.7%
Randolph	22,745	24,989	9.9%	28,378	13.6%
Woodruff	46,506	50,615	8.8%	56,063	10.8%
Total County and Cities	21,985	24,340	10.7%	28,829	18.4%
Total Cities and Towns	238,053	280,427	17.8%	315,242	12.4%
	169,863	201,611	18.7%	223,743	11.0%
Salt Lake County					
Alta	22,770,753	21,103,686	(7.3%)	22,887,084	8.5%
Bluffdale	303,713	344,293	13.4%	307,540	(10.7%)
Cottonwood Heights ¹	520,621	660,679	26.9%	886,909	34.2%
Draper	0	3,894,016	N.A.	5,351,094	37.4%
Herriman	4,454,259	5,257,077	18.0%	6,360,851	21.0%
Holladay	513,001	841,313	64.0%	1,329,258	58.0%
Midvale	2,693,589	3,070,236	14.0%	3,564,112	16.1%
Murray	4,943,460	5,355,235	8.3%	5,895,502	10.1%
Riverton	12,413,234	13,322,730	7.3%	13,910,387	4.4%
Salt Lake City	2,583,949	3,140,020	21.5%	3,935,566	25.3%
Sandy	38,078,950	41,502,433	9.0%	45,066,434	8.6%
South Jordan	15,687,181	17,352,034	10.6%	19,119,845	10.2%
South Salt Lake	3,566,851	4,536,810	27.2%	6,351,010	40.0%
Taylorsville	10,731,620	12,170,263	13.4%	11,061,444	(7.3%)
West Jordan	6,487,198	7,013,354	8.1%	8,256,637	17.7%
West Valley	12,237,435	13,533,077	10.6%	14,906,646	10.1%
Total County and Cities	16,598,466	18,746,452	12.9%	21,265,172	13.4%
Total Cities and Towns	154,584,282	171,843,710	11.2%	190,455,489	10.8%
	131,813,528	150,740,024	14.4%	167,568,405	11.2%

Note 1: Effective July 1, 2005, Cottonwood Heights incorporated as a city and imposed the Local Option Sales and Use tax.

Local Sales and Use Tax Distribution

<u>Community</u>	<u>FY2005</u> <u>July 04-June 05</u>	<u>FY2006</u> <u>July 05-June 06</u>	<u>FY2006</u> <u>% Change</u>	<u>FY2007</u> <u>July 06-June 07</u>	<u>FY2007</u> <u>% Change</u>
San Juan County	802,348	888,543	10.7%	1,205,040	35.6%
Blanding	381,301	440,713	15.6%	539,389	22.4%
Monticello	241,860	272,196	12.5%	329,694	21.1%
Total County and Cities	1,425,509	1,601,452	12.3%	2,074,123	29.5%
Total Cities and Towns	623,161	712,910	14.4%	869,083	21.9%
Sanpete County	308,795	340,562	10.3%	418,942	23.0%
Centerfield	92,964	97,240	4.6%	115,834	19.1%
Ephraim	711,936	778,708	9.4%	871,382	11.9%
Fairview	125,625	138,761	10.5%	164,663	18.7%
Fayette	17,681	17,811	0.7%	21,769	22.2%
Fountain Green	72,846	84,650	16.2%	98,074	15.9%
Gunnison	278,626	317,466	13.9%	378,972	19.4%
Manti	276,563	307,602	11.2%	367,301	19.4%
Mayfield	32,411	36,437	12.4%	43,050	18.1%
Moroni	122,474	133,625	9.1%	166,146	24.3%
Mount Pleasant	328,992	353,950	7.6%	405,918	14.7%
Spring City	73,409	85,947	17.1%	101,784	18.4%
Sterling	24,655	25,917	5.1%	31,275	20.7%
Wales	17,183	19,877	15.7%	26,733	34.5%
Total County and Cities	2,484,161	2,738,552	10.2%	3,211,844	17.3%
Total Cities and Towns	2,175,365	2,397,990	10.2%	2,792,902	16.5%
Sevier County	304,486	315,838	3.7%	405,077	28.3%
Annabella	50,932	56,022	10.0%	65,507	16.9%
Aurora	100,507	114,946	14.4%	138,388	20.4%
Central Valley ¹	0	29,515	N.A.	44,872	52.0%
Elsinore	58,523	64,469	10.2%	77,889	20.8%
Glenwood	32,179	35,581	10.6%	44,470	25.0%
Joseph	22,531	24,460	8.6%	30,334	24.0%
Koosharem	28,673	35,002	22.1%	39,389	12.5%
Monroe	150,720	169,268	12.3%	205,036	21.1%
Redmond	76,705	95,474	24.5%	123,460	29.3%
Richfield	1,461,305	1,656,620	13.4%	1,999,308	20.7%
Salina	346,895	377,495	8.8%	459,225	21.7%
Sigurd	33,039	38,744	17.3%	45,658	17.8%
Total County and Cities	2,666,496	3,013,433	13.0%	3,678,613	22.1%
Total Cities and Towns	2,362,010	2,697,596	14.2%	3,273,536	21.4%
Note 1: Effective July 1, 2005, Central Valley incorporated as a city and imposed the Local Option Sales and Use tax.					
Summit County	164,006	179,535	9.5%	205,625	14.5%
Coalville	61,363	75,631	23.3%	95,269	26.0%
Francis	60,085	64,818	7.9%	78,868	21.7%
Kamas	216,429	244,324	12.9%	289,865	18.6%
Oakley	99,865	119,606	19.8%	140,389	17.4%
Park City	3,892,101	4,267,017	9.6%	3,921,277	(8.1%)
Total County and Cities	8,188,012	9,412,980	15.0%	9,669,771	2.7%
Total Cities and Towns	4,493,849	4,950,931	10.2%	4,731,293	(4.4%)

Local Sales and Use Tax Distribution

Community	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Tooele County	1,060,677	1,335,880	25.9%	1,534,601	14.9%
Grantsville	622,503	729,139	17.1%	886,067	21.5%
Ophir	1,722	2,072	20.3%	2,471	19.3%
Stockton	41,384	47,738	15.4%	58,772	23.1%
Tooele	3,564,708	4,141,158	16.2%	4,485,472	8.3%
Vernon	19,682	21,963	11.6%	26,853	22.3%
Wendover	153,801	167,156	8.7%	194,982	16.6%
Rush Valley	36,196	41,636	15.0%	51,889	24.6%
Total County and Cities	5,500,673	6,486,740	17.9%	7,241,107	11.6%
Total Cities and Towns	4,439,996	5,150,861	16.0%	5,706,506	10.8%
Uintah County	1,593,255	1,875,441	17.7%	2,205,630	17.6%
Naples	1,380,488	2,008,068	45.5%	1,640,659	(18.3%)
Vernal	3,162,192	4,099,736	29.6%	4,512,659	10.1%
Ballard	145,922	172,305	18.1%	228,849	32.8%
Total County and Cities	6,281,857	8,155,551	29.8%	8,587,796	5.3%
Total Cities and Towns	4,688,601	6,280,109	33.9%	6,382,166	1.6%
Utah County	1,140,615	1,301,048	14.1%	1,188,513	(8.6%)
Alpine	620,709	737,835	18.9%	950,347	28.8%
American Fork	4,225,068	4,810,204	13.8%	5,755,237	19.6%
Cedar Fort	33,807	22,562	(33.3%)	38,248	69.5%
Draper City South ¹	14,499	61,549	324.5%	94,494	53.5%
Eagle Mountain	497,212	706,991	42.2%	1,033,142	46.1%
Fairfield ²	0	9,382	N.A.	13,997	49.2%
Genola	87,545	101,778	16.3%	128,516	26.3%
Goshen	62,780	67,013	6.7%	88,339	31.8%
Lehi	2,608,032	3,696,183	41.7%	5,058,066	36.8%
Lindon	2,218,892	3,071,388	38.4%	3,233,364	5.3%
Mapleton	534,862	594,324	11.1%	792,871	33.4%
Orem	15,162,913	17,012,663	12.2%	19,096,486	12.2%
Payson	1,823,073	2,069,835	13.5%	2,436,340	17.7%
Pleasant Grove	2,484,660	2,936,246	18.2%	3,692,234	25.7%
Provo	13,161,259	14,854,536	12.9%	17,091,285	15.1%
Salem	456,112	434,547	(4.7%)	630,100	45.0%
Santaquin	452,351	560,904	24.0%	728,942	30.0%
Saratoga Springs	352,803	565,646	60.3%	844,748	49.3%
Highland	1,006,104	1,231,263	22.4%	1,563,399	27.0%
Spanish Fork	2,898,442	3,369,458	16.3%	4,007,509	18.9%
Springville	2,988,693	3,402,385	13.8%	3,969,903	16.7%
Vineyard	64,132	39,291	(38.7%)	64,793	64.9%
Cedar Hills	353,228	518,712	46.8%	757,363	46.0%
Elk Ridge	151,691	162,622	7.2%	220,698	35.7%
Woodland Hills	86,480	96,205	11.2%	128,191	33.2%
Total County and Cities	53,485,961	62,434,570	16.7%	73,607,124	17.9%
Total Cities and Towns	52,345,346	61,133,523	16.8%	72,418,611	18.5%

Note 1: Effective January 1, 2004, Draper City annexed a portion of Utah County. The section of Draper City is called Draper City South.

Note 2: Effective July 1, 2005, Fairfield incorporated as a city and imposed the Local Option Sales and Use tax.

Local Sales and Use Tax Distribution

<u>Community</u>	<u>FY2005</u> <u>July 04-June 05</u>	<u>FY2006</u> <u>July 05-June 06</u>	<u>FY2006</u> <u>% Change</u>	<u>FY2007</u> <u>July 06-June 07</u>	<u>FY2007</u> <u>% Change</u>
Wasatch County	569,092	694,304	22.0%	825,634	18.9%
Charleston	76,754	94,154	22.7%	110,253	17.1%
Daniel ²	0	0	N.A.	21,206	N.A.
Heber	1,281,159	1,502,780	17.3%	1,701,412	13.2%
Midway	278,009	353,129	27.0%	428,021	21.2%
Park City East ¹	302	1,680	455.7%	1,687	0.4%
Wallsburg	24,392	27,145	11.3%	32,942	21.4%
Total County and Cities	2,229,709	2,673,191	19.9%	3,121,154	16.8%
Total Cities and Towns	1,660,617	1,978,888	19.2%	2,295,520	16.0%

Note 1: Effective January 1, 2004, Park City annexed a portion of Wasatch County. The section that is located in Wasatch County is called Park City East.

Note 2: Effective January 1, 2007, Daniel incorporated as a city and imposed the Local Option Sales and Use tax.

Washington County	638,505	692,393	8.4%	637,123	(8.0%)
Apple Valley ¹	2,815	43,118	1431.6%	53,698	24.5%
Enterprise	131,268	147,246	12.2%	174,825	18.7%
Hurricane	1,228,967	1,503,173	22.3%	1,802,291	19.9%
Ivins	490,287	579,968	18.3%	725,029	25.0%
La Verkin	324,210	364,898	12.5%	447,987	22.8%
Leeds	56,060	63,626	13.5%	74,016	16.3%
New Harmony	18,814	21,436	13.9%	24,863	16.0%
Rockville	19,522	21,716	11.2%	25,301	16.5%
St George	11,848,249	14,308,045	20.8%	15,647,263	9.4%
Santa Clara	450,403	512,757	13.8%	645,933	26.0%
Springdale	250,779	272,573	8.7%	251,637	7.7%
Toquerville	75,433	86,397	14.5%	110,745	28.2%
Virgin	38,585	44,561	15.5%	54,932	23.3%
Washington	2,106,711	2,620,392	24.4%	2,984,850	13.9%
Hildale	195,651	232,152	18.7%	258,222	11.2%
Total County and Cities	17,876,259	21,514,449	20.4%	23,918,715	11.2%
Total Cities and Towns	17,234,939	20,778,938	20.6%	23,227,894	11.8%

Note 1: Effective April 1, 2005, Apple Valley incorporated as a town and imposed the Local Option Sales and Use tax.

Wayne County	112,128	114,590	2.2%	134,723	17.6%
Bicknell	51,411	58,109	13.0%	51,741	(11.0%)
Hanksville	28,991	29,709	2.5%	34,530	16.2%
Loa	82,993	95,678	15.3%	104,537	9.3%
Lyman	54,304	8,249	(84.8%)	55,158	568.7%
Torrey	25,266	26,761	5.9%	31,722	18.5%
Total County and Cities	355,093	333,096	6.2%	412,411	23.8%
Total Cities and Towns	242,965	218,506	10.1%	277,688	27.1%

Local Sales and Use Tax Distribution

Community	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Weber County	1,579,914	1,828,125	15.7%	2,092,837	14.5%
Farr West	548,519	667,961	21.8%	779,575	16.7%
Harrisville	933,658	1,038,798	11.3%	1,152,743	11.0%
Hooper	350,724	391,243	11.6%	492,855	26.0%
Huntsville	71,117	79,662	12.0%	90,763	13.9%
Marriott Slaterville	271,795	308,831	13.6%	347,806	12.6%
North Ogden	1,408,050	1,566,740	11.3%	1,873,531	19.6%
Ogden	12,009,089	12,779,905	6.4%	14,380,800	12.5%
Plain City	327,247	310,418	(5.1%)	439,478	41.6%
Pleasant View	500,322	565,421	13.0%	705,218	24.7%
Riverdale	4,562,943	4,939,651	8.3%	4,587,282	(7.1%)
Roy	3,467,306	3,733,697	7.7%	4,301,197	15.2%
South Ogden	1,999,796	2,254,779	12.8%	2,510,373	11.3%
Uintah	120,934	114,117	(5.6%)	143,099	25.4%
Washington Terr	655,940	711,445	8.5%	856,448	20.4%
West Haven	848,084	1,151,457	35.8%	1,444,188	25.4%
Total County and Cities	29,655,438	32,442,251	9.4%	36,198,194	11.6%
Total Cities and Towns	28,075,523	30,614,127	9.0%	34,105,356	11.4%
Grand Total County & Cities	356,496,094	402,847,650	13.0%	454,353,980	12.8%
Grand Total Cities & Towns	314,434,400	359,777,840	14.4%	406,172,529	12.9%

Public Transit Tax

There are several components to this tax, including: 1) The 0.25 percent Public Transit Tax applies to the purchase price on transactions subject to the state sales tax. This tax, however, applies only in localities where voters have approved the tax to finance public transportation service. 2) Salt Lake, Davis, and Weber counties have approved the 0.25 percent additional public transit sales tax to fund a fixed guideway and expand the mass transit transportation system. Effective April 1, 2007, the law provides that a county, city, or town is not required to be located within a transit district to impose either the public

transit tax or the 0.25 percent additional public transit tax. 3) The 2007 Legislature passed a bill which repealed the 0.25 percent public transit tax and replaced it with a new public transit tax effective Jan. 1, 2008. The new Public Transit Tax may be authorized by counties, cities, and towns at a rate of up to 0.30 percent, unless the county, city, or town has imposed a tax under Title 59, Chapter 12, Part 15, in which case the public transit tax is limited to 0.25 percent. This tax may be authorized by ordinance.

Utah Code Ann. §59 12 501 and 502

FY2007 Revenues/\$159,143,160

<u>County or Municipality</u>	<u>FY2005 July 04-June 05</u>	<u>FY2006 July 05-June 06</u>	<u>FY2006 % Change</u>	<u>FY2007 July 06-June 07</u>	<u>FY2007 % Change</u>
Brigham	438,885	467,945	6.6%	534,537	14.2%
Perry	163,769	177,472	8.4%	202,678	14.2%
Willard	28,874	23,903	(17.2%)	27,975	17.0%
Cache County	5,775	6,812	18.0%	7,637	12.1%
Hyde Park	67,309	62,254	(7.5%)	84,619	35.9%
Hyrum	86,395	89,395	3.5%	99,302	11.1%
Logan	1,736,429	1,838,655	5.9%	2,012,169	9.4%
Millville	15,622	20,477	31.1%	19,497	(4.8%)
North Logan	434,539	483,538	11.3%	537,749	11.2%
Providence	49,781	52,280	5.0%	77,164	47.6%
Richmond	19,057	21,967	15.3%	24,379	11.0%
River Heights	4,905	11,605	136.6%	2,419	(79.2%)
Smithfield	142,687	155,792	9.2%	167,362	7.4%
Nibley	19,370	23,573	21.7%	31,622	34.1%
Davis County	15,055,953	16,598,687	10.2%	18,910,580	13.9%
Salt Lake County	72,489,754	80,639,445	11.2%	93,135,901	15.5%
Summit County ²	663,318	1,072,019	61.6%	1,145,256	6.8%
Park City	1,332,387	1,442,733	8.3%	1,572,251	9.0%
Tooele County	175,481	185,405	5.7%	223,835	20.7%
Tooele	722,092	783,426	8.5%	912,211	16.4%
Utah County	48,703	20,318	(58.3%)	15,382	(24.3%)
Alpine	53,340	62,721	17.6%	76,696	22.3%
American Fork	1,067,907	1,173,778	9.9%	1,449,158	23.5%
Lehi	501,641	777,350	55.0%	1,122,276	44.4%
Lindon	721,156	987,462	36.9%	1,180,049	19.5%
Mapleton	61,560	69,911	13.6%	83,648	19.6%
Orem	4,142,349	4,721,300	14.0%	5,308,642	12.4%
Payson	378,145	409,295	8.2%	476,696	16.5%
Pleasant Grove	378,588	438,735	15.9%	518,654	18.2%
Provo	2,735,301	2,990,720	9.3%	3,285,789	9.9%
Salem	52,607	43,462	(17.4%)	70,099	61.3%
Highland	129,408	151,092	16.8%	178,442	18.1%
Spanish Fork	739,788	907,870	22.7%	1,043,560	14.9%
Springville	668,375	727,478	8.8%	829,102	14.0%
Cedar Hills	21,801	28,974	32.9%	33,316	15.0%
Park City East ¹	4,832	8,337	72.5%	16,229	94.7%
Weber County	13,719,804	14,746,301	7.5%	16,596,774	12.5%
Total Mass Transit	119,077,687	132,422,488	11.2%	152,013,654	14.8%

Note 1: Effective January 1, 2004, Park City annexed a portion of Wasatch County. The section of Park City located in Wasatch County is called Park City East.

Note 2: Effective July 1, 2004, Summit County created the Snyderville basin Public Transit District

County Option Sales and Use Tax

A county that reduces its certified property tax rate by the same amount it expects to gain in sales tax, may impose a county option sales and use tax of 0.25 percent. Public hearings, advertising and voter approval are required. Retailers are liable to collect the tax under the same conditions as the sale sand use tax. The Tax Commission acts as the agent for the participating localities. All counties, with the exception of Emery, Kane, and Millard, have imposed tax.

Utah Code Ann. §59 12 1102

FY2007 Revenues/\$114,633,291

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

County Option Tax Collected (Net FY98 to FY07)

2007.	\$114,633,291
2006	\$102,809,849
2005.	\$89,475,269
2004.	\$82,569,380
2003.	\$81,075,363
2002.	\$78,993,477
2001.	\$77,306,326
2000.	\$74,014,757
1999	\$71,832,982
1998	\$21,807,595

County	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 %_Change	FY2007 July 06-June 07	FY2007 %_Change
Beaver County	168,765	195,961	16.1%	238,174	21.5%
Box Elder County	1,372,012	1,542,086	12.4%	1,738,032	12.7%
Cache County	3,203,675	3,505,839	9.4%	3,876,121	10.6%
Carbon County	832,808	962,940	15.6%	1,051,007	9.1%
Daggett County	77,742	73,558	(5.4%)	71,226	(3.2%)
Davis County	8,577,243	9,599,011	11.9%	10,860,449	13.1%
Duchesne County	574,482	685,442	19.3%	842,282	22.9%
Garfield County	181,753	195,811	7.7%	207,089	5.8%
Grand County	391,118	434,968	11.2%	496,923	14.2%
Iron County	1,304,284	1,517,248	16.3%	1,725,951	13.8%
Juab County	332,434	313,116	(5.8%)	319,826	2.1%
Morgan County	209,091	234,098	12.0%	260,313	11.2%
Piute County	75,152	75,225	0.1%	75,844	0.8%
Rich County	75,372	76,964	2.1%	78,489	2.0%
Salt Lake County	38,377,772	42,561,480	10.9%	47,582,792	11.8%
San Juan County	372,647	421,483	13.1%	525,814	24.8%
Sanpete County	652,595	719,227	10.2%	808,261	12.4%
Sevier County	686,317	772,750	12.6%	927,375	20.0%
Summit County	1,886,047	2,171,188	15.1%	2,412,505	11.1%
Tooele County	1,422,458	1,705,859	19.9%	1,819,695	6.7%
Uintah County	1,396,940	1,745,220	24.9%	2,165,909	24.1%
Utah County	13,653,794	15,909,184	16.5%	18,474,385	16.1%
Wasatch County	570,940	680,828	19.2%	789,357	15.9%
Washington County	4,510,449	5,419,322	20.2%	6,003,686	10.8%
Wayne County	82,806	90,412	9.2%	93,776	3.7%
Weber County	7,347,663	8,036,968	9.4%	9,003,089	12.0%
Total County Option	88,336,356	99,646,189	12.8%	112,448,369	12.8%

Tourism, Recreation, Cultural And Convention Facilities Tax

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

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

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

Room Rental A tax of up to 0.50 of 1 percent (one half of one percent) of the rent for every occupancy of a suite, room or rooms in motels, hotels, inns or similar public accommodations. Only Salt Lake County imposes this tax.

Utah Code Ann. §59-12-603

FY2007 Revenues/\$44,337,297

Tourism Tax Collected

(Net FY91 to FY07)

2007	\$44,337,297
2006	\$45,401,207
2005	\$36,255,996
2004	\$34,037,735
2003	\$33,774,470
2002	\$33,037,909
2001	\$32,287,809
2000	\$30,926,333
1999	\$26,693,041
1998	\$22,323,767
1997	\$21,805,637
1996	\$18,726,270
1995	\$16,677,406
1994	\$15,037,582
1993	\$13,480,252
1992	\$7,766,386

Restaurant Tax

County	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Beaver	64,319	83,091	29.2%	75,366	(9.3%)
Box Elder County	308,270	323,724	5.0%	372,708	15.1%
Cache County	786,764	794,633	1.0%	924,438	16.3%
Carbon County	165,811	187,441	13.0%	198,236	5.8%
Daggett County	11,432	15,392	34.6%	12,661	(17.7%)
Davis County	2,084,634	2,308,665	10.7%	2,565,888	11.1%
Duchesne County	79,861	93,450	17.0%	100,271	7.3%
Emery County	0	0	N.A.	0	N.A.
Garfield County	129,758	153,724	18.5%	142,192	(7.5%)
Grand County	220,235	277,034	25.8%	279,269	0.8%
Iron County	392,426	427,731	9.0%	478,390	11.8%
Juab County	79,486	83,379	4.9%	80,113	(3.9%)
Kane County	84,780	100,660	18.7%	105,666	5.0%
Morgan County	25,606	31,044	21.2%	31,822	2.5%
Piute County	0	0	N.A.	546	N.A.
Rich County	0	6,961	N.A.	29,884	329.3%
Salt Lake County	12,514,137	13,755,419	9.9%	14,912,346	8.4%
Sanpete County	85,401	78,600	(8.0%)	81,692	3.9%
Sevier County	150,327	168,449	12.1%	180,802	7.3%
Summit County	1,243,204	1,445,167	16.2%	1,581,659	9.4%
Tooele County	301,066	329,266	9.4%	363,649	10.4%
Uintah County	216,282	253,264	17.1%	286,497	13.1%
Utah County	3,278,770	3,173,699	(3.2%)	3,064,875	(3.4%)
Wasatch County	207,351	210,278	1.4%	251,831	19.8%
Washington County	1,334,011	1,575,611	18.1%	1,676,504	6.4%
Wayne County	33,102	33,286	0.6%	35,292	6.0%
Weber County	1,825,916	1,975,752	8.2%	2,181,945	10.4%
Total Restaurant	25,622,947	27,885,719	8.8%	30,014,539	7.6%

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

Leasing Tax

<u>County</u>	<u>FY2005</u> <u>July 04-June 05</u>	<u>FY2006</u> <u>July 05-June 06</u>	<u>FY2006</u> <u>% Change</u>	<u>FY2007</u> <u>July 06-June 07</u>	<u>FY2007</u> <u>% Change</u>
Davis County	279,548	348,352	24.6%	343,478	(1.4%)
Duchesne County	548	0		0	N.A.
Grand County	19,234	24,051	25.0%	25,588	6.4%
Morgan County	6,030	7,465	23.8%	7,298	(2.2%)
Salt Lake County	7,640,004	9,564,224	25.2%	9,305,625	(2.7%)
Sevier County	19,654	19,661	0.0%	19,676	0.1%
Uintah County	2,182	2,864	31.2%	6,608	130.7%
Utah County	501,901	615,450	22.6%	605,304	(1.6%)
Washington County	220,833	286,856	29.9%	280,085	(2.4%)
Weber County	228,299	274,095	20.1%	282,229	3.0%
Total Leasing	8,918,232	11,143,018	24.9%	10,875,889	(2.4%)

Room Rental Tax

<u>County</u>	<u>FY2005</u> <u>July 04-June 05</u>	<u>FY2006</u> <u>July 05-June 06</u>	<u>FY2006</u> <u>% Change</u>	<u>FY2007</u> <u>July 06-June 07</u>	<u>FY2007</u> <u>% Change</u>
Salt Lake County	1,302,456	1,513,006	16.2%	1,647,168	8.9%
Total Tour Transient	1,302,456	1,513,006	16.2%	1,647,168	8.9%

Statewide Motor Vehicle Tax

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

Utah Code Ann. §59-12-1201

FY2007 Revenues/\$4,030,263

Motor Vehicle Rental Tax Collected (Net FY98 to FY07)

2007	\$4,030,263	2002	\$3,510,375
2006	\$4,243,466	2001	\$3,743,275
2005	\$3,320,001	2000	\$3,562,155
2004	\$2,852,060	1999	\$3,165,196
2003	\$3,149,264	1998	\$2,822,573

The amounts collected as shown in the shaded box above are accrued revenues for the Motor Vehicle Rental Tax. The revenues shown by 'Statewide MV Rental' below reflect the actual amounts distributed during the fiscal year. The amounts differ due to timing differences.

<u>Statewide MV Rental</u>	<u>FY2005</u> <u>July 04-June 05</u>	<u>FY2006</u> <u>July 05-June 06</u>	<u>FY2006</u> <u>% Change</u>	<u>FY2007</u> <u>July 06-June 07</u>	<u>FY2007</u> <u>% Change</u>
Statewide MV Rental	3,287,398	4,092,241	24.5%		(1.8%)
Total MV Rental	3,287,398	4,092,241	24.5%	4,018,3	(1.8%)

Botanical, Cultural, And Zoological Tax

The Botanical, Cultural and Zoological Tax, often referred to as ZAP and various other acronyms, may be imposed at the rate of 0.10 percent (1/10th of one percent) of the purchase price on transactions taxed under the state's sales and use tax laws. This tax may be adopted in any county or city in which voters have approved the tax to fund recreational facilities and botanical, cultural and zoological organizations. Retailers are liable to collect the tax under the same conditions as applicable for sales and use tax. The Tax Commission acts as the agent for the participating localities. On April 1, 2007, the City of Price imposed this tax for the first time following a election in its city.

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

FY2007 Revenues/\$31,881,204

Botanical, Cultural, And Zoological Tax Collected

(Net FY97 to FY07)

2007	\$31,881,204
2006	\$26,242,424
2005	\$19,916,601
2004	\$18,448,162
2003	\$16,947,739
2002	\$16,916,716
2001	\$16,273,984
2000	\$15,606,955
1999	\$14,864,307
1998	\$14,378,151
1997	\$4,018,574

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

<u>County or Municipality</u>	<u>FY2005 July 04-June 05</u>	<u>FY2006 July 05-June 06</u>	<u>FY2006 % Change</u>	<u>FY2007 July 06-June 07</u>	<u>FY2007 % Change</u>
Cache County	1,087,086	1,172,365	7.8%	1,297,686	10.7%
Price ³	0	0	N.A.	21,470	N.A.
Roosevelt ²	0	10,309	N.A.	160,258	1454.5%
Cedar City ²	0	32,054	N.A.	550,287	1616.8%
Brian Head ²	0	1,006	N.A.	14,805	1371.2%
Salt Lake County	16,602,492	18,423,712	11.0%	20,604,541	11.8%
Sevier County	0	0	N.A.	4	N.A.
Aurora ²	0	406	N.A.	6,838	1586.4%
Redmond ²	0	985	N.A.	4,983	406.1%
Richfield	0	0	N.A.	2	N.A.
Salina ²	0	2,584	N.A.	43,118	1568.5%
Summit County	1,015,349	1,171,631	15.4%	1,290,381	10.1%
Tooele City ¹	24,427	311,163	1173.8%	361,182	16.1%
Uintah County	716,931	951,506	32.7%	1,239,991	30.3%
Orem ²	0	150,798	N.A.	2,105,303	1296.1%
Weber County ¹	210,764	2,934,281	1292.2%	3,302,506	12.5%
Total Arts & Zoo	19,657,050	25,162,800	28.0%	31,003,355	23.2%

Note 1: Effective April 1, 2005, Weber County and Tooele City imposed the Zoo, Arts, and Parks tax.

Note 2: Effective April 1, 2006, Cedar City, Brian head, Roosevelt, Orem, Redmond, Salina, and Aurora imposed the Zoo, Arts, and Parks tax.

Note 3: Effective April 1, 2007, Price imposed the Zoo, Arts, and Parks tax.

County Transient Room Tax

The Transient Room Tax is applied to the rental charge for any suite, room or rooms in a motel, motor court, inn, campground, or similar public accommodation for fewer than 30 consecutive days. This tax is in addition to the applicable sales tax. The Tax Commission acts as the agent for the counties, but 1990 legislation allows counties to collect the tax themselves. Davis, Duchesne, Emery, Grand, Utah, and Rich counties collect their own Transient Room Tax. Effective Oct. 1, 2006, the tax rate changed from a rate not to exceed 3 percent to a rate not to exceed 4.25 percent.

Utah Code Ann. §59 12 301

FY2007 Revenues/\$24,995,644

County Transient Room Tax Collected

(Net FY97 to FY07)

2007	\$24,995,644	
2006	\$20,294,926	1996 \$13,364,431
2005	\$18,105,021	1995 \$11,784,423
2004	\$17,521,252	1994 \$10,826,711
2003	\$17,569,762	1993 \$10,051,735
2002	\$18,486,394	1992 \$8,169,169
2001	\$17,489,451	1991 \$8,266,512
2000	\$16,342,724	1990 \$6,852,411
1999	\$15,429,323	1989 \$6,699,420
1998	\$15,036,402	1988 \$6,003,309
1997	\$14,948,604	1987 \$5,124,968

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

County	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Beaver County	95,535	103,346	8.2%	117,555	13.7%
Box Elder County	80,068	82,709	3.3%	106,562	28.8%
Cache County	256,838	266,196	3.6%	312,049	17.2%
Carbon County	156,520	173,405	10.8%	212,869	22.8%
Daggett County	49,661	76,611	54.3%	62,171	(18.8%)
Davis County ¹	355,984	7,924	(97.8%)	3,466	(56.3%)
Duchesne County ¹	30,133	1,466	(95.1%)	540	(63.1%)
Emery County ¹	117,868	3,610	(96.9%)	2,686	(25.6%)
Garfield County ³	500,675	560,618	12.0%	586,503	4.6%
Grand County ¹	909	3,490	283.8%	818	(76.6%)
Iron County	510,312	517,765	1.5%	654,394	26.4%
Juab County	64,876	62,241	(4.1%)	66,427	6.7%
Kane County	317,170	358,539	13.0%	394,826	10.1%
Millard County	82,379	89,438	8.6%	93,340	4.4%
Morgan County	1,463	1,510	3.2%	3,263	116.0%
Piute County	16,638	6,585	(60.4%)	15,404	133.9%
Rich County ²	56,976	34,672	(39.1%)	767	(97.8%)
Salt Lake County	7,815,193	9,078,234	16.2%	12,416,219	36.8%
San Juan County	228,802	263,556	15.2%	283,659	7.6%
Sanpete County	36,199	39,863	10.1%	52,572	31.9%
Sevier County	206,588	220,945	7.0%	231,965	5.0%
Summit County	4,021,013	4,518,478	12.4%	4,659,000	3.1%
Tooele County	134,804	144,631	7.3%	188,777	30.5%
Uintah County	207,206	281,360	35.8%	409,031	45.4%
Utah County ¹	225,842	10,734	(95.2%)	19,512	81.8%
Wasatch County	231,117	271,906	17.6%	465,261	71.1%
Washington County	1,539,509	1,840,377	19.5%	2,053,059	11.6%
Wayne County	96,435	104,019	7.9%	107,618	3.5%
Weber County	508,846	574,084	12.8%	741,958	29.2%
Total County Transient	17,945,556	19,698,314	9.8%	24,262,267	23.2%

Note 1: These counties collect their Transient Room tax locally. The amounts listed in this report are primarily due to audits conducted by the Tax Commission and taxpayer reporting error.

Note 2: Effective July 1, 2005, Rich County began collecting its Transient Room tax locally.

Note 3: Effective April 1, 2007, Garfield County began collecting its Transient Room tax locally.

Municipality Transient Room Tax

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

Utah Code Ann. §59 12 352 and 353

FY2007 Revenues \$1,223,782

Municipality Transient Room Tax Collected

(Net FY02 to FY07)

2007	\$1,223,782
2006	\$1,089,242
2005	\$900,145
2004	\$761,964
2003	\$679,520
2002	\$655,494

City or Town	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 %_Change	FY2007 July 06-June 07	FY2007 %_Change
Beaver City			N.A.	441	N.A.
Milford ²	350	838	139.2%	1,329	58.6%
Brigham	14,469	15,383	6.3%	16,551	7.6%
Logan	0	0	N.A.	9,438	N.A.
North Logan	0	6,731	N.A.	13,781	104.8%
Price	48,952	53,590	9.5%	64,722	20.8%
Layton	106,659	122,719	15.1%	124,510	1.5%
Roosevelt	7,353	11,358	54.5%	12,308	8.4%
Green River	46,758	49,288	5.4%	56,496	14.6%
Moab	314,925	354,855	12.7%	391,482	10.3%
E. Green River	0	0	N.A.	0	N.A.
Cottonwood Heights ⁴	0	20,843	N.A.	35,645	71.0%
Holladay	35,109	37,857	7.8%	42,837	13.2%
South Salt Lake	20,967	30,152	43.8%	29,146	(3.3%)
West Valley City	0	0	N.A.	0	N.A.
Blanding	15,795	18,633	18.0%	16,238	(12.9%)
Monticello	12,707	15,298	20.4%	17,274	12.9%
Richfield ¹	0	0	N.A.	1,062	N.A.
Tooele	16,221	23,785	46.6%	30,047	26.3%
Vernal	0	0	N.A.	140	N.A.
Salina ¹	0	0	N.A.	0	N.A.
Lindon	0	226	N.A.	509	125.6%
Orem	52,044	66,393	27.6%	72,913	9.8%
Springville	0	281	N.A.	0	
Heber	21,963	25,551	16.3%	26,238	2.7%
Midway	35,553	42,521	19.6%	77,061	81.2%
La Verkin	0	0	N.A.	104	N.A.
Santa Clara	317	0		622	N.A.
Springdale	115,565	132,876	15.0%	140,569	5.8%
Virgin ⁶	0	0	N.A.	4,469	N.A.
Hanksville ³	299	2,954	887.0%	2,750	(6.9%)
Marriott Slaterville	14,755	17,795	20.6%	17,814	0.1%
Ogden ⁵	0	2,763	N.A.	75,870	2646.2%
Total Municipality Transient	880,762	1,052,691	19.5%	1,282,369	21.8%

Note 1: These cities collect their Municipal Transient Room tax locally, the amounts listed in this report are primarily due to audits conducted by the Tax Commission and taxpayer reporting error.

Note 2: Effective 10/01/2004, Milford City imposed the Municipal Transient Room Tax.

Note 3: Effective 01/01/2005, Hanksville City imposed the Municipal Transient Room Tax.

Note 4: Effective 07/01/2005, Cottonwood Heights imposed the Municipal Transient Room Tax.

Note 5: Effective 01/01/2006, Ogden imposed the Municipal Transient Room Tax.

Note 6: Effective 07/01/2006, Virgin turned over the collection of their Municipal Transient Room Tax to the Tax Commission.

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

Resort Communities Tax

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

Resort Communities Tax Collected

(Net FY87 to FY07)

2007	\$11,716,452	1996	\$3,399,742
2006	\$10,609,677	1995	\$3,183,933
2005	\$9,707,339	1994	\$2,506,247
2004	\$7,882,031	1993	\$2,586,230
2003	\$7,684,387	1992	\$2,183,536
2002	\$7,324,859	1991	\$2,448,835
2001	\$7,328,211	1990	\$1,659,993
2000	\$6,764,468	1989	\$1,243,240
1999	\$6,432,922	1988	\$1,556,413
1998	\$4,585,539	1987	\$1,366,658
1997	\$3,975,439		

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

Utah Code Ann. §59-12-401

FY2007 Revenues/\$11,716,452

City or Town	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Green River	277,204	295,708	6.7%	340,715	15.2%
Boulder	29,174	30,614	4.9%	31,214	2.0%
Panguitch	124,876	128,017	2.5%	156,312	22.1%
Tropic	56,386	66,842	18.5%	63,956	(4.3%)
Moab	1,825,073	1,987,107	8.9%	2,239,340	12.7%
E Green River	0	0	N.A.	0	N.A.
Brian Head	231,539	218,139	(5.8%)	212,725	(2.5%)
Kanab	436,944	517,714	18.5%	581,285	12.3%
Orderville	60,830	65,859	8.3%	75,055	14.0%
Garden City	79,620	104,306	31.0%	139,173	33.4%
Alta	545,784	636,942	16.7%	644,624	1.2%
Monticello	68,008	81,124	19.3%	84,909	4.7%
Park City	5,208,306	5,648,573	8.5%	6,155,524	9.0%
Midway ²	0	0	N.A.	150,246	N.A.
Park City East ¹	64,774	33,008	(49.0%)	64,666	95.9%
Springdale	470,177	512,999	9.1%	569,788	11.1%
Total Resort	9,478,694	10,326,954	8.9%	11,509,530	11.5%

Note 1: Effective January 1, 2004, Park City annexed a portion of Wasatch County. The section that is located in Wasatch County is called Park City East.

Note 2: Effective October 1, 2006, Midway imposed the Resort Communities tax.

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

Municipal Highways Tax

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

Utah Code Ann. §59 12 1001

FY2007 Revenues/\$11,324,318

Municipal Highways Tax Collected

(Net FY98 to FY07)

2007	\$11,324,318
2006	\$10,344,378
2005.	\$8,432,989
2004.	\$7,151,822
2003.	\$6,612,983
2002.	\$6,270,817
2001.	\$5,744,043
2000.	\$5,521,262
1999	\$2,284,742
1998	\$254,990

City or Town	FY2005 July 04-June 05	FY2006 July 05-June 06	FY2006 % Change	FY2007 July 06-June 07	FY2007 % Change
Price	562,064	655,642	16.6%	703,802	7.3%
Wellington	60,762	84,104	38.4%	96,363	14.6%
Roosevelt	269,440	328,014	21.7%	407,507	24.2%
Green River	47,947	50,581	5.5%	53,943	6.6%
Moab	323,234	350,188	8.3%	395,251	12.9%
E Green River	0	0	N.A.	0	N.A.
Brian Head	39,986	37,383	(6.5%)	37,021	1.0%
Nephi	138,175	144,850	4.8%	160,268	10.6%
Ephraim	163,896	186,201	13.6%	198,578	6.6%
Gunnison	50,870	55,481	9.1%	69,231	24.8%
Mt. Pleasant ¹	0	0	N.A.	5,112	N.A.
Richfield	452,547	503,199	11.2%	556,472	10.6%
Salina	80,643	87,856	8.9%	108,609	23.6%
Vernal	936,287	1,254,206	34.0%	1,654,450	31.9%
Heber	312,676	368,156	17.7%	430,905	17.0%
Midway ¹	0	0	N.A.	4,559	N.A.
Hurricane	300,065	354,020	18.0%	405,908	14.7%
Ivins	48,791	59,803	22.6%	63,314	5.9%
La Verkin	54,071	58,846	8.8%	56,014	(4.8%)
St George	3,710,823	4,456,795	20.1%	4,817,769	8.1%
Santa Clara	42,964	55,394	28.9%	53,925	(2.7%)
Washington	668,203	875,256	31.0%	857,103	(2.1%)
Total Highway	8,263,443	9,965,975	20.6%	11,136,105	11.7%

Note 1: Effective April 1, 2007, Midway and Mt. Pleasant imposed the Highway Tax.

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

Rural Hospital Tax

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

Utah Code Ann. §59 12 801

FY2007 Revenues/\$7,874,753

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

Rural Hospitals Tax Collected

(Net FY93 to FY07)

2007	\$7,874,753
2006	\$6,443,531
2005	\$5,060,736
2004	\$4,172,178
2003	\$3,848,322
2002	\$3,950,749
2001	\$4,084,883
2000	\$1,503,135
1999	\$1,220,444
1998	\$1,159,936
1997	\$1,121,861
1996	\$988,227
1995	\$742,985
1994	\$501,684
1993	\$184,881

<u>County or City</u>	<u>FY2005 July 04-June 05</u>	<u>FY2006 July 05-June 06</u>	<u>FY2006 % Change</u>	<u>FY2007 July 06-June 07</u>	<u>FY2007 % Change</u>
Beaver City	328,302	371,138	13.0%	472,367	27.3%
Daggett County ¹	0	0	N.A.	28,377	N.A.
Garfield County	754,207	819,470	8.7%	840,713	2.6%
Kane County	995,650	1,185,724	19.1%	1,357,542	14.5%
Uintah County	2,869,715	3,808,552	32.7%	4,962,752	30.3%
Total Hospital	4,947,873	6,184,883	25.0%	7,661,751	23.9%

Effective January 1, 2007, Daggett County imposed the Rural Hospital tax.

Town Option Sales and Use Tax

A town may impose a tax of up to 1 percent if a town imposed a license fee or business gross receipts tax on or before Jan. 1, 1996. Only the town of Snowville imposed this tax in fiscal year 2007.

Utah Code Ann. §59 12 1301

FY2007 Revenues/\$35,539

Town Option Sales Tax Collected

(Net FY98 to FY07)

2007	\$35,539	2002	\$28,089
2006	\$33,112	2001	\$30,751
2005	\$32,812	2000	\$28,542
2004	\$29,845	1999	\$24,526
2003	\$25,041	1998	\$2,709

<u>Town</u>	<u>FY2005 July 04-June 05</u>	<u>FY2006 July 05-June 06</u>	<u>FY2006 % Change</u>	<u>FY2007 July 06-June 07</u>	<u>FY2007 % Change</u>
Snowville	30,632	32,890	7.4%	35,133	
Total Town Option	30,632	32,890	7.4%	35,133	

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

Retail Sales, Services, And Business Equipment

Taxable Purchases By Major Industry

MAJOR INDUSTRY

<u>(Standard Industrial Code)</u>	<u>CY2003</u>	<u>CY2004</u>	<u>CY2005</u>	<u>CY2006</u>
Agriculture, Forestry, Fish (111 973)	\$41,251,134	\$44,956,671	\$69,101,784	\$75,431,886
Mining (1011 1499)	\$141,246,125	\$195,448,300	\$284,634,492	\$407,292,586
Construction (1521 1799)	\$305,795,047	\$368,876,094	\$512,074,685	\$711,035,574
Manufacturing (2011 3999)	\$1,392,412,189	\$1,691,532,844	\$2,027,777,269	\$2,507,326,302
Transportation (4011 4789)	\$89,823,361	\$128,218,065	\$171,897,709	\$201,036,039
Communications (4812 4899)	\$1,446,259,789	\$1,560,694,394	\$1,489,981,376	\$1,582,227,177
Electrical and Gas (4911 4971)	\$1,387,049,181	\$1,519,636,453	\$1,758,737,381	\$1,975,721,601

WHOLESALE

Durable Goods (5012 5099)	\$2,485,790,553	\$2,943,218,295	\$3,499,130,388	\$4,220,423,456
Non Durables (5111 5199)	\$619,210,678	\$668,254,422	\$766,623,301	\$867,342,171

RETAIL

Building and Garden (5211 5271)	\$1,614,034,048	\$1,959,691,410	\$2,251,474,128	\$2,576,112,857
General merchandise (5311 5399)	\$3,820,217,212	\$4,171,005,342	\$4,479,023,678	\$4,904,651,808
Food Stores (5411 5499)	\$3,053,660,897	\$3,121,582,430	\$3,306,503,500	\$3,522,702,900
Motor Vehicles (5511 5599)	\$3,812,401,318	\$4,042,713,773	\$4,329,039,868	\$4,902,044,085
Apparel and Accessory (5611 5699)	\$853,364,222	\$928,206,743	\$1,020,620,985	\$1,161,782,517
Furniture (5712 5736)	\$1,392,367,544	\$1,532,701,879	\$1,752,025,533	\$1,935,698,865
Eating and Drinking (5812 5826)	\$2,067,533,612	\$2,245,103,115	\$2,452,262,014	\$2,771,423,171
Miscellaneous (5912 5999)	\$2,195,189,258	\$2,350,223,997	\$2,599,572,706	\$3,197,936,587

FINANCE

Finance, Insurance, Real Estate (6011 6799)	\$390,056,751	\$355,011,751	\$384,754,346	\$412,925,687
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SERVICE

Hotel and Lodging (7011 7041)	\$599,476,406	\$660,606,509	\$753,689,699	\$739,621,493
Personal (7211 7299)	\$210,602,858	\$211,340,243	\$226,679,589	\$239,691,885
Business (7311 7389)	\$973,215,323	\$989,789,029	\$1,189,932,074	\$1,438,104,432
Auto and Repair (7513 7699)	\$1,173,559,316	\$1,213,454,019	\$1,378,740,528	\$1,517,910,029
Amusement and Recreation (7812 7999)	\$729,539,514	\$748,018,822	\$804,812,381	\$905,718,067
Health (8011 8099)	\$113,895,618	\$110,630,799	\$119,153,845	\$141,975,334
Education, Legal, Social (8111 8999)	\$205,385,830	\$245,415,595	\$274,376,577	\$278,241,857

OTHER

Public Administration (9111 9721)	\$93,453,103	\$83,973,082	\$106,940,549	\$114,006,667
Private Motor Vehicle Sales	\$668,029,261	\$578,562,468	\$625,087,227	\$723,818,907
Occasional Retail Sales	\$82,742,924	\$84,057,902	\$81,831,509	\$88,730,602
Nondisclosable\Nonclassifiable	\$26,724,022	\$19,571,811	\$33,593,129	\$32,372,726
Prior Period Payments and Refunds	\$575,755,083	\$538,378,712	\$491,179,280	\$642,473,186

TOTAL

\$32,560,042,177 \$35,310,874,969 \$39,241,251,530 \$44,795,780,454

Retail Sales, Services, And Business Equipment

Taxable Purchases In Counties

<u>COUNTY</u>	<u>CY2002</u>	<u>CY2003</u>	<u>CY2004</u>	<u>CY2005</u>	<u>CY2006</u>
Beaver	\$78,643,822	\$78,321,295	\$42,100,390	\$61,907,733	\$61,934,399
Box Elder	\$397,597,890	\$414,494,710	\$414,721,757	\$459,062,917	\$515,813,912
Cache	\$991,873,325	\$1,029,987,061	\$1,103,940,836	\$1,160,479,762	\$1,275,906,448
Carbon	\$351,112,861	\$333,785,502	\$379,035,713	\$430,474,206	\$478,220,656
Daggett	\$14,748,590	\$11,692,322	\$8,850,106	\$21,411,605	\$15,462,461
Davis	\$2,759,164,731	\$2,795,943,681	\$3,026,293,503	\$3,261,967,966	\$3,723,493,746
Duchesne	\$145,071,558	\$157,009,682	\$217,723,687	\$279,289,618	\$364,150,267
Emery	\$106,343,423	\$104,310,439	\$128,437,780	\$138,622,969	\$182,235,883
Garfield	\$67,872,943	\$68,752,485	\$77,648,666	\$79,464,207	\$83,537,841
Grand	\$174,635,577	\$163,637,016	\$180,031,694	\$199,608,808	\$227,655,128
Iron	\$457,128,755	\$480,123,467	\$456,541,704	\$597,072,920	\$673,887,071
Juab	\$104,467,036	\$99,188,624	\$81,415,135	\$164,217,678	\$77,772,485
Kane	\$99,787,339	\$97,504,725	\$100,715,909	\$114,130,492	\$132,163,954
Millard	\$128,805,095	\$128,822,920	\$135,398,480	\$137,482,489	\$152,389,880
Morgan	\$48,655,061	\$49,300,117	\$54,461,648	\$57,853,958	\$66,137,137
Piute	\$6,183,485	\$6,617,576	\$6,186,763	\$6,408,632	\$7,837,442
Rich	\$17,302,794	\$18,373,609	\$18,482,439	\$21,515,302	\$24,330,178
Salt Lake	\$15,706,919,505	\$15,445,006,387	\$16,576,588,112	\$18,010,925,661	\$20,328,814,095
San Juan	\$88,823,783	\$85,238,249	\$86,002,913	\$98,930,079	\$133,029,785
Sanpete	\$158,154,750	\$162,116,042	\$162,631,076	\$174,326,274	\$199,437,203
Sevier	\$229,937,800	\$225,887,000	\$252,351,206	\$288,088,853	\$365,054,447
Summit	\$862,281,570	\$854,703,303	\$972,492,127	\$1,123,304,124	\$1,271,522,187
Tooele	\$408,234,189	\$325,233,649	\$418,310,455	\$447,669,827	\$559,612,040
Uintah	\$452,556,426	\$484,733,738	\$663,674,391	\$868,768,656	\$1,174,894,865
Utah	\$4,394,333,416	\$4,433,228,375	\$4,791,033,296	\$5,432,300,221	\$6,409,994,035
Wasatch	\$186,566,663	\$184,211,496	\$190,080,778	\$226,488,203	\$274,305,450
Washington	\$1,503,264,367	\$1,626,273,410	\$1,958,528,256	\$2,401,940,382	\$2,680,271,408
Wayne	\$23,570,949	\$27,607,530	\$30,348,445	\$26,935,429	\$33,702,496
Weber	\$2,552,414,748	\$2,599,184,450	\$2,758,768,928	\$2,895,409,713	\$3,253,504,600
OUT OF STATE USE TAX	(\$4,301,122)	\$68,753,302	\$18,078,794	\$55,192,842	\$48,708,952
TOTAL	\$32,512,151,329	\$32,560,042,162	\$35,310,874,987	\$39,241,251,526	\$44,795,780,451

Direct Retail Sales in Selected Cities

<u>CITY</u>	<u>CY2002</u>	<u>CY2003</u>	<u>CY2004</u>	<u>CY2005</u>	<u>CY2006</u>
American Fork	\$313,095,337	\$366,115,948	\$444,946,407	\$522,522,596	\$615,714,312
Beaver	\$26,515,923	\$27,885,055	\$30,563,748	\$33,075,538	\$36,115,574
Blanding			\$23,302,922	\$26,500,702	\$28,077,014
Bountiful	\$347,385,682	\$368,306,030	\$376,189,728	\$386,470,251	\$421,308,320
Brigham City	\$150,449,577	\$179,966,711	\$158,776,176	\$166,776,420	\$182,768,158
Cedar City	\$326,129,004	\$367,737,710	\$387,351,986	\$501,392,771	\$566,095,473
Centerville	\$197,927,845	\$205,825,143	\$258,861,264	\$264,584,248	\$284,594,377
Clearfield	\$134,635,780	\$139,992,545	\$160,158,372	\$168,630,988	\$191,654,084
Delta	\$44,441,299	\$46,202,234	\$47,384,577	\$51,034,279	\$52,404,107
Draper	\$319,664,451	\$329,519,829	\$387,895,117	\$451,641,772	\$554,807,874
Farmington	\$70,531,446	\$76,017,573	\$74,997,637	\$78,867,681	\$90,099,009
Heber	\$112,363,847	\$108,378,377	\$116,428,986	\$132,572,375	\$156,632,781
Holladay	\$191,174,814	\$230,272,140	\$234,044,773	\$215,334,501	\$224,491,632
Hurricane	\$69,197,778	\$77,651,882	\$95,760,929	\$122,899,757	\$145,038,516
Kanab	\$39,387,115	\$44,081,162	\$46,956,385	\$54,115,206	\$61,348,746
Kaysville	\$124,996,740	\$146,561,438	\$150,239,810	\$166,292,267	\$184,655,523
Layton	\$920,202,551	\$959,281,670	\$1,030,687,281	\$1,103,256,510	\$1,190,273,760
Lehi	\$152,790,171	\$175,218,788	\$167,087,359	\$251,783,912	\$361,896,812
Lindon	\$163,332,713	\$188,545,035	\$241,094,202	\$348,623,015	\$428,563,958
Logan	\$544,441,404	\$610,163,077	\$652,373,891	\$677,519,247	\$736,452,520
Midvale	\$510,746,440	\$478,697,001	\$526,831,928	\$557,235,907	\$610,457,227
Moab	\$104,381,809	\$111,905,550	\$120,930,080	\$133,666,171	\$141,083,467
Monticello			\$15,030,407	\$16,557,433	\$17,461,888
Murray	\$1,288,622,091	\$1,427,407,898	\$1,510,284,737	\$1,600,312,502	\$1,753,112,686
Naples	\$51,141,151	\$66,772,399	\$130,079,369	\$194,153,454	\$222,852,040
Nephi	\$49,719,302	\$46,400,354	\$51,659,864	\$54,274,175	\$57,823,811
North Salt Lake	\$140,991,709	\$146,216,755	\$172,416,530	\$201,633,305	\$230,398,641
Ogden	\$1,071,559,259	\$1,080,222,273	\$1,148,518,071	\$1,157,054,559	\$1,274,044,395
Orem	\$1,392,852,462	\$1,445,548,785	\$1,571,989,866	\$1,712,285,910	\$1,963,019,149
Park City	\$397,724,619	\$393,996,700	\$450,101,993	\$513,037,273	\$573,541,625
Payson	\$83,571,470	\$91,889,730	\$133,231,511	\$146,469,801	\$167,398,383
Pleasant Grove	\$100,884,439	\$122,357,728	\$136,401,549	\$148,326,292	\$176,837,456
Price	\$195,870,565	\$200,145,102	\$210,672,914	\$239,492,593	\$255,438,070
Provo	\$957,531,474	\$979,382,417	\$1,013,559,220	\$1,089,256,641	\$1,192,250,575
Richfield	\$138,328,828	\$145,462,573	\$173,447,314	\$188,594,176	\$211,036,718
Riverdale	\$481,201,011	\$564,224,288	\$572,136,611	\$607,840,939	\$655,346,801
Riverton	\$85,556,958	\$104,265,248	\$107,468,366	\$136,547,591	\$171,132,526
Roosevelt	\$68,725,743	\$72,585,819	\$89,922,324	\$108,394,756	\$144,010,038
Roy	\$157,081,952	\$182,720,814	\$187,866,222	\$189,481,230	\$199,699,715
Salt Lake City	\$3,908,158,466	\$4,054,943,034	\$4,366,531,264	\$4,771,241,786	\$5,132,402,978
Sandy	\$1,462,847,896	\$1,540,871,084	\$1,634,356,530	\$1,757,204,717	\$1,928,309,394
South Jordan	\$120,871,584	\$187,039,949	\$213,058,735	\$254,595,713	\$446,690,130
South Ogden	\$125,634,555	\$128,317,429	\$163,168,757	\$191,858,268	\$207,558,367
South Salt Lake	\$1,155,604,656	\$1,176,476,281	\$1,291,713,056	\$1,436,862,768	\$1,633,799,936
Spanish Fork	\$205,970,481	\$213,064,178	\$227,595,952	\$243,459,408	\$283,928,992
Sprigndale	\$23,131,538	\$26,568,901	\$29,952,415	\$33,711,248	\$36,583,406
Springville	\$202,071,023	\$246,155,671	\$247,595,445	\$265,698,409	\$302,562,193
	\$1,011,001,516	\$1,145,353,381	\$1,365,046,357	\$1,686,461,645	\$1,834,924,682
Taylorsville	\$407,993,552	\$416,576,123	\$427,097,698	\$426,434,344	\$517,268,765
Tooele City	\$223,047,702	\$255,277,449	\$265,617,159	\$285,536,771	\$326,988,311
Tremonton	\$72,589,239	\$79,881,564	\$79,200,813	\$83,227,909	\$88,693,939
Vernal	\$245,607,751	\$257,492,641	\$310,294,790	\$386,933,925	\$536,012,159
West Bountiful	\$76,351,892	\$71,921,254	\$76,328,682	\$82,890,018	\$160,555,734
West Jordan	\$842,758,864	\$974,823,363	\$1,028,970,717	\$1,124,411,724	\$1,186,652,702
West Valley City	\$1,278,001,396	\$1,284,065,597	\$1,462,869,341	\$1,648,057,184	\$1,894,201,470
Woods Cross	\$190,959,179	\$193,285,846	\$211,970,219	\$229,996,679	\$250,201,294

Sales Tax Exemptions

Utah law exempts certain purchases from the sales and use tax. The following are exemptions by legal category and estimated sales tax exemption amounts for Fiscal Year 2007. See *Utah Code Ann. 59 12 104*.

A. ECONOMIC DEVELOPMENT

1. a. Manufacturing machinery and equipment 3 year life, including replacements	\$84,679,200 ¹
2. Airline food	287,221
3. Airline equipment	175,000
4. Aerospace tools	406,000
5. Motion picture rentals & radio broadcast tapes	30,000 20,000
6. Machinery and equipment purchases used by non live motion picture and television programs, music videos, commercials or documentaries	250,000
7. Intrastate movement of freight by common carrier or people by taxicabs	2,825,000
8. Farm machinery and irrigation equipment	16,107,000
9. Commercial sprays & insecticides	625,000
10. Sales of hay	2,750,000
11. Sales of aircraft manufactured in Utah	0
12. Electricity sales to ski resorts for all lifts	94,000
13. Ski resort equipment	637,000
14. Steel mill non durable equipment	100,000
15. Semiconductor manufacturing	<1,738,000
16. Renewable energy production facilities	n/a
17. Waste energy production facilities	n/a
18. Biomass energy production facilities	n/a
19. Media machinery and equipment	\$1,631,000

B. ECONOMIC EFFICIENCY

1. a. Motor & special fuels	\$169,590,000
b. Aviation fuel	21,212,000
2. Vending machine sales < \$1 of food or beverages	1,083,000
3. Coin operated Laundromats	263,000
4. Coin operated car washing	584,000
5. Nonresident vehicles	5,865,000
6. Nonresident boats	161,000
7. Occasional sales	2,732,000
8. Tangible personal property trades	n/a
9. Exclusive sales of locally grown farm produce	1425,000
10. Containers, labels, casings	30,224,000
11. Property stored in the state for resale	n/a
12. Property brought in by a non resident for use	3,135,000
13. Property purchased for resale or as an ingredient or component part of manufactured products	30,357,000 ¹
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
16. Personal property shipped out of state & incorporated into real property	149,000
17. Coin operated amusement devices	694,000
18. 45% of new and 100% of used manufactured homes	1,000,000
19. Intrastate transportation to an employer s employee	\$25,000

20. Sales of natural gas, electricity, coal, fuel, oil for industrial use	\$30,313,000
21. Telephone service from prepaid calling card	27,000
22. Tangible personal property shipped out of the state which becomes part of real property in another state	308,000
23. Pawnbroker repurchases or redemptions	n/a

C. GOVERNMENTAL

1. State government purchases	\$20,876,000
Local government purchases	24,431,000
2. Fares charged to persons transported by public transit	1,172,000
3. Admissions to college athletic events	527,000
4. Sales by state & local photocopies or copies of records	10,000
5. Sales by the Heber Creeper Railroad	10,000

D. SOCIAL SERVICE, HEALTH, CHARITABLE & OTHER

1. Food stamps	\$6,859,000
2. WIC program food purchases	1,617,000
3. Meals served by schools, churches	536,000
Meals served by nursing homes & hospitals	523,000
4. Pollution control	218,000
5. Prescription drugs	35,707,000
6. Oxygen & stoma supplies	51,000
7. Religious or charitable sales > \$1,000 & purchases < \$1,000	5,323,000 4,435,000
8. Newspaper sales or subscriptions	2,386,000
9. Leases to authorized carriers	1,500,000
10. School & fund raising sales	50,000
11. Home medical equipment and prosthetic	525,000
12. Hearing aids	332,000
13. Sales by area aging services	1,000
14. Wind, geothermal, solar energy sales	n/a
15. Water in a pipe, conduit, ditch or reservoir	n/a
16. Currency or coinage which is legal tender	n/a
17. Gold, silver, platinum ingots, bars medallions	n/a
18. Prescribed prosthetic devices	2,200,000
19. Manufacturers rebates for new vehicles	500,000
20. Direct mail electronic databases	877,000

¹Excludes sales for resale at \$1.0 billion

Property Tax

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

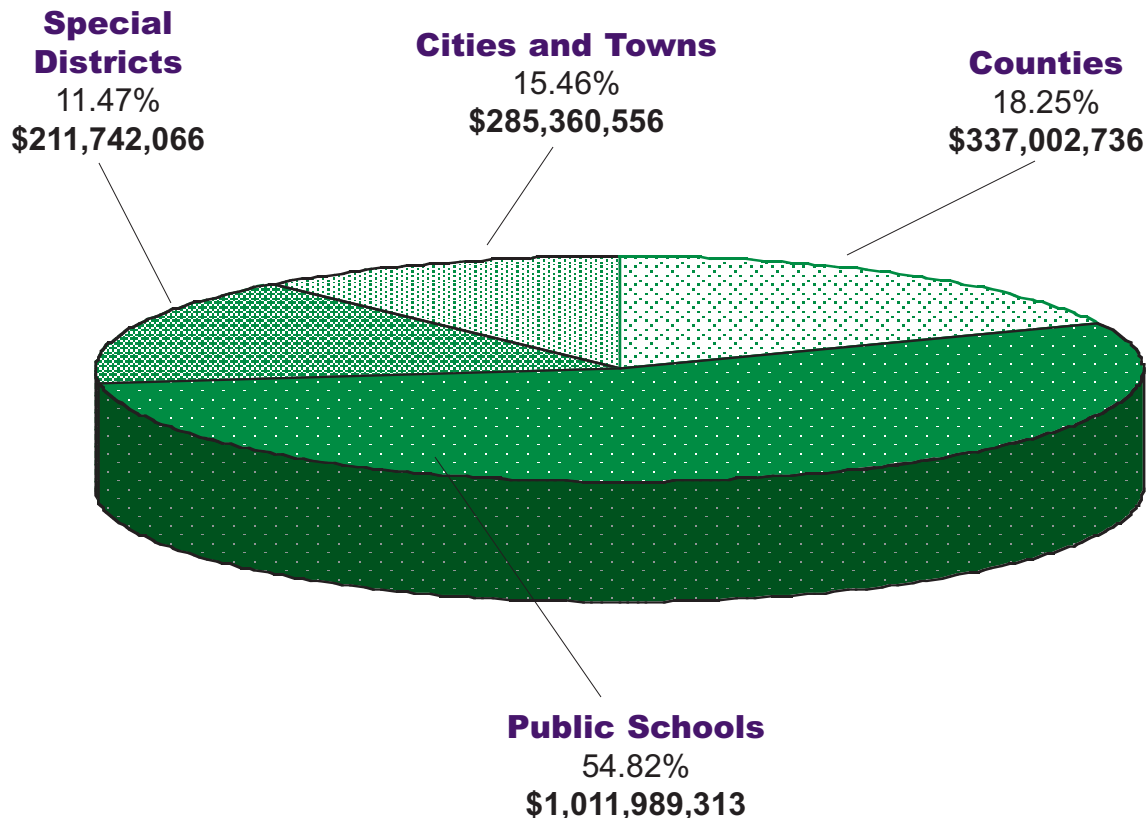
Real and Personal Property Taxes and Rates

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

Motor Vehicle Fees

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

Distribution Of 2006 Property Taxes Charged



Property Tax Values and Rates

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

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

By state law, primary residential properties receive a 45 percent exemption. Primary residential property is any dwelling used as a person's primary residence. These include

homes, condominiums, apartments, rental properties, and up to one acre of land. The taxable value of all other properties, except agricultural land, is 100 percent of fair market value.

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

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

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

www.propertytax.utah.gov.

<u>Class of Property</u>	<u>Taxable Value</u>	<u>Market Value</u>	<u>Taxes</u>	<u>Tax Rate</u>	
			<u>Charged</u>	<u>Actual</u>	<u>Effective</u>
Primary Residential	\$78,264,051,562	\$142,298,275,567	\$949,299,344	1.21%	0.67%
Commercial	32,588,392,214	32,588,392,214	407,203,912	1.25%	1.25%
Other Real	19,383,478,151	19,383,478,151	195,256,676	1.01%	1.01%
Personal	8,655,085,804	821,666,738	114,572,734	1.32%	1.30%
Motor Vehicles	14,148,804,657	14,148,804,657	212,232,067	1.50%	1.50%
Natural Resources	6,219,779,718	6,219,779,718	67,567,569	1.09%	1.09%
Utilities	<u>9,552,461,539</u>	<u>9,552,461,539</u>	<u>112,194,558</u>	<u>1.17%</u>	<u>1.17%</u>
# Statewide	\$168,812,053,645	\$233,012,858,584	\$2,058,326,860	1.22%	0.88%

Totals of columns may not equal 100 percent because of rounding.

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

Miscellaneous Property Tax Statistics

Number of locally assessed taxable real property parcels	1,149,414
Taxable value of locally assessed real property parcels	\$130,373,875,706
Average home sale price (<i>Metropolitan area</i>) ¹	\$242,681
Average home sale price (<i>Non metropolitan area</i>) ²	\$189,874
Per capita income ³	\$29,108
Five year statewide average collection rate ⁴	92.97%

¹ Metropolitan counties Davis, Salt Lake, Utah, Washington, and Weber

² Non-metro counties are all counties except Davis, Salt Lake, Utah, Washington, and Weber

³ Average per capita personal income for 2006 forecast by Utah Department of Workforce Services, June 2007

⁴ Percent of taxes charged that are collected. Motor Vehicle fee-in-lieu revenues are not included in calculating the collection rate

Centrally Assessed Property

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

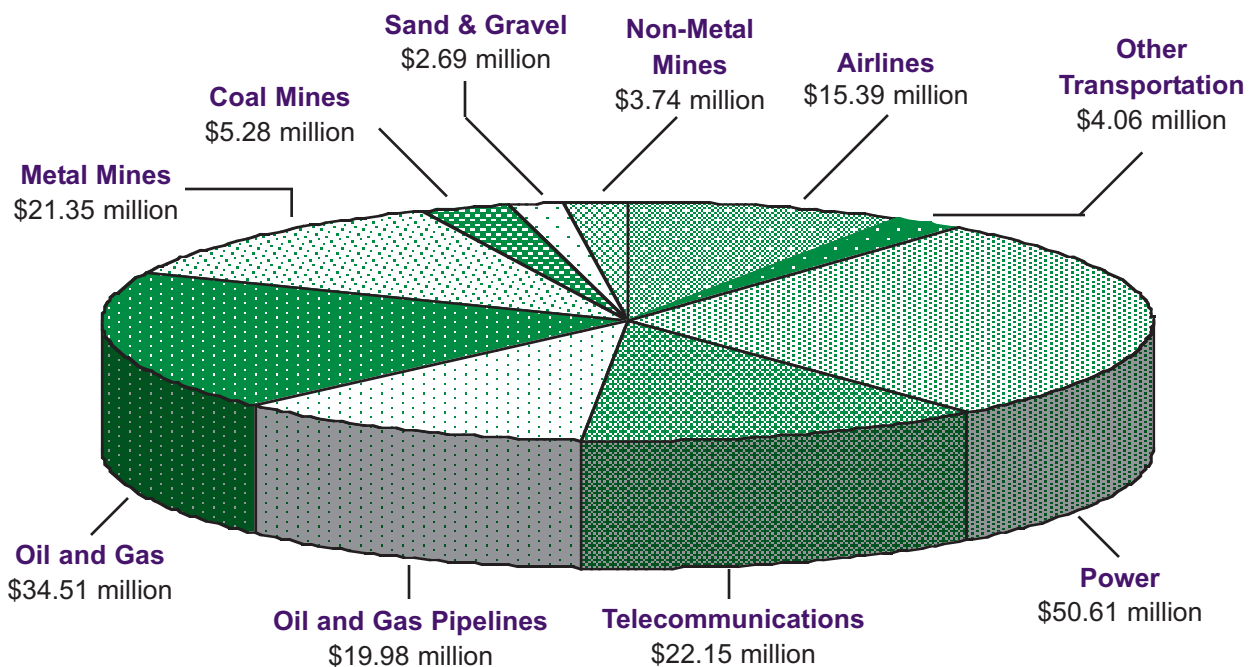
Properties of mining, gas and oil companies are physically valued to arrive at fair

market present value or by capitalizing net revenue. Patented mining claims are valued at fair market value of the surface property. Listed below are the 24 largest centrally assessed companies for 2006 based on property taxes charged by the State of Utah. The ranking of the following centrally assessed property owners is as of May 1, 2006, and may change following an appeal.

Utah's 24 Largest Centrally Assessed Companies

- | | |
|---|---|
| 1. PacifiCorp/ <i>Power</i> | 13. Newfield Production Company/ <i>Oil and Gas</i> |
| 2. Kennecott Utah Copper/ <i>Mining</i> | 14. Anadarko Petroleum Corp./ <i>Oil and Gas</i> |
| 3. Intermountain Power Agency/ <i>Power</i> | 15. Questar Pipelines/ <i>Pipeline</i> |
| 4. Qwest Corp./ <i>Telecommunications</i> | 16. QEP Uinta Basin Inc./ <i>Oil and Gas</i> |
| 5. Kern River Gas Transmission/ <i>Pipeline</i> | 17. Verizon Wireless/ <i>Telecommunications</i> |
| 6. ConocoPhillips Company/ <i>Oil and Gas</i> | 18. EOG Resources/ <i>Oil and Gas</i> |
| 7. Questar Gas/ <i>Gas</i> | 19. Canyon Fuel Company LLC SUFCO / <i>Coal</i> |
| 8. SkyWest Airlines/ <i>Airline</i> | 20. Merit Energy Company/ <i>Oil and Gas</i> |
| 9. Kerr McGee Oil & Gas Onshore/ <i>Oil and Gas</i> | 21. Canyon Fuel LLC Dugout Canyon/ <i>Coal</i> |
| 10. Union Pacific Railroad/ <i>Railroad</i> | 22. Sprint Nextel Corp/ <i>Telecommunications</i> |
| 11. Delta Airlines/ <i>Airline</i> | 23. Dominion Exploration & Production/ <i>Oil and Gas</i> |
| 12. Deseret Generation/ <i>Power</i> | 24. Canyon Fuel Company LLC Skyline/ <i>Coal</i> |

Centrally Assessed Taxes Charged by Industry



This chart shows the property taxes charged in 2006 for all centrally assessed natural resource and utilities properties in Utah. The Tax Commission charged \$179,762,127 in property taxes for these properties.

Property Taxes Charged By Class

(Continues on next page)

	<u>Real</u>	<u>Personal</u>	<u>Locally</u>	<u>Utilities</u>	<u>Natural Resources</u>
Beaver	\$3,367,136	\$162,086	\$3,529,222	\$1,574,373	\$347,671
Box Elder	18,564,165	4,135,219	22,699,384	2,020,940	699,993
Cache	38,194,911	3,989,494	42,184,405	1,165,106	39,652
Carbon	7,268,860	794,520	8,063,380	2,060,151	10,636,188
Daggett	767,721	21,598	789,319	605,657	179,342
Davis	131,041,100	11,168,634	142,209,734	3,376,853	277,152
Duchesne	7,373,877	512,225	7,886,102	1,084,065	5,372,683
Emery	2,559,256	206,368	2,765,624	12,654,729	3,082,467
Garfield	3,626,936	123,991	3,750,927	302,315	186,081
Grand	5,382,680	256,786	5,639,466	913,909	808,689
Iron	29,280,645	1,945,207	31,225,852	1,860,453	84,235
Juab	3,926,834	289,965	4,216,799	3,423,551	242,294
Kane	6,944,718	149,972	7,094,690	141,338	20,900
Millard	4,362,847	365,101	4,727,948	13,463,461	718,669
Morgan	4,030,740	572,844	4,603,584	436,467	76,041
Piute	567,081	7,482	574,563	94,446	8,162
Rich	2,780,046	23,896	2,803,942	289,628	4,160
Salt Lake	716,853,333	54,241,538	771,094,871	42,018,559	20,925,439
San Juan	3,360,849	249,570	3,610,419	1,343,823	3,506,662
Sanpete	8,750,667	352,515	9,103,182	586,735	63,752
Sevier	6,784,441	407,711	7,192,152	724,031	2,222,529
Summit	90,718,977	1,803,859	92,522,836	2,289,442	2,305,863
Tooele	21,841,708	2,505,335	24,347,043	1,833,380	866,984
Uintah	10,057,500	2,044,061	12,101,561	3,004,030	13,623,540
Utah	197,716,581	13,277,429	210,994,010	7,560,619	379,348
Wasatch	23,351,761	425,058	23,776,819	529,180	115,991
Washington	85,188,701	3,175,541	88,364,242	2,587,481	244,759
Wayne	1,067,826	34,672	1,102,498	65,678	3,752
Weber	<u>116,028,035</u>	<u>11,330,057</u>	<u>127,358,092</u>	<u>4,184,158</u>	<u>524,570</u>
STATEWIDE	\$1,551,759,932	\$114,572,734	\$1,666,332,666	\$112,194,558	\$67,567,569

Property Taxes Charged By Class

(Continued from previous page)

	<u>Centrally Assessed</u>	<u>Local And Centrally Assessed</u>	<u>Motor Vehicle</u>	<u>Total Property Tax And Motor Vehicle</u>
Beaver	\$1,922,044	\$5,451,266	\$519,366	\$5,970,632
Box Elder	2,720,933	25,420,317	6,892,102	32,312,419
Cache	1,204,758	43,389,163	5,986,878	49,376,041
Carbon	12,696,339	20,759,719	1,863,080	22,622,799
Daggett	784,999	1,574,318	152,747	1,727,065
Davis	3,654,005	145,863,739	44,826,535	190,690,274
Duchesne	6,456,748	14,342,850	1,456,850	15,799,700
Emery	15,737,196	18,502,820	940,519	19,443,339
Garfield	488,396	4,239,323	449,949	4,689,272
Grand	1,722,598	7,362,064	723,102	8,085,166
Iron	1,944,688	33,170,540	2,909,331	36,079,871
Juab	3,665,845	7,882,644	770,228	8,652,782
Kane	162,238	7,256,928	3,191,715	10,448,643
Millard	14,182,130	18,910,078	972,611	19,882,689
Morgan	512,508	5,116,092	862,694	5,978,786
Piute	102,608	677,171	136,175	813,346
Rich	293,788	3,097,730	226,902	3,324,632
Salt Lake	62,943,998	834,038,869	70,513,954	904,552,823
San Juan	4,850,485	8,460,904	679,972	9,140,876
Sanpete	650,487	9,753,669	1,688,296	11,441,965
Sevier	2,946,560	10,138,712	1,789,579	11,928,291
Summit	4,595,305	97,118,141	3,933,697	101,051,838
Tooele	2,700,364	27,047,407	3,681,674	30,729,081
Uintah	16,627,570	28,729,131	2,612,185	31,341,316
Utah	7,939,967	218,933,977	26,826,262	245,760,239
Wasatch	645,171	24,421,990	1,895,753	26,317,743
Washington	2,832,240	91,196,482	10,919,745	102,116,227
Wayne	69,430	1,171,928	251,367	1,423,295
Weber	<u>4,708,728</u>	<u>132,066,820</u>	<u>14,558,799</u>	<u>146,625,619</u>
STATEWIDE	\$179,762,127	\$1,846,094,793	\$212,232,067	\$2,058,326,860

Property Tax Relief

The State of Utah and county governments provided \$17,831,457 in property tax relief to 35,813 individuals in 2006. (*Utah Code Ann. 59 2 1104 to 1109 and 59 2 1202 to 1220*)

Disabled Veteran

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

Blind

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

Indigent

An indigent abatement may be granted in an amount of 50 percent of the taxes levied, not to exceed \$676 for 2006. Also, an indigent deferral may be granted for all or any portion of the tax; however, interest accrues.

Low-Income Elderly

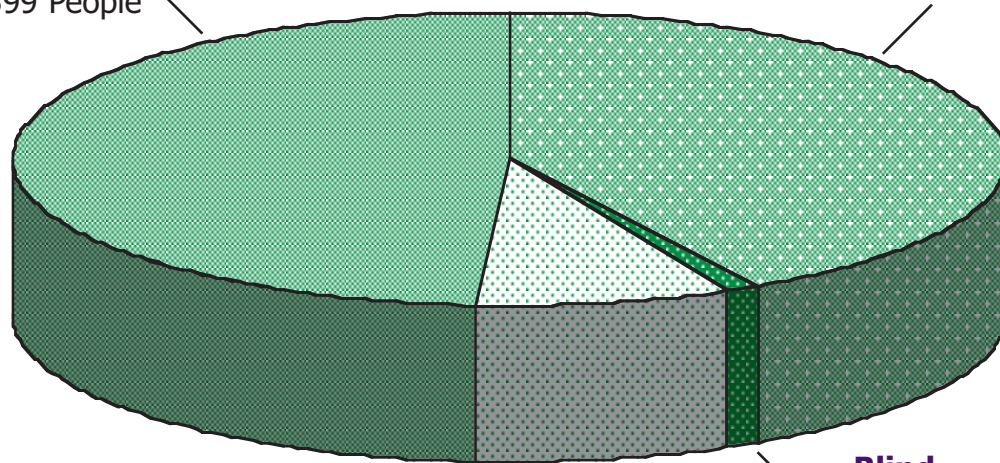
Elderly and low income or widowed homeowners and mobile homeowners may apply through the county for Circuit Breaker relief of up to \$697 for 2006. Elderly, low income renters may also be eligible and may apply for relief to the State Tax Commission.

Low Income Elderly

\$8,726,962
14,399 People

Disabled Veterans

\$7,426,701 - 12,072 People



Indigent

\$1,468,568 - 7,762 People

Blind

\$209,226
1,580 People

Tax Relief by County

County	Relief	County	Relief	County	Relief
Beaver	\$64,522	Iron	\$262,790	Sevier	\$230,119
Box Elder	785,199	Juab	110,009	Summit	220,903
Cache	457,469	Kane	58,761	Tooele	401,835
Carbon	174,848	Millard	87,486	Uintah	191,101
Daggett	4,463	Morgan	54,125	Utah	2,356,359
Davis	2,410,238	Piute	23,684	Wasatch	105,484
Duchesne	160,713	Rich	10,803	Washington	1,050,343
Emery	49,241	Salt Lake	5,876,524	Wayne	12,620
Garfield	53,574	San Juan	83,761	Weber	2,179,599
Grand	101,704	Sanpete	253,181	STATEWIDE	\$17,831,457

Miscellaneous Taxes

Motor Fuel

FY2007 Revenue - \$254,676,020

Transportation Fund

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

Special Fuel

FY2007 Revenue - \$111,173,568

Transportation Fund

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

Aviation Fuel

FY2007 Revenue - \$6,466,613

Transportation Fund -Restricted

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

Highway Use

FY2007 Revenue - \$8,089,959

Transportation Fund

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

Motor Vehicle Registration

FY2007 Revenue - \$34,292,547

Transportation Fund

Class B and Class C Road Funds

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

Proportional Registration

FY2007 Revenue - \$14,772,484

Transportation Fund

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

Mining Severance

FY2007 Revenue - \$23,604,499

General Fund

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

Oil and Gas Severance

FY2007 Revenue - \$65,429,873

General Fund

The Oil and Gas Severance Tax applies to all interest owners of oil, gas, and natural gas liquids. It is based on the value at the well of oil and gas produced, saved, sold, or transported from the field where it is produced. The tax rate ranges from 3 to 5 percent based on the sales price of the oil or gas and 4 percent for natural gas liquids.

Oil and Gas Conservation

FY2007 Revenue - \$4,747,883

General Fund - Restricted

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

Beer

FY2007 Revenue - \$8,587,477

General Fund

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

Wine and Liquor

FY2007 Revenue - \$23,033,398

Education Fund - Dedicated Credits

School Lunch Program

The Wine and Liquor Tax is applied at the rate of 13 percent on the retail sale of all wines and liquors sold by the Utah Department of Alcoholic Beverage Control. This tax was repealed effective July 1, 2007.

Inheritance

FY2007 Revenue - \$497,617

General Fund

The Inheritance Tax is equal to the state death tax credit allowed by the Internal Revenue Service on the Federal Estate Tax Return. The tax is applicable to all estates filing a Federal Estate Tax Return.

Waste Tire Recycling

FY2007 Revenue - \$2,946,974

Special Revenue - Restricted

A recycling fee of \$1 is imposed upon each purchase from a tire retailer of a new tire 24.5 inches in diameter or less. The fee is paid by the consumer to the tire retailer at the time the new tire is purchased.

Cigarette and Tobacco

FY2007 Revenue - \$52,844,734

General Fund - Restricted

Utah imposes a tax of 69.5 cents per package of 20 cigarettes and 86.875 cents per package of 25 cigarettes. The tax applies to wholesalers and distributors who purchase stamps or use cigarette stamping machines for payment of the tax. Cigarettes are also subject to regular state and local sales taxes.

All purchases of cigarettes and tobacco products over the Internet are subject to Utah state cigarette stamp tax and sales tax. Internet retailers are required to provide sales data to the Tax Commission detailing shipments of cigarettes and tobacco products to Utah consumers. Tobacco products other than cigarettes are taxed at 35 percent of the manufacturers sale price delivered to Utah.

Insurance Premium

FY2007 Revenue - \$71,417,541

General Fund

The Insurance Premium tax is:

2.25 percent of net premiums on property, casualty, life and other risks located in Utah

7.75 percent of workers compensation insurance premiums

2.26 percent of motor vehicle insurance premiums for motor vehicle liability, uninsured motorist and personal injury protection

0.45 percent of title insurance premiums

Brine Shrimp

FY2007 Revenue - \$652,987

Department of Natural Resources

Dedicated Credit

The State levies a brine shrimp royalty of 3.75 cents multiplied by the total pounds of unprocessed brine shrimp eggs harvested in Utah.

If the brine shrimp royalty for the tax year is \$550,000, the gross volume of unprocessed brine shrimp eggs harvested is multiplied by an alternate royalty rate.

Legislative Summary

House Bills

HB 3 Minimum School Program Base Budget

Amendments Rep. Brad Last (Effective 7/1/07) This bill sets the 2007 08 minimum basic school levy at \$245,254,790.

HB 26 Property Tax Exemption for Personal Property

Rep. John Dougall (Retrospective to 1/1/07) This bill amends the personal property exemption for tangible personal property with an aggregate fair market value of \$3,500 or less to exclude the following from the exemption: (1) personal property required to be registered with the state before it is used on a highway, waterway, or in the air; (2) mobile homes; and (3) manufactured homes.

HB 27 Sales and Use Tax Modifications Rep. Ben

Ferry (Retrospective to 1/1/07) This bill provides that a non nexus seller shall collect local sales tax at the lowest common rate on sales of food and food ingredients into the state; changes the imposition language of the restaurant tax to prevent definitions added in 2006 Third Special Session HB 3004 from impacting the administration of the restaurant tax, thus preserving the status quo; provides that the reimbursement to sellers for expenditures to account for the reduced sales and use tax rate imposed on food and food ingredients includes expenditures for in house programming; and extends the deadline for submitting a reimbursement request to the Tax Commission for expenses incurred from before 1/1/07 to before 4/1/07.

HB 33 Sales and Use Tax Exemptions for Vehicles, Boats, Boat Trailers, or Outboard Motors Not Registered in the State Rep. Patrick Painter

(Effective 7/1/07) This bill provides that a vehicle, boat, boat trailer, or outboard motor that received the out of state sales tax exemption may be used in the state up to 30 days in a calendar year and remain eligible for the sales and use tax exemption so long as the use in the state is a non business use.

HB 34 Sales and Use Tax Exemptions for Certain Property Brought into the State Rep. Rebecca

Lockhart (Effective 7/1/07) This bill codifies current practice by: (1) providing that sales, leases, or rentals of property purchased outside the state, first used

outside the state, and brought into the state by a non resident are exempt from sales and use tax if that property is not used to conduct business in the state; and (2) enacting a sales and use tax exemption for sales of property used in conducting a business if that property was purchased outside the state, first used outside the state, and brought into the state.

HB 36 Income Tax Additions, Subtractions, and Credits for Higher Education Savings Rep. Fred

Hunsaker (Retrospective to 1/1/07) This bill provides that a resident or nonresident estate or trust may subtract qualified investments in the Utah Educational Savings Plan Trust (Trust) from federal taxable income, and provides that a trust or estate may include the deduction for 2006 on the 2007 trust return; allows a nonrefundable income tax credit for investment in the Trust that: (1) may be used only by taxpayers calculating their state income tax under the single rate system (since those taxpayers are unable to take the deduction for amounts invested in the Trust); (2) is equal to the lesser of the actual qualified investment or the maximum qualified investment, multiplied by 5.35%; and (3) may not be carried forward or back.

HB 37 Cigarette and Tobacco Tax Licensing

Amendments Rep. Craig Frank (Effective 2/14/07) This bill provides the procedures and requirements for payment of a cigarette tax by a person who does not stamp cigarettes, including when the tax is due, and the penalties associated with nonpayment; provides a time limit within which the State Tax Commission must assess cigarette taxes on consumers who purchase cigarettes for which cigarette tax has not been paid.

HB 38 Amendments to Local Option Sales and Use Taxes on Certain Accommodations and Services

Rep. Merlynn Newbold (Effective 4/30/07) This bill clarifies that only a county of the first class may impose a tax on accommodations and services under the tourism transient room tax by moving this language to make it more evident; in addition, effective from 7/1/07 to 6/30/27, requires that 15% of the revenues collected by a county of the first class from the county transient room tax be deposited to the Transient Room Tax Fund.

HB 111 Personal Property/Certified Tax Rate

Amendments Rep. John Dougall (*Retrospective to 1/1/07*) This eliminates semiconductor manufacturing (class 15) personal property from the calculation of the certified revenue levy; eliminates semiconductor manufacturing personal property from the certified tax rate calculation; provides that for the calendar year beginning 1/1/07, the certified tax rate shall be adjusted by the amount necessary to offset any change in the certified tax rate that occurred as the result of this bill.

HB 119 Emergency Communication Funding Rep.

Brad Dee (*Effective 7/1/07*) This bill eliminates provisions reimbursing communications providers for costs associated with Phase I E 911 service; imposes the emergency services telephone charge on services with access to the public switched telephone network, including voice over Internet protocol, at 61 cents per month; reduces the current 65 cents per line charge for local exchange service switched lines and radio communications access lines to 61 cents per line; changes the date on which a charge levied to fund E 911 service is reduced (from 13¢ to 8¢) from July 1, 2008 to July 1, 2007.

HB 142 Fee in Lieu of Property Tax Amendments

Rep. Richard Wheeler (*Effective 4/30/07*) This bill clarifies that a non Utah public agency that has an ownership interest in the potential 3d unit of IPA is subject to ad valorem property tax on that property, and not a fee in lieu under Section 11 13 302.

HB 158 Amendments to Transportation Provisions

Rep. Wayne Harper (*Effective 7/1/07*) This bill renames the Public Transportation System Tax Highway Fund as the County of the First Class State Highway Projects Fund; provides that the following shall be deposited in the fund: 70% of the revenue generated by the local corridor preservation fee imposed in a county of the first class; ¼% of a ¼% of the public transit tax revenue imposed under Section 59 12 502 in a county of the first class; and revenue generated from the sales tax under Title 59, Chapter 12, Part 17, that is imposed in a county of the first class and designated for corridor preservation.

HB 226 Sales and Use Tax Highways and Public Transportation Amendments Rep. John Dougall

(*Effective 7/1/07*) This bill provides that a county, city, or town is not required to be located within a transit district to impose the local option sales and use taxes for mass transit under Sections 59 12 501 and 502; repeals the requirement that a project relating to a fixed guideway system or a system for public transit

be owned and operated by a public transit district in order for a county to expend revenues generated by the tax under Title 59, Chapter 12, Part 15, County Option Sales and Use Tax for Highways, Fixed Guideways, or Systems for Public Transit, to fund that project.

HB 227 Motorboat Liability Insurance Provisions

Rep. Kerry Gibson (*Effective 4/30/07*) This bill amends the definition of motorboat to exclude airboats for purposes of owner's and operator's security requirements for motorboats.

HB 238 Municipal Telecommunications License Tax Amendments Rep. Wayne Harper

(*Effective 7/1/07*) This bill reduces the municipal telecommunications license tax rate from a maximum rate of up to 4% to up to 3.5%; effective 7/1/07, directs the commission to tax at 3.5% for a municipality that had a tax rate in excess of 3.5% on 6/30/07, unless the commission receives a 30 day notice that the municipality will amend the rate to less than 3.5%.

HB 268 Special Group License Plate Symbol Decal Reorder Amendments Rep. Rhonda Rudd Menlove

(*Effective 4/30/07*) This bill exempts the special group license plate for a currently employed, volunteer, or retired firefighter from the symbol decal reorder fee if the decal is reordered on or after July 1, 2007, but on or before June 30, 2008.

HB 293 Centrally Assessed Property Rep. Kay McIlff

(*Effective 4/30/07*) This requires the Tax Commission to notify the owner of centrally assessed property, as well as the counties where the property is located, of the assessment on that property by certified mail; changes the time for a centrally assessed property owner or a county to appeal an assessment by the commission from on or before June 1, to on or before the later of June 1 or a day within 30 days of the date the commission mailed the notice of assessment.

HB 297 Calculation of Credit for Certain Repossessions of a Motor Vehicle Rep. Wayne Harper

(*Effective 7/1/07*) This bill provides that the credit for repossession of a motor vehicle is reduced by the amount of the motor vehicle's unpaid purchase price that a seller recovers other than as a result of reselling the vehicle.

HB 427 Nonresident Sales of Motor Homes Rep.

LaWanna Shurtliff (*Effective 4/30/07*) This bill exempts motor home sales from proportional personal property tax assessment if the motor home is brought into the state to be placed in a dealer's inventory.

Senate Bills

SB 5 Tax Penalty Amendments Sen. Howard

Stephenson (Effective 4/30/07) This bill amends the penalty provisions for a failure to file a tax return to exempt the return from a penalty if no tax is due on the tax return; and amends the mailing requirements for the notice of a criminal penalty to allow certified, instead of registered, mail; both of these changes reflect current Tax Commission practice.

SB 6 Uninsured Motorist Identification Database Program Amendments Sen. Carlene Walker

(Effective 4/30/07) This bill decreases the frequency of the internal audit review of the Uninsured Motorist Identification Database Program from annually to at least every 3 years.

SB 22 Sales and Use Tax Exemptions for Certain Governmental Entities and Entities Within the State Systems of Public and Higher Education Sen.

Howard Stephenson (Effective 7/1/07) This bill clarifies the definition of "school" to include the Electronic High School for purposes of the sales and use tax exemptions for sales relating to schools and fund raising sales; modifies the definition of governmental entity to exclude the state systems of public and higher education; modifies the sales and use tax exemption for photocopies to provide that the exemption for sales of photocopies by a governmental entity includes an entity within the state system of public education; provides a sales and use tax exemption for sales of publications by a governmental entity.

SB 33 Special Group License Plate/Gold Star Family

Sen. Carlene Walker (Effective 10/1/07) This bill creates a free special group license plate for a recipient of a gold star award issued by the U.S. Secretary of Defense if the recipient is a parent, spouse, or sibling of a person who is killed while serving in the United States armed forces.

SB 73 New Utah License Plate Design Sen. Dan

Eastman (Effective 4/30/07) This bill requires the DMV to issue license plates with the Life Elevated slogan and the design approved in the 2007 General Legislative Session once the existing inventories of statehood centennial and Ski Utah license plates are exhausted.

SB 74 Penalties Relating to Taxes, Fees, or Charges

Sen. Howard Stephenson (Effective 4/30/07) This bill

modifies penalty provisions that apply to income, fiduciary, sales, corporate, and withholding taxes with respect to the failure to file a return, or pay a tax, fee, or charge due; effective the later of the date the GenTax sales tax phase becomes effective or May 1, 2008 (for sales and income), and the later of the date the GenTax corporate and withholding phase becomes effective, or May 4, 2009 (for corporate and withholding), the penalties for failure to file, failure to pay, and failure to file a timely extension return are the greater of \$20 or: 2% of the unpaid liability if less than 5 days late, 5% of the unpaid liability if between 5 and 15 days late, and 10% of the unpaid liability if more than 15 days late; enacts uncodified language requiring the Utah Tax Review Commission to conduct a study on penalties relating to taxes, fees, or charges.

SB 96 Sales and Use Tax Exemption for Disposable Home Medical Equipment or Supplies Sen. Sheldon

Killpack (Effective 7/1/07) This bill defines the term "disposable home medical equipment or supplies" to include items that cannot withstand repeated use; and enacts a sales and use tax exemption for sales of disposable home medical equipment or supplies used exclusively by a person for whom a prescription is prescribed, and if the items are eligible under Titles 18 or 19 of the Federal Social Security Act.

SB 100 Motor Vehicle License and Registration Fees Exemption for Purple Heart License Plates

Sen. Bill Hickman (Effective 4/30/07) This bill exempts a recipient of a Purple Heart special group license plate from paying the following motor vehicle license and registration fees: automobile driver education fee; motor vehicle registration fee; license plate issuance fees; uninsured motorist identification fee; and local option transportation corridor preservation fee.

SB 106 Motor Vehicle Business Fee Amendments

Sen. Lyle Hillyard (Effective 7/1/07) This bill repeals provisions that impose a \$6.75 fee for a temporary permit or a temporary sports event registration certificate; provides that the fee for a temporary permit or a temporary sports event registration certificate shall be established by the State Tax Commission through the budget process; provides that these fees are non lapsing dedicated credits that shall be used toward costs of the Motor Vehicle Enforcement Division.

SB 138 Administrative Rule Criminal and Civil

Penalty Sen. Howard Stephenson (Effective 4/30/07)

This bill repeals statutes in MVED that allow the commission to impose a criminal penalty in rule; takes those criminal penalties from rule and places them in statute.

SB 148 Boat Registration Amendments

Sen. Michael Waddoups (Effective 2/23/07) This bill removes the up to \$10 boat registration fee from statute; authorizes the Board of Parks and Recreation to set the boat registration fee through the budget process; changes to the fee will take effect on the first day of the calendar quarter after 90 days from the day on which the Tax Commission is notified of the change.

SB 170 Distribution of Local Sales and Use Tax

Revenues Sen. Gene Davis (Effective 7/1/07) This bill modifies the basis for calculating the minimum distribution of local sales and use tax revenues by changing the base year from fiscal year 2004 05 to the greater of amounts the county, city, or town received in fiscal year 2000 01 or fiscal year 2004 05.

SB 181 Fees to Cover Cost of Electronic Payments

Sen. Wayne Niederhauser (Effective 7/1/07) This bill authorizes DMV and MVED to continue to impose a fee to cover the cost of electronic payments; and provides that the fees shall be used as dedicated credits by the agency.

SB 186 Motor Vehicle Amendments Sen. Dan

Eastman (Effective 4/30/07) This bill provides that a dealer supplemental license for an additional place of business may only be issued if the dealer is licensed and bonded and is in compliance with existing administrative rules. It provides that a dealer supplemental license for an additional place of business for a new motor vehicle dealer may not be issued for an additional place of business that is beyond the geographic specifications of a new motor vehicle dealer's area of responsibility as determined in the dealer's franchise agreement. The bill provides an exemption from the geographic restriction if the additional place of business is used to sell used cars, or

is a trade show or exhibition with 5 or more dealers participating at a location that is not the principal location of any participating dealer.

SB 199 Division of Real Estate and Title Insurance Related Amendments Sen. Sheldon Killpack

(Effective 10/1/07) This bill authorizes the Utah Housing Opportunity special group license plate to support organizations that create affordable housing for those in severe need; requires applicants for the plate to contribute \$30 annually to the Utah Housing Opportunity Restricted Account, and be a member of a trade organization for real estate licensees that has more than 15,000 Utah members.

SB 200 Reduced Cigarette Ignition Propensity Sen.

Ed Mayne (Effective 7/1/08) This bill creates test methods and performance standards for cigarettes; requires certification and product marking to ensure compliance with the act; creates a Reduced Cigarette Ignition Propensity and Fire Fighter Protection Enforcement Restricted Account within the General Fund; establishes penalties for violations of the act; gives the state fire marshal and the State Tax Commission enforcement powers.

SB 203 Disclosure of Property Tax Information

Sen. Howard Stephenson (Effective 4/30/07) This bill allows an assessor to disclose sales price, capitalization rate, and income and expense information relating to locally assessed property valuation to an appraiser; allows an appraiser to disclose commercial information: (1) to an assessor; (2) to an appraiser; and (3) in an appraisal or consultation service if protected commercial information is removed; prohibits an appraiser from using commercial information other than in preparing an appraisal or performing a consultation service.

SB 205 Alcoholic Beverage Control Amendments

Sen. Peter Knudson (Effective 7/1/07) This bill adjusts markups by the Department of Alcoholic Beverage Control on heavy beer, wine, and liquor, and diverts a portion of gross sales revenues from the sales of heavy beer, wine, and liquor to the school lunch program; repeals the wine and liquor tax.

Details of **SB 223**, the tax reform bill referred to as The Omnibus Tax Bill, are found on pages 10 and 11 in this annual report. Sen. Wayne Niederhauser sponsored this bill.

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