

EIGHTEENTH BIENNIAL REPORT

of the

**UTAH STATE
TAX COMMISSION**



FOR THE FISCAL YEARS

1965-1966

**EIGHTEENTH
BIENNIAL REPORT
OF THE
STATE TAX COMMISSION**



DONALD T. ADAMS
Chairman

**ORVILLE GUNTHER
A. PRATT KESLER
RANSOM QUINN**
Commissioners

G. W. BARBEN
Executive Secretary

ROSCOE E. HAMMOND
Consultant

FOR THE PERIOD FROM JULY 1, 1964 TO JUNE 30, 1966



THE STATE OF UTAH

STATE TAX COMMISSION
200 STATE OFFICE BUILDING
SALT LAKE CITY

November 15, 1966

COMMISSIONERS
DONALD T. ADAMS
CHAIRMAN
ORVILLE GUNTHER
RANSOM QUINN
A. PRATT KESLER
EXECUTIVE SECRETARY
G. W. BARBEN

To His Excellency
The Honorable Calvin L. Rampton, Governor
and Members of the Legislature of the
State of Utah

Gentlemen:

We submit herewith the Biennial Report of the
State Tax Commission covering the period from July 1, 1964
to June 30, 1966, with recommendations as to such legisla-
tion as will correct or eliminate defects in the operations
of the tax laws, and will equalize the burden of taxation
within the state.

This report is made in compliance with the re-
quirements of the law as stated in Section 59-5-46, Utah
Code Annotated 1953, as amended.

Respectfully submitted,

STATE TAX COMMISSION

Donald T. Adams
Chairman

Orville Gunther
A. Pratt Kesler
Ransom Quinn
Commissioners

G. W. Barben
Executive Secretary

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SUMMARY OF RECOMMENDATIONS

1. Cigarette Tax and Tax on all Other Tobacco Products

We respectfully recommend that:

The revenue which is collected from the tax on cigarettes and on all other tobacco products be credited, in its entirety, either to the Uniform School Fund or to the State General Fund.

2. Corporation Franchise Tax

We respectfully recommend that the corporation franchise tax act be amended in the following manner:

A. By the adoption of the essential features of the federal corporation income tax base subject to such adjustments as may be necessary in order to make it conform with the purposes of the Utah act.

B. Through the adoption of the method of allocating the income of corporations doing interstate business in accordance with the recommendations of the National Conference of Commissioners on Uniform Tax Laws;

C. By providing that refunds for overpayments of taxes be made directly from current collections and not from the reserve fund;

D. To permit the deduction of contributions by corporations to religious, charitable or educational institutions in arriving at net income for tax purposes;

E. To provide that all revenue received from the corporation franchise tax be credited to the Uniform School Fund; and

F. We further recommend that a study of the corporation franchise tax act be made in cooperation with the Legislative Council to determine whether this act should be changed from a franchise tax concept to an income tax.

3. Individual Income Tax

We respectfully recommend that:

The Legislature make a thorough study of the Utah Individual Income Tax Act and of the United States Internal Revenue Code dealing with individual income taxation for the purpose of determining whether the Utah law should be amended to conform substantially with the Internal Revenue Code.

4. Inheritance Tax

We respectfully recommend that the inheritance tax law be amended:

A. By a complete revision of Section 59-12-5, U.C.A., 1953 for the

purpose of eliminating its conflicting provisions and clarifying the intent of the law;

B. To provide for a limitation upon the amount of family allowance from an estate which may be deducted from the gross amount of the estate in determining the tax base; and

C. By the addition of a provision dealing with the treatment of the properties passing by the exercise or the non-exercise of powers of appointment.

5. Motor Fuels Tax

We respectfully recommend that the motor fuels tax act be amended:

A. To place the legal incidence of the tax on the refiner, the distributor or the importer;

B. To exempt the sales of motor fuels in quantities of 1,000 gallons or more when sold to the United States Government, to the State of Utah or to its political subdivisions;

C. To provide for the refund of motor fuel tax on a calendar year basis in those cases where the motor fuel is used for agricultural non-highway purposes;

D. To provide that the same penalty for failure to file the tax report and to pay the tax which is now imposed on dealers be also imposed upon the user who purchases motor fuels tax free under the provisions of the special fuel tax act and fails to file reports and make tax payments as they become due; and

E. That the motor fuels act (paragraph (3), Section 41-11-6) be amended by providing for an adjustment in the amount of the claimed refund to be credited to the State General Fund in keeping with current sales tax rates.

6. Oleomargarine Tax

We respectfully recommend that:

The oleomargarine tax act be repealed; or if it is still retained, that the act be amended to provide for the collection of the tax through the use of stamps placed on each package.

7. Property Tax

We respectfully recommend that:

A. The so-called "Freeport" law be reviewed and its provisions clarified; and

B. An amendment to the Constitution be proposed which would permit

the exemption of motor vehicles from taxation as property and make possible their taxation through an excise tax.

C. Section 59-5-65 relating to the collection of taxes on mines, mining claims and mining property be amended by providing that the ad valorem tax imposed upon metalliferous mining claims and properties shall be an in personam obligation of the owner or operator of such claims or properties, and such obligation shall not be satisfied until paid in full.

8. Sales Tax

We respectfully recommend that the sales tax act be amended:

A. By changing the incidence of the tax from the consumer to the vendor or retailer;

B. By repealing the exemption on "all sales of draught beer sold for consumption on the premises"; and

C. By repealing the exemption of "all sales of vehicles of a type required to be registered under the provisions of the motor vehicle laws of this state which are made to bona fide nonresidents of this state and are not thereafter registered or used in this state except as necessary to transport them to the borders of this state."

9. Use Tax

We respectfully recommend that the use tax act be amended:

A. By exempting personal property from the tax which is brought into Utah from a state where it has already been subject to a sales tax; and

B. By repealing the exemption from the tax on "Mineral bullion, mineral concentrates or mineral precipitates, when sold by the producer or refiner for storage, use or other consumption in this state."

10. Sales and Use Tax Laws

We respectfully recommend that the sales and use tax laws be amended:

A. By providing for the payment by the state of interest on refunds to taxpayers at the same rate that interest is charged on deficiency payments;

B. That the sales tax act (59-15-5) and the use tax act (59-16-7) be amended by adjusting the rates of the tax specified therein to the rates now in effect; and

C. We further recommend that the sales and use tax laws be combined in one act.

RECOMMENDATIONS

1. Cigarette Tax and Tax on all Other Tobacco Products

We respectfully recommend that:

The revenue which is collected from the tax on cigarettes and the tax on all other tobacco products be credited, in its entirety, either to the Uniform School Fund or to the State General Fund.

The law now provides that “. . . the state tax commission shall sell the stamps therein provided for only to persons holding licenses issued as provided in this chapter, and the moneys received from the sale of such stamps in excess of one mill per cigarette shall be turned into the general fund of the state. The money received from the first mill levied on each cigarette shall be allocated to the Uniform School Fund. All other moneys received from penalties, fees and taxes provided by this chapter shall be credited to the general fund . . .” Section 59-18-10, U.C.A., 1953.

This division of receipts causes an awkward accounting procedure and is quite unnecessary. We recommend that this feature of the law be simplified by crediting to one fund all of the revenue which is collected from the tax on cigarettes and on all other tobacco products.

2. Corporation Franchise Tax

We respectfully recommend that the corporation franchise tax act be amended in the following manner:

A. By the adoption of the essential features of the federal corporation income tax base subject to such adjustments as may be necessary in order to make it conform with the purposes of the Utah act.

The establishment of such a base in our Utah law would simplify accounting procedure on the part of the tax-paying corporations as well as for the Tax Commission. It is for this reason that we recommend the adoption of that portion of the federal act into our own law.

It is significant to note that the National Tax Administrators Association, the Council of State Governments and other national associations have recommended that all states adopt the federal tax base for the sake of uniformity and simplification.

B. Through the adoption of the method of allocating the income of corporations doing interstate business in accordance with the recommendations of the National Conference of Commissioners on Uniform Tax Laws.

We recommend that Seciton 59-13-20 be amended so that the “Uniform Division of Income for Tax Purposes Act” which was drafted by the National Conference of Commissioners on Uniform State Laws can be adopted for the same reason that we have proposed the adoption of the federal corporation tax base. The National Tax Administrators Association, the Council of State Governments and many other national associations have recommended that all states adopt the uniform act. The adoption of this act will simplify accounting procedure and will be quite generally helpful in the administration of the law.

C. By providing that refunds for overpayments of taxes be made directly from current collections and not from the reserve fund.

Section 59-13-59 of the corporation franchise tax act provides that all refunds in connection with the franchise tax shall be paid from a reserve fund. This section further provides that if at any time the reserve fund, out of which such refunds are payable, is exhausted, then such refund claims shall be paid, in order, out of the funds first accruing to said reserve.

As a result of the Utah Supreme Court's decision in the case of the Western Contracting Corporation, we have, and will continue to have, large claims for refunds of corporation franchise tax. At this time, there is not sufficient money in the reserve fund to process the claims for refund, and the claims cannot be honored until a sufficient amount accrues in the reserve fund. In addition to the claims for refund that will be received as a result of the Western Contracting Corporation's decision, we have information to the effect that probably large refunds will have to be made within the next several months to other corporations.

It is, therefore, recommended that the corporation franchise tax law be amended to delete the provision for making refunds from the reserve fund, and to provide that all refunds be made directly from current collections.

If the law is not amended, the state will be required to pay six per cent interest on all refunds from the date the tax was paid by the taxpayer until the date of the refund. Years ago, the individual income tax law was amended to eliminate the reserve fund for refunds and to provide that refunds be made directly from current collections. Since then, there has been less accounting work in processing refunds.

D. To permit the deduction of contributions by corporations to religious, charitable or educational institutions in arriving at net income for tax purposes.

We are convinced that such a deduction is reasonable and consistent with the deduction permitted under the individual income tax act. We suggest that a limitation be placed on the amount of contributions which are to be deducted. The federal act provides a ceiling of five per cent of the net

income. We think this is a consistent limitation. The effect of this recommendation will not materially reduce the revenue now derived from the act.

E. To provide that all revenue received from the corporation franchise tax be credited to the Uniform School Fund.

Section 59-13-59 provides for the distribution and allocation of funds which are received from the operation of the corporation franchise tax law. The moneys which are received from the income tax base of the corporation franchise tax are credited to the Uniform School Fund. The other moneys which are received from the property tax base or the minimum tax of \$10.00 are credited to the State General Fund.

In view of the policy to eliminate as many earmarked funds as it consistent; and in further view of the fact that the present method of allocating collections from the corporation franchise tax creates an awkward accounting problem, we recommend that the act be amended to provide that all of the revenue from this source be credited to the Uniform School Fund. This will result in a loss to the State General Fund; but in view of the fact that many other substantial sources of income are now credited to this fund, we think that this loss would not stand in the way of making the adjustment.

F. And, finally, we recommend that a study of the corporation franchise tax act be made in cooperation with the Legislative Council to determine whether this act should be changed from a franchise tax concept to an income tax.

The corporation franchise tax law has complications which are not to be found in a corporation income tax law such as the prepayment feature and the application of the law in those situations where the corporation is dissolved or withdrawn from operation in Utah. Such a study as we have recommended would carefully weigh the facts which are involved in this situation, and we feel would reach a sound conclusion.

3. Individual Income Tax

We respectfully recommend that:

The Legislature make a thorough study of the Utah Individual Income Tax Act and of the United States Internal Revenue Code dealing with individual income taxation for the purpose of determining whether the Utah law should be amended to conform substantially with the Internal Revenue Code.

At the time that the Utah Individual Income Tax Act was enacted in 1931, it followed very closely the structure of the federal act. While the Utah law has been amended in a limited way from time to time, the federal

act has undergone such material changes that the two laws now differ in several important features. If the Utah law were amended to correspond generally with the federal act, it would assist taxpayers in the preparation of their returns and would facilitate the administration of the law.

4. Inheritance Tax

We respectfully recommend that the inheritance tax law be amended:

A. By a complete revision of Section 59-12-5, U.C.A., 1953 for the purpose of eliminating its conflicting provisions and clarifying the intent of the law.

The above indicated section of the inheritance tax law contains features which have created serious administrative difficulties. We suggest that the Legislature consider this section of the act and the purpose which it is intended to serve and then amend it or enact a new section which will clearly set forth the legislative intent.

B. To provide for a limitation upon the amount of family allowance from an estate which may be deducted from the gross amount of the estate in determining the tax base.

The section in question reads as follows:

Possession of homestead and exempt property — Allowance during administration. — When a person dies leaving a surviving wife, husband or minor children, they shall be entitled to remain in possession of the homestead and to the use of the property exempt from execution until otherwise directed by the court; and during administration shall receive such allowance out of the estate as the court may deem necessary and reasonable for their support. Such allowance may date from the death of the decedent, but in case of insolvent estates shall not continue for longer than one year, and must be paid in preference to all other charges except expenses of last sickness and funeral expenses of the decedent and costs and charges of administration. The court may, in its discretion, exclude from such family allowance, except homestead rights, any person who may have a separate property or income. Sec. 75-8-1, U.C.A., 1953.

It will be noted in the statute that during the administration of an estate the surviving wife, husband or minor children shall receive such allowance out of the estate as the court may deem necessary and reasonable for their support. In some situations where extensive litigation is involved in the settlement of the estate, these allowances continue for many years and result in materially reducing the net taxable amount of the estate.

We recommend that some limitation be placed not in regard to the limitation of the allowances nor the period of such allowance, but rather to the deduction of amounts paid out of the estate over a period of years which result in a material reduction in the amount of the estate subject to taxation.

C. By the addition of a provision dealing with the treatment of the properties passing by the exercise or the non-exercise of powers of appointment.

In some situations we have observed that through the use of powers of appointment, excessive amounts of an estate are removed from the provisions of the inheritance tax law. This is a device that is frequently used in large estates; and in some situations results in a substantial reduction of the estate subject to the inheritance tax law. Such an act as we propose, we believe, will result in the greater degree of fairness and equality in the administration of the inheritance tax law.

5. Motor Fuels Tax

We respectfully recommend that the motor fuels tax act be amended:

A. To place the legal incidence of the tax on the refiner, the distributor or the importer.

Such an amendment will clarify the administrative features in regard to exemptions and will not affect the deduction of the gasoline tax in computing federal and state income taxes.

B. To exempt the sales of motor fuels in quantities of 1,000 gallons or more when sold to the United States Government, to the State of Utah or to its political subdivisions.

We make this recommendation because the act now provides that small sales; particularly, the ones that are made with credit cards are taxable when made to the State of Utah and exempt when made to the United States Government. On small sales made to the United States Government, the service station operator has to obtain his credit for the state tax through his distributor or refiner. This creates additional paper work for the taxpayer as well as for the administrator.

C. To provide for the refund of motor fuel tax on a calendar year basis in those cases where the motor fuel is used for agricultural non-highway purposes.

At the time that the law was enacted to provide for the refund of motor fuel taxes for this purpose, the federal act provided for a refund based upon a fiscal year accounting procedure.

The federal act has recently been amended so that the refunds are now based upon a calendar year basis. It will be helpful to applicants for refunds and to administrators of the act if the Utah law conforms with the federal act in this respect.

D. To provide that the same penalty for failure to file the tax report and to pay the tax which is now imposed on dealers be also imposed upon the user who purchases motor fuels tax free under the provisions of the special fuel tax act and fails to file reports and make tax payments as they become due.

Presently some of the major users of special fuel are purchasing it directly from the producer; and while the law requires them to make a report and pay the tax in the same manner that the dealer is required to pay the tax, there is nothing in the law which imposes a penalty upon the user who fails to report as the law requires. Consequently, in this area of administration, serious difficulties frequently arise. We think that it is fair and just that the users of special fuel be required to submit to the same requirements of the law that is now imposed upon the dealers.

E. That the motor fuels act (paragraph (3), Section 41-11-6) be amended by providing for an adjustment in the amount of the claimed refund to be credited to the State General Fund in keeping with current sales tax rates.

Paragraph (3) of Section 41-11-6 contains in part the following: "In addition to any other amounts deducted from the claimed refund the state treasurer shall also deduct two per cent (2%) of the selling price of the refund motor fuel, which shall be credited to the State General Fund as if the same were collected as a sales tax."

This provision applies to the recapture by the state general fund of the amount of sales tax which would otherwise be paid upon a sale of the fuel which is exempted for non-highway agricultural uses. This provision of the law was enacted at the time that the sales tax was at the rate of 2%. Since that time, the state sales tax has been increased to 3%; and the uniform local sales tax has been enacted at the rate of $\frac{1}{2}$ of 1%; and now we propose that the act be amended to comply with these current tax rates.

6. Oleomargarine Tax

We respectfully recommend that:

The oleomargarine tax act be repealed; or if it is still retained, that the act be amended to provide for the collection of the tax through the use of stamps placed on each package.

The Tax Commission has been confronted with a majority of problems of administration with this act. At one time, the law provided for the collection of the tax through stamps; but they were to be affixed to cases which contained the packages. This provided an ineffectual way to administer the law, so the Commission recommended that the law be amended to provide for the administration of the act through an auditing procedure; but this, too, is an awkward method of collecting the tax. We have finally come to the conclusion that if the tax is to be continued, it should be collected through the attachment of stamps to each individual carton of oleomargarine.

We hesitate to make this recommendation because of the difficulties which are involved, but we think it is the best way to accomplish the purpose of the tax; even though, it involves an awkward procedure.

7. Property Tax

We respectfully recommend that:

A. The so-called "Freeport" law be reviewed and its provisions clarified.

The act is based upon the following constitutional provision which was added to the Constitution by an amendment to Article XIII, Section 2 and became effective January 1, 1965.

. . . Tangible personal property present in Utah on January 1, m., which is held for sale or processing and which is shipped to final destination outside this state within twelve months may be deemed by law to have acquired no situs in Utah for purposes of ad valorem property taxation and may be exempted by law from such taxation, whether manufactured, processed or produced or otherwise originating within or without the state.

Chapter 120, Laws of Utah 1965 which was enacted by the Legislature to implement this constitutional provision became effective January 1, 1966. The title reads as follows:

An Act Providing for an Ad Valorem Tax Exemption on That Part of Goods, Wares and Merchandise Held for Sale or Processing and Present in Utah on January 1, M., Which Are Related to Sales or Values and Shipped to a Destination Outside of Utah; Defining a Formula for Exemption; Excluding from Exemption Mining or Other Property Not Heretofore Subject to Personal Property Taxation, Property Sold at Retail, Property Not Substantially Changed by Manufacturing or Processing, Livestock and Honey Bees; and Repealing Setcions 59-2-4, Utah Code Annotated 1953, as Amended by Chapter 118, Laws of Utah 1957, and Sections 59-2-14, 59-2-15, and 59-2-16, Utah Code Annotated 1953, as Enacted by Chapter 131, Laws of Utah 1963.

The administration of this law has disclosed numerous misunderstandings and conflicts of opinion. The brief experience which we have had indicates an urgent need for reconsideration of the structure of the act in order that well defined guide lines may be established for the benefit of taxpayers as well as administrators.

B. An amendment to the Constitution be proposed which would permit the exemption of motor vehicles from taxation as property and make possible their taxation through an excise tax.

Section 41-1-32, Utah Code Annotated 1953 contains the following provision for the enforcement of the property tax on motor vehicles.

Payment of taxes before registration — The department, before issuing any motor vehicle license, shall require from every applicant for such license a certificate from the county assessor of the county in which the motor vehicle has situs for taxation a certificate to the following effect:

(a) That the property tax on the said motor vehicle for the current year has been paid; or

(b) That in his opinion such tax is a lien on real property sufficient to secure the payment thereof; or

(c) That such motor vehicle is exempt by law from payment of property tax for the current year. . . .

Elsewhere in the code the law provides that motor vehicles shall be assessed at the domicile of the owner unless they are usually used or kept in a taxing unit other than such domicile. In which case they must be assessed in such other taxing unit. The law resulted in a very successful administration of the property tax except in those instances where non-resident operators of commercial motor vehicles operate in Utah without ICC or UPSC permits, but the determination of the situs for assessment purposes in some counties involves an awkward and time-consuming process. It is, in part, for this reason that the Commission has made the above recommendation, but it is also for the purpose of establishing a more equitable basis for the taxation of motor vehicles. While motor vehicles are now assessed uniformly according to their value, the amount of the tax varies widely. The boundary line between two special taxing districts may result in two vastly different tax bills on automobiles of the same value.

For the year 1965 there were well over 400 taxing units in the state where separate levies were made. The boundaries of the special taxing districts are made for the purpose of determining that area in which the special service is to be provided. These do not always follow natural courses such as street and section lines. This makes it very difficult and time consuming for the assessor in the counties which have numerous taxing districts to locate the addresses of the owners of vehicles by taxing district. The situation is

further complicated by the fact that the time for the registration of motor vehicles is limited and often there are long lines of applicants for the registration. Whatever time it takes for the assessor to locate the taxing district for each applicant slows down the process and inconveniences all those who are waiting in line.

The plan that the Tax Commission recommends is to provide an excise tax based upon the age, make and value of each motor vehicle which approximates the property tax now being collected. This excise tax would be uniform on each motor vehicle having the same age, make and value. The tax would be collected in one operation at the time the registration of the motor vehicle is made. The revenue derived from this excise tax would be distributed to the various taxing units in an equitable manner. The plan does not contemplate any change in the distribution of revenue from motor vehicle registration fees.

In view of the requirements of the Constitution, it will be necessary to amend Article 13, Sections 2 and 5, before the Legislature could pass the necessary laws to put this plan into operation. These amendments are necessary; first in order to make it possible for the Legislature to exempt motor vehicles from the property tax; and second to provide for an excise tax in lieu therefore which would be distributed to local units of government.

C. Section 59-5-65 relating to the collection of taxes on mines, mining claims and mining property be amended by providing that the ad valorem tax imposed upon metalliferous mining claims and properties shall be an in personam obligation of the owner or operator of such claims or properties, and such obligation shall not be satisfied until paid in full.

Recently several mines in San Juan County were assessed for values based upon net proceeds. The mine owners failed to pay the tax; and by the time that the mines were sold for the delinquent tax, they were completely depleted of any value. The Supreme Court held that the liability for the enforced collection of the tax did not extend beyond the mine itself, but the mines have become valueless due to the extraction of all the known valuable ores. As a result the taxing units in San Juan County and the Uniform School Fund have suffered major losses.

The Commission recommends that the following amendment be added to Section 59-5-65 in order to prevent the occurrence of other such losses in tax collections:

The ad valorem tax imposed herein upon metalliferous mining claims and properties shall be an in personam obligation of the owner or operator of such claims or properties, and such obligation shall not be satisfied until paid in full. If a mining claim or property is sold pursuant to Title 59, Chapter 10, and such sale does not bring sufficient proceeds to satisfy the tax liability against such claim or property, the liability shall continue to exist against

the owner or operator of such claim or property, the liability shall continue to exist against the owner or operator of such claim or property for the remaining tax due, and other property, real or personal, of such owner or operator may be sold to satisfy this liability.

This remedy shall not be deemed exclusive but shall be in addition to any and all other remedies provided by law for the collection of these taxes.

8. Sales Tax

We respectfully recommend that the sales tax act be amended:

A. By changing the incidence of the tax from the consumer to the vendor or retailer.

There is some confusion as to whether the sales tax is a consumer tax, but it is generally regarded to be so. If the act were amended, it would eliminate this confusion and will make it possible to tax some sales of personal property which are not now being taxed.

B. By repealing the exemption on "all sales of draught beer sold for consumption on the premises.

The sale of bottled beer is subject to the sales tax, and the sale of soda fountain beverages is subject to the tax also. While this repeal would not materially affect the state's revenue, we are of the opinion that it should be made as a matter of equity.

C. By repealing the exemption of "all sales of vehicles of a type required to be registered under the provisions of the motor vehicle laws of this state which are made to bona fide nonresidents of this state and are not thereafter registered or used in this state except as necessary to transport them to the borders of this state."

The sales tax law did not always have this exemption. The exemption was enacted to encourage the sales of motor vehicles in Utah to non-residents. The majority of states now exempt from their sales or use tax purchases upon which a tax has been paid in another state. The trend in the sales and use tax field is for simplicity in administration. This calls for the imposition of the tax in the state where the sale is made and possession of personal property is taken. Of course, in those situations where the personal property is shipped to the purchaser in another state, the use tax will apply.

9. Use Tax

We respectfully recommend that the use tax act be amended:

A. By exempting personal property from the tax which is brought into Utah from a state where it has already been subject to a sales tax.

We consider that it is an injustice to impose a Utah sales tax on personal property which has been subjected to a sales tax in another state. Meetings of tax administrators of other states have quite generally taken the position that each state should exempt from taxation the personal property which is brought into that state by the owner from another state and which has been subject to the sales tax in that state. We think this is a sound principle and find that many other states are following it.

B. By repealing the exemption from the tax on "Mineral bullion, mineral concentrates or mineral precipitates, when sold by the producer or refiner for storage, use or other consumption in this state."

As far as can be determined, there is no legitimate reason for this exemption; and in no way will the repeal of this exemption hurt any of our mining or manufacturing companies. If tangible personal property remains a necessary component part of the finished product, it is exempt from the sales or use tax in other sections of the act. It is difficult to determine actually what mineral bullion, mineral concentrates or mineral precipitates are, and recently we have had a few cases in connection with this problem. This exemption is not in the sales tax act, and raises the question if sales of the above items were made in Utah by a producer whether or not they would be exempt from the sales tax.

10. Sales and Use Tax

We respectfully recommend that the sales and use tax laws be amended:

A. By providing for the payment by the state of interest on refunds to taxpayers at the same rate that interest is charged on deficiency payments.

In those cases where a taxpayer fails to pay the full amount of the tax when it becomes due, he is required to pay six per cent interest on the amount of the deficiency from the date that it was due until the date of the payment; but if the taxpayer pays more than the amount which is due, he is not credited with interest on the overpayment. As a matter of equity, we believe that the same interest rate should be paid on overpayments as is now charged on deficiencies.

B. That the sales tax act (59-15-5) and the use tax act (59-16-7) be amended by adjusting the rates of the tax specified therein to the rates now in effect.

Section 59-15-5 of the sales tax act provides that:

If any vendor shall, during any reporting period collect as a tax an amount in excess of two per cent of his total taxable sales, he shall remit to the commission the full amount of the tax herein imposed and also such excess; and if any vendor under the pretense or representation of collecting the tax imposed by this act shall collect during any reporting period an amount in excess of two per cent of his total taxable sales, the retention of such excess or any part thereof, or the intentional failure to remit punctually to the tax commission on the full amount required to be remitted by the provisions of this act, is declared to be unlawful and shall be punishable by a fine of not exceeding \$1,000 or by imprisonment for not to exceed six months or by both such fine and imprisonment.

The use tax law contains a similar provision in section 59-16-7.

These provisions were enacted at the time that the sales tax and the use tax rates were 2%.

In view of the fact that the state sales and use tax is computed at 3% and the uniform local sales and use tax is computed at $\frac{1}{2}$ of 1%, the provision in these two acts based upon a 2% collection is erroneous and should be corrected.

C. We further recommend that the sales and use tax laws be combined in one act.

From time to time during the years since these two laws were first enacted, they have been amended in many respects, particularly the sales tax law; but the amendments have served to draw some of the provisions farther apart rather than combine them. Many exemptions are in the sales tax law that are not in the use tax law. The administrative features of these two laws can best be understood by taxpayers and best effectively enforced with the greatest degree of equality if they are substantially the same. It is recommended, therefore, that these two laws be combined into one act.

SUMMARY OF EXCISE TAXES AND FEES ADMINISTERED BY THE STATE TAX COMMISSION

AUTOMOBILE DRIVER EDUCATION TAX

Rate of Tax: \$1.00 upon first registration of each motor vehicle each year.

Applicable to: Owner or operator.

Citation: Section 41-2-8, U.C.A., 1953.

BEER TAX

Rate of Tax: \$1.10 per bbl. on light beer (3.2% or less), \$4.00 per bbl. on heavy beer. 31 gallon barrel is standard measure. Bottled beer is converted to barrel equivalents on returns. (Licensing under jurisdiction of Liquor Control Commission).

Applicable to: Monthly reports required of distributors and importers.

Citation: Chapter 6, Title 32, U.C.A., 1953.

CIGARETTE AND TOBACCO PRODUCTS TAXES

Rate of Tax: 8¢ per package on cigarettes, 1¢ per package of 50 papers (provision for taxing cigarettes weighing more than 3# per M is not in use as such cigarettes are not on market). \$10.00 license for retailers and dealers. 4% discount on stamp purchases in excess of \$25. Tobacco products other than cigarettes are taxed at the rate of 25% of the manufacturer's sale price.

Applicable to: Wholesalers and distributors purchase stamps or use cigarette stamping machines for payment of tax on cigarettes and cigarette papers. Quarterly returns required of dealers liable for payment of tax on other tobacco products.

Citation: Chapter 18, Title 59, U.C.A., 1953.

CORPORATION FRANCHISE TAX

Rate of Tax: 6% of net income allocated to Utah, 1/20th of 1% of average fair value of tangible property located in Utah or \$10.00, whichever is greatest. (Rate increase effective January 1, 1965.)

Applicable to: Corporations having income allocable to Utah, or exercising corporate franchise in state. Is a prepaid tax for privilege of doing business in Utah. Special provisions for agricultural co-operatives and national banks.

Citation: Section 59-13-1 through 59-13-64, U.C.A., 1953.

CORPORATION INCOME TAX

Rate of Tax: 6% of net income allocated to Utah. (Rate increase effective January 1, 1965.)

Applicable to: Corporations deriving income from sources within Utah which is not subject to the corporation franchise tax. The tax applies to the net income from services or sales to Utah customers in interstate or intrastate commerce.

Citation: Sections 59-13-65 through 59-13-72, U.C.A., 1953.

INDIVIDUAL INCOME TAX

Rate of Tax: 2% of 1st \$1,000 net taxable income, plus 3% of 2nd, plus 4% of 3rd, plus 5% of 4th, plus 6% of 5th, plus 6½% of amount exceeding \$5,000. Personal exemptions, \$600 each. Credits allowed against income taxes paid in another state. (Rate increase effective January 1, 1965.)

Applicable to: Resident individuals and fiduciaries having gross income exceeding statutory amounts; non-resident individuals and fiduciaries having defined earnings within Utah. Employers liable for collection of withholding tax at 14% of amount required to be withheld for federal income tax purposes, or for collection according to optional tables adopted by Tax Commission.

Citation: Chapter 14, Title 59, U.C.A., 1953.

INHERITANCE TAX

Rate of Tax: 3% of net value of estate between \$10,000 and \$25,000. 5% between \$25,000 and \$75,000. 8% between \$75,000 and \$125,000. 10% in excess of \$125,000. Net determined after certain exclusions and special exemptions.

Applicable to: Safety deposit box inventories required. Information returns required of executors.

Citation: Chapter 12, Title 59, U.C.A., 1953.

INSURANCE TAX

Rate of Tax: 2½% of premiums on insurance written in state, 3% of gross premiums of surplus line brokers. Has retaliatory clause.

Citation: Chapter 14, Title 31, U.C.A., 1953.

LOCAL OPTION SALES AND USE TAX

Rate of Tax: ½ of 1% and applies to same transactions as the state sales and use tax law. Tax Commission acts as agent for local governmental units.

Applicable to: Retailers liable for tax collection. Purchasers liable for payment of tax on private sales or purchases of motor vehicles at time of registration.

Citation: Chapter 9, Title 11, U.C.A., 1953.

MILEAGE FEE

Rate of Tax: ½¢ per mile traveled in Utah by commercial motor vehicles with declared gross weight of less than 25,000 lbs., ranging up to 1½¢ per mile for vehicles weighing 60,001 lbs. and over. A \$5.00 annual registration and \$1.00 automobile driver's education fee is required.

Applicable to: Qualified commercial motor vehicle operators. Used in lieu of annual registration fees.

Citation: Section 41-1-88, U.C.A., 1953.

MINE OCCUPATION TAX

Rate of Tax: 1% of gross value of products of metalliferous mines, metalliferous claims upon public lands, better usage, and mines of hydrocarbon deposits. 2% applicable to oil and gas wells. Value fixed at place produced. \$50,000 annual exemption.

Applicable to: Owners, or operators as agents of owners.

Citation: Section 59-5-66 through Section 59-5-85, U.C.A., 1953.

MOTOR FUEL TAX

Rate of Tax: 6¢ per gal. (gasoline), 4¢ per gal. (aviation fuel). \$1.00 annual license fee for distributors. 2% evaporation allowance. Refund of taxes paid on motor fuel used for off-highway agricultural purposes.

Applicable to: Importers, refiners and distributors liable for reporting.

Citation: Section 41-11-1 through Section 41-11-21, U.C.A., 1953.

MOTOR VEHICLE CONTROL FUND

Rate of Fees: Fees for motor vehicle certificates of title \$1.00. Duplicate certificates of title or registration, \$1.00.

Applicable to: Owners or operators.

Citation: Sections 41-1-132, 41-1-133, 41-1-137 and 41-1-141, U.C.A., 1953.

MOTOR VEHICLE DEALERS BUSINESS ADMINISTRATION

Rate of Tax: Annual license fees: Motor vehicle dealers, distributors, factory branches, distributor branches, \$60.00; transporters, wreckers or manufacturers, motorcycle and scooter dealers, \$40.00; factory or distributor representatives, \$25.00; motor vehicle salesmen annual or transfer, \$5.00. Temporary in-transit permits, \$2.50 per vehicle. (As amended in 1965.)

Applicable to: Persons, businesses or conditions stated above.

Citation: Chapter 3, Title 41, U.C.A., 1953.

MOTOR VEHICLE REGISTRATION

Rate of Fees: \$5.00 for ordinary passenger cars, \$2.50 for motorcycles, commercial vehicles on gross laden weight schedules, ranging from \$7.50 to \$520.00 for combinations of weight from 6,000 lbs. to 75,001 lbs. or over. Trailers over 750 lbs. \$5.00; trailers 750 lbs. or less \$2.50. Automobile dealer's plates \$3.00 each. Special plates for members of National Guard, regular rate. Radio amateur's special plates \$8.00. See also mileage fees, 96-hour temporary permits and automobile driver's education.

Applicable to: Owner or operator.

Citation: Article 11, Chapter 1, Title 41, U.C.A., 1953.

NINETY-SIX HOUR TEMPORARY PERMITS

Rate of Fees: 3% of annual registration fee for commercial motor vehicle—minimum of \$3.00 for single units and \$5.00 for multiple units.

Applicable to: Qualified non-resident commercial motor vehicle operators—in lieu of annual registration.

Citation: Article 6, Chapter 1, Title 41; U.C.A., 1953.

OLEOMARGARINE TAX

Rate of Tax: 5¢ per lb. on uncolored oleomargarine, 10¢ per lb. on colored.

Applicable to: Tax applies on all sales made by vendors in Utah, and to users on purchases made from sources outside Utah.

Citation: Chapter 21, Title 59, U.C.A., 1953.

**PUBLIC SERVICE
REGULATION FEE**

Rate of Fees: Prorata assessment, based upon Utah intrastate gross operating revenue, against public utilities for amount fixed by legislature for operation of public service commission \$2.00 minimum, 0.25% maximum. (As amended in 1965.)

Applicable to: Utility furnishes report of revenue, Tax Commission determines fee.

Citation: Chapter 5, Title 54, U.C.A., 1953.

SALES TAX

Rate of Tax: 3% of retail sales of tangible personal property, meals, admissions to places of amusement; intrastate communication and passenger service; electric, gas, and heat utility service; hotel and motel accommodations and certain other services. Retailer license issued without fee.

Applicable to: Retailers liable for collection of tax. Purchaser liable for payment of tax on private sales of motor vehicles at time of registration.

Citation: Chapter 15, Title 59, U.C.A., 1953.

SCHOOL LUNCH TAX

Rate of Tax: 8% of retail sales price of wines and distilled liquors sold by Liquor Control Commission. (As amended in 1965.)

Applicable to: Collected at time of sale.

Citation: Chapter 8, Title 53, U.C.A., 1953.

SPECIAL FUEL TAX

Rate of Tax: 6¢ per gal. for fuel (other than gasoline) used in propelling motor vehicles upon highways in Utah. 4¢ per gal. for aircraft fuel. \$10.00 entrance permit (partially refundable upon registering) required of non-registered vehicle operators. Operators and dealers licensed without fee.

Applicable to: Dealers required to collect tax on fuel placed in service tanks of motor vehicles. Returns are required of all users.

Citation: Sections 41-11-49 through 41-11-76, U.C.A., 1953.

TRANSIENT ROOM TAX

Rate of Tax: Up to 1½%, as fixed by county ordinance, of defined accommodation charges. Tax Commission acts as agent for counties. (As enacted in 1965.)

Applicable to: Hotel, motel and like operators liable for collection of tax.

Citation: Chapter 31, Title 17, U.C.A., 1953.

USE TAX

Rate of Tax: 3% of tangible personal property and certain rentals, purchased for use, consumption or storage in Utah.

Applicable to: Licensed vendors liable for collection of tax. Purchasers liable if not purchased from licensed vendor.

Citation: Chapter 16, Title 59, U.C.A., 1953.

EXCISE TAX RATES WHICH WERE INCREASED IN 1965**Corporation Franchise Tax**

The corporation franchise tax rate based upon income was increased from 4% to 6%. Chapter 123, Laws of Utah 1965.

Corporation Income Tax

The corporation income tax rate was increased from 4% to 6%. Chapter 123, Laws of Utah 1965.

Individual Income Tax

The individual income tax rates were increased in the following manner:

Bracket 1 On the first \$1,000 of net income in excess of credits the rate was raised from 1% to 2%.

Bracket 2 On the next \$1,000 of such excess amount the rate was increased from 2% to 3%.

Bracket c On the next \$1,000 of such excess amount the rate was increased from 3% to 4%.

- Bracket 4* On the next \$1,000 of such excess amount the rate was increased from 4% to 5%.
- Bracket 5* On the next \$1,000 of such excess amount the rate was increased from 5% to 6%.
- Bracket 6* This was added. The rate was fixed at 6% of the remainder of such excess amount.
Chapter 125, Laws of Utah 1965.

School Lunch Fund

The tax on the sale of wine and distilled liquors was increased from 4% to 8% of the purchase price. Chapter 93, Laws of Utah 1965.

EFFECT OF 1965 EXCISE TAX RATE INCREASES

The following schedules show the tax collections (1) for the year prior to the rate increase, (2) the collections for the year when the increases were enacted, and (3) for the year following.

(Schedule A)

**State Tax Receipts From the
Corporation Franchise Tax (Income Base)
for the Three Last Fiscal Years**

Fund	Fiscal Year Ended June 30, 1964	Fiscal Year Ended June 30, 1965	Fiscal Year Ended June 30, 1966
Uniform School Fund.....	\$ 6,535,235.52	\$ 7,874,683.40	\$ 10,155,346.15

(Schedule B)

**State Tax Receipts From the Corporation Income Tax
for the Three Last Fiscal Years**

Fund	Fiscal Year Ended June 30, 1964	Fiscal Year Ended June 30, 1965	Fiscal Year Ended June 30, 1966
Uniform School Fund.....	\$ 76,466.45	\$ 117,144.02	\$ 134,982.15

(Schedule C)

**State Tax Receipts From the Individual Income Tax
for the Three Last Fiscal Years**

Fund	Fiscal Year Ended June 30, 1964	Fiscal Year Ended June 30, 1965	Fiscal Year Ended June 30, 1966
Uniform School Fund.....	\$22,394,683.51	\$24,900,373.62	\$40,587,490.56

(Schedule D)

**State Tax Receipts From the School Lunch Fund
for the Three Last Fiscal Years**

Fund	Fiscal Year Ended June 30, 1964	Fiscal Year Ended June 30, 1965	Fiscal Year Ended June 30, 1966
Special Funds	\$ 746,838.47	\$ 754,707.22	\$ 1,566,614.68

STATE TAX COMMISSION

Tax Receipts for the Three Past Fiscal Years

STATE GENERAL FUND		Fiscal Year Ended June 30, 1964	Fiscal Year Ended June 30, 1965	Fiscal Year Ended June 30, 1966
Beer Tax.....	\$	309,303.24	\$	317,026.97
Cigarette Tax.....		3,547,697.52		3,760,412.07
Tobacco Tax.....		179,658.48		225,934.34
Corporation Franchise Tax Property Base.....		292,472.81		344,504.03
Inheritance Tax.....		1,624,209.62		2,182,090.24
Insurance Tax.....		2,732,639.59		3,069,284.33
Mine Occupation Tax.....		4,005,334.34		3,084,355.64
Oleomargarine Tax.....		743,207.83		796,529.92
Sales and Use Tax.....		41,609,062.01		42,838,480.83
Total.....	\$	55,043,585.44	\$	56,618,618.37

UNIFORM SCHOOL FUND

Individual Income Tax.....	\$	22,394,683.51	\$	24,900,373.62
Corporation Income Tax.....		76,466.45		117,144.02
Corporation Franchise Tax Income Base.....		6,535,235.52		7,874,683.40
Cigarette Tax.....		1,120,090.57		1,234,664.40
Total.....	\$	30,126,476.05	\$	34,126,865.44

ROAD FUNDS

Motor Fuel Tax.....	\$	21,142,448.82	\$	21,713,409.33
Motor Vehicle Registration Fund.....		5,363,321.04		5,509,799.39
Special Fuel Tax (Diesel).....		1,882,519.11		2,123,335.23
Mileage and Temporary Permit Fees.....		1,445,428.13		1,328,774.80
Total.....	\$	29,833,717.10	\$	30,675,318.75

SPECIAL FUNDS

Car and Bus Tax.....	\$	305,657.62	\$	337,162.15	\$	354,667.04
Firemen's Pension Fund.....		243,803.56		272,174.86		271,953.89
Motor Vehicle Control Fund.....		255,091.00		260,992.00		275,617.10
M.V.B.A. Fund.....		73,715.00		76,357.50		85,817.50
Public Service Commission Fund.....		137,023.59		189,060.53		119,197.38
Sales Tax Cash Bonds.....		77,933.31		77,726.11		85,084.10
School Lunch Fund.....		746,838.47		754,707.22		1,566,614.68
Special Fuel Cash Bonds.....		6,300.98		9,772.78		12,092.62
Suspense.....		70,272.27		47,240.44		28,216.90
Automobile Drivers' Education.....		511,412.00		544,604.00		574,538.00
Aeronautical Fund.....		555,142.92		672,958.80		828,021.09
Boat Fuel Tax.....		70,601.16		81,044.04		90,287.40
Withholding Tax Cash Bonds.....		753.44		(5.20)	
Mileage Fee Cash Bonds.....		850.00		200.00	
State Building Fund.....		6,220,687.79		8,549,657.06	
Employees Combined Injury and Benefit Fund.....		96,969.75		91,485.69		80,916.40
Total.....	\$	9,373,052.86	\$	11,965,137.98	\$	4,373,024.10

TOTAL STATE TAXES

	\$124,376,831.45	\$133,385,940.54	\$156,859,561.09
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LOCAL TAX COLLECTIONS

Uniform Local Sales and Use Tax.....	\$	7,866,383.66	\$	8,184,029.51	\$	8,730,728.25
Transient Room Tax.....			76,090.69

GRAND TOTAL

	\$132,243,215.11	\$141,569,970.05	\$165,666,380.03
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Summary of Distribution of Uniform Local Sales and Use Tax to Participating Units For Fiscal Years 1964-1965 and 1965-1966

STATE TAX COMMISSION

UNIT—	Ordinance Effective	Gross Collections July 1, 1964 to June 30, 1965	Administrative Costs July 1, 1964 to June 30, 1965	Net Distribution July 1, 1965 to June 30, 1966	Gross Collections July 1, 1965 to June 30, 1966	Administrative Costs July 1, 1965 to June 30, 1966	Net Distribution July 1, 1965 to June 30, 1966
Beaver County.....	10-1-61	\$ 4,093.50	\$ 102.34	\$ 3,991.16	\$ 3,889.30	\$ 97.23	\$ 3,792.07
Cities and Towns							
Beaver.....	10-1-61	10,865.31	271.63	10,593.68	11,380.80	284.53	11,096.27
Milford.....	10-1-61	8,440.07	211.01	8,229.06	8,687.85	217.20	8,470.65
Minersville.....	10-1-61	1,546.21	38.66	1,507.55	2,039.32	50.98	1,988.34
Total Cities and Towns.....		\$ 20,851.59	\$ 521.30	\$ 20,330.29	\$ 22,107.97	\$ 552.71	\$ 21,555.26
Total Beaver County including Cities and Towns.....		\$ 24,945.09	\$ 623.64	\$ 24,321.45	\$ 25,997.27	\$ 649.94	\$ 25,347.33
Cache County.....	4-1-62	\$ 243,965.29	\$ 6,099.13	\$ 237,866.16	\$ 256,457.93	\$ 6,411.46	\$ 250,046.47
Carbon County.....	7-1-65				\$ 109,856.80	\$ 2,746.41	\$ 107,110.39
Daggett County.....	7-1-59	\$ 1,588.04	\$ 39.70	\$ 1,548.34	\$ 2,411.70	\$ 60.29	\$ 2,351.41
Cities and Towns							
Manila.....	7-1-63	1,138.14	28.45	1,109.69	1,440.58	36.01	1,404.57
Total Daggett County including Cities and Towns.....		2,726.18	68.15	2,658.03	3,852.28	96.30	3,755.98
Davis County.....	7-1-59	\$ 31,323.55	\$ 783.09	\$ 30,540.46	\$ 25,121.00	\$ 628.03	\$ 24,492.97
Cities and Towns							
Bountiful.....	7-1-59	143,514.86	3,587.86	139,927.00	160,432.36	4,010.80	156,421.56
Centerville.....	7-1-59	7,724.39	193.10	7,531.29	8,962.62	224.07	8,738.55
Clearfield.....	7-1-59	41,641.77	1,041.05	40,600.72	47,658.54	1,191.47	46,467.07
Clinton.....	9-1-59	797.37	19.94	777.43	869.21	21.73	847.48
East Layton.....	7-1-59	440.65	11.01	429.64	442.83	11.07	431.76
Farmington.....	7-1-59	10,322.37	258.06	10,064.31	11,156.91	278.91	10,878.00
Kaysville.....	7-1-59	14,726.72	368.17	14,358.55	16,066.81	401.67	15,665.14
Layton.....	7-1-59	66,194.97	1,654.87	64,540.10	83,301.48	2,082.54	81,218.94
North Salt Lake.....	7-1-59	25,718.39	642.96	25,075.43	27,218.49	680.47	26,538.02

EIGHTEENTH BIENNIAL REPORT

South Weber.....	7-1-59	2,182.82	54.57	2,128.25	1,969.11	49.22	1,919.89
Sunset.....	7-1-59	9,392.51	234.81	9,157.70	10,545.54	263.64	10,281.90
Syracuse.....	7-1-59	17,196.20	429.91	16,766.29	20,631.50	515.79	20,115.71
West Bountiful.....	7-1-59	5,608.36	140.20	5,468.16	6,813.16	170.33	6,642.83
West Point.....	7-1-59	450.52	11.26	439.26	577.65	14.44	563.21
Woods Cross.....	7-1-59	8,281.97	207.05	8,074.92	9,903.87	247.60	9,656.27
Total Cities and Towns.....		\$ 354,193.87	\$ 8,854.82	\$ 345,339.05	\$ 406,550.08	\$ 10,163.75	\$ 396,386.33
Total Davis County including Cities and Towns.....		\$ 385,517.42	\$ 9,637.91	\$ 375,879.51	\$ 431,671.08	\$ 10,791.78	\$ 420,879.30
Duchesne County.....	1-1-60	\$ 5,660.70	\$ 141.52	\$ 5,519.18	\$ 6,199.95	\$ 155.00	\$ 6,044.95
Cities and Towns							
Altamont.....	1-1-60	829.25	20.72	808.53	840.99	21.02	819.97
Duchesne.....	1-1-60	4,755.82	118.89	4,636.93	5,294.93	132.36	5,162.57
Myton.....	1-1-60	624.83	15.62	609.21	655.43	16.39	639.04
Roosevelt.....	1-1-60	27,652.65	691.32	26,961.33	34,466.90	861.68	33,605.22
Tabiona.....	1-1-60	601.58	15.04	586.54	314.33	7.85	306.48
Total Cities and Towns.....		\$ 34,464.13	\$ 861.59	\$ 33,602.54	\$ 41,572.58	\$ 1,039.30	\$ 40,533.28
Total Duchesne County including Cities and Towns.....		\$ 40,124.83	\$ 1,003.11	\$ 39,121.72	\$ 47,772.53	\$ 1,194.30	\$ 46,578.23
Emery County.....	7-1-60	\$ 3,788.94	\$ 94.73	\$ 3,694.21	\$ 3,255.67	\$ 81.39	\$ 3,174.28
Cities and Towns							
Castle Dale.....	7-1-60	3,866.77	96.67	3,770.10	3,626.24	90.65	3,535.59
Clevedale.....	1-1-60	680.04	17.00	663.04	642.40	16.07	626.33
Emery.....	7-1-60	772.32	19.31	753.01	701.72	17.54	684.18
Ferron.....	7-1-60	2,562.86	64.07	2,498.79	2,524.15	63.10	2,461.05
Green River.....	7-1-60	8,569.35	214.23	8,355.12	8,901.43	222.53	8,678.90
Huntington.....	7-1-60	2,504.93	62.62	2,442.31	3,566.04	89.15	3,476.89
Orangeville.....	7-1-60	1,130.12	28.25	1,101.87	1,102.70	27.56	1,075.14
Total Cities and Towns.....		\$ 20,086.39	\$ 502.15	\$ 19,584.24	\$ 21,064.68	\$ 526.60	\$ 20,538.08
Total Emery County including Cities and Towns.....		\$ 23,875.33	\$ 596.88	\$ 23,278.45	\$ 24,320.35	\$ 607.99	\$ 23,712.36
Garfield County.....	4-1-60	\$ 4,829.11	\$ 120.72	\$ 4,708.39	\$ 5,045.97	\$ 126.15	\$ 4,919.82
Cities and Towns							
Antimony.....	4-1-60	201.86	5.05	196.81	190.29	4.76	185.53

SUMMARY OF DISTRIBUTIONS OF UNIFORM LOCAL SALES AND USE TAX TO PARTICIPATING UNITS—Continued

UNIT—	Ordinance Effective	Gross Collections July 1, 1964 to June 30, 1965	Administrative Costs July 1, 1964 to June 30, 1965	Net Distribution July 1, 1965	Gross Collections July 1, 1965 to June 30, 1966	Administrative Costs July 1, 1965 to June 30, 1966	Net Distribution July 1, 1966
Boulder.....	4-1-60	79.59	1.99	77.60	107.65	2.69	104.96
Cannonville.....	7-1-60	180.52	4.51	176.01	194.58	4.86	189.72
Escalante.....	4-1-60	3,117.23	77.94	3,039.29	2,260.27	56.50	2,203.77
Hatch.....	4-1-60	851.94	21.30	830.64	855.04	21.37	833.67
Henrieville.....	4-1-60	113.28	2.83	110.45	124.62	3.12	121.50
Panguitch.....	4-17-60	13,951.11	348.78	13,602.33	15,194.05	379.85	14,814.20
Tropic.....	4-1-60	731.74	18.30	713.44	661.89	16.55	645.34
Total Cities and Towns.....		\$ 19,227.27	\$ 480.70	\$ 18,746.57	\$ 19,558.39	\$ 489.70	\$ 19,068.69
Total Garfield County including Cities and Towns.....		\$ 24,056.38	\$ 601.42	\$ 23,454.96	\$ 24,634.36	\$ 615.85	\$ 24,018.51
Grand County.....	7-1-59	\$ 27,577.21	\$ 689.43	\$ 26,887.78	\$ 29,720.45	\$ 743.02	\$ 28,977.43
Moab.....	7-1-59	49,620.07	1,240.50	48,379.57	40,417.96	1,010.45	39,407.51
Total Cities and Towns.....		49,620.07	1,240.50	48,379.57	40,417.96	1,010.45	39,407.51
Total Grand County including Cities and Towns.....		77,197.28	1,929.93	75,267.35	70,138.41	1,753.47	68,384.94
Iron County.....	(Repealed in County Areas — July 1, 1962)						
Cities and Towns.....	7-1-61	\$ 86,640.77	\$ 2,166.02	\$ 84,474.75	\$ 95,776.31	\$ 2,394.41	\$ 93,381.90
Cedar City.....							
Kanarraville.....	7-1-61	559.94	14.00	545.94	515.64	12.88	502.76
Parowan.....	7-1-61	5,600.46	140.02	5,460.44	5,662.27	141.56	5,520.71
Total Cities and Towns.....		\$ 92,801.17	\$ 2,320.04	\$ 90,481.13	\$ 101,954.22	\$ 2,548.85	\$ 99,405.37
Total Iron County including Cities and Towns.....		\$ 92,801.17	\$ 2,320.04	\$ 90,481.13	\$ 101,954.22	\$ 2,548.85	\$ 99,405.37
Juab County.....	1-1-62	\$ 2,631.00	\$ 65.78	\$ 2,565.22	\$ 1,887.41	\$ 47.18	\$ 1,840.23
Cities and Towns.....							
Eureka.....	1-1-62	\$ 4,546.23	\$ 113.65	\$ 4,432.58	\$ 4,256.19	\$ 106.41	\$ 4,149.78
Levan.....	1-1-62	558.45	13.96	544.49	513.03	12.83	500.20

Mona.....	1-1-62	268.10	6.70	261.40	285.45	7.13	278.32
Nephi.....	1-1-62	26,670.20	666.75	26,003.45	28,362.59	709.08	27,653.51
Total Cities and Towns.....		\$ 32,042.98	\$ 801.06	\$ 31,241.92	\$ 33,417.26	\$ 835.45	\$ 32,581.81
Total Juab County including Cities and Towns.....		\$ 34,673.98	\$ 866.84	\$ 33,807.14	\$ 35,304.67	\$ 882.63	\$ 34,422.04
Kane County.....	7-1-59	\$ 1,883.55	\$ 47.09	\$ 1,836.46	\$ 2,378.27	\$ 59.46	\$ 2,318.81
Cities and Towns.....							
Alton.....	7-1-59	52.77	1.32	51.45	59.70	1.50	58.20
Glendale.....	7-1-59	438.85	10.98	427.87	484.21	12.10	472.11
Kanab.....	7-1-59	15,247.65	381.20	14,866.45	14,025.06	350.63	13,674.43
Orderville.....	7-1-59	1,532.63	38.32	1,494.31	1,760.44	44.01	1,716.43
Total Cities and Towns.....		\$ 17,271.90	\$ 431.82	\$ 16,840.08	\$ 16,329.41	\$ 408.24	\$ 15,921.17
Total Kane County including Cities and Towns.....		\$ 19,155.45	\$ 478.91	\$ 18,676.54	\$ 18,707.68	\$ 467.70	\$ 18,239.98
Millard County.....	4-1-63	\$ 5,695.30	\$ 142.39	\$ 5,552.91	\$ 5,319.96	\$ 132.99	\$ 5,186.97
Cities and Towns.....							
Delta.....	4-1-63	18,291.90	457.30	17,834.60	18,684.88	467.12	18,217.76
Fillmore.....	4-1-63	16,473.95	411.84	16,062.11	15,606.89	390.17	15,216.72
Hinckley.....	4-1-63	567.94	14.20	553.74	597.64	14.95	582.69
Holden.....	4-1-63	531.25	13.29	517.96	525.94	13.16	512.78
Kanosh.....	4-1-63	1,103.38	27.58	1,075.80	1,039.35	25.98	1,013.37
Leamington.....	4-1-63	188.79	4.72	184.07	149.95	3.75	146.20
Lynndyl.....	4-1-63	148.23	3.70	144.53	138.18	3.45	134.73
Meadow.....	4-1-63	280.59	7.02	273.57	235.11	5.88	229.23
Oak City.....	4-1-63	310.00	7.75	302.25	284.13	7.10	277.03
Scipio.....	4-1-63	345.50	8.64	336.86	361.43	9.04	352.39
Total Cities and Towns.....		\$ 38,241.53	\$ 956.04	\$ 37,285.49	\$ 37,623.50	\$ 940.60	\$ 36,682.90
Total Millard County including Cities and Towns.....		\$ 43,936.83	\$ 1,098.43	\$ 42,838.40	\$ 42,943.46	\$ 1,073.59	\$ 41,869.87
Morgan County.....	10-1-61	\$ 17,942.89	\$ 448.57	\$ 17,494.32	\$ 22,774.40	\$ 569.35	\$ 22,205.05
Piute County.....	7-1-59	\$ 1,607.29	\$ 40.18	\$ 1,567.11	\$ 329.82	\$ 8.25	\$ 321.57
Cities and Towns.....							
Circleville.....	7-1-63	1,203.69	30.09	1,173.60	2,016.12	50.39	1,965.73
Junction.....	1-1-64	464.84	11.62	453.22	597.01	14.92	582.09

SUMMARY OF DISTRIBUTIONS OF UNIFORM LOCAL SALES AND USE TAX TO PARTICIPATING UNITS—Continued

UNIT—	Ordinance Effective	Gross Collections	Administrative Costs	Net Distribution	Gross Collections	Administrative Costs	Net Distribution
		July 1, 1964 to June 30, 1965	July 1, 1964 to June 30, 1965	July 1, 1965 to June 30, 1966	July 1, 1965 to June 30, 1966	July 1, 1965 to June 30, 1966	July 1, 1965 to June 30, 1966
Marysville.....	4-1-65	\$ 1,668.53	\$ 41.71	\$ 1,626.82	\$ 1,088.05	\$ 27.21	\$ 1,060.84
Total Cities and Towns.....		\$ 1,668.53	\$ 41.71	\$ 1,626.82	\$ 1,088.05	\$ 27.21	\$ 1,060.84
Total Plute County including Cities and Towns.....		\$ 3,275.82	\$ 81.89	\$ 3,193.93	\$ 4,031.00	\$ 100.77	\$ 3,930.23
Salt Lake County.....	7-1-59	\$1,140,097.55	\$ 28,502.45	\$1,111,595.10	\$1,305,048.80	\$ 32,626.22	\$1,272,422.58
Cities and Towns.....							
Bingham.....	7-1-59	28,768.41	719.21	28,049.20	10,216.17	255.41	9,960.76
Midvale.....	7-1-59	74,997.21	1,874.93	73,122.28	72,713.55	1,817.84	70,895.71
Murray.....	7-1-59	193,605.91	4,840.15	188,765.76	225,400.56	5,635.01	219,765.55
Riverton.....	7-1-59	25,793.32	644.83	25,148.49	25,167.67	629.18	24,538.49
Salt Lake City.....	7-1-59	2,944,962.46	73,624.07	2,871,338.39	3,015,555.55	75,388.88	2,940,166.67
Sandy.....	7-1-59	21,141.37	528.54	20,612.83	16,580.76	414.52	16,166.24
South Jordan.....	7-1-59	3,214.11	80.35	3,133.76	3,557.94	88.95	3,468.99
South Salt Lake.....	7-1-59	260,626.43	6,515.66	254,110.77	287,714.07	7,192.86	280,521.21
West Jordan.....	7-1-59	12,293.35	307.33	11,986.02	13,935.96	348.40	13,587.56
Total Cities and Towns.....		\$3,565,402.57	\$ 89,135.07	\$3,476,267.50	\$3,670,842.23	\$ 91,771.05	\$3,579,071.18
Total Salt Lake County including Cities and Towns.....		\$4,705,500.12	\$ 117,637.52	\$4,587,862.60	\$4,975,891.03	\$ 124,397.27	\$4,851,493.76
San Juan County.....	7-1-59	\$ 19,317.57	\$ 482.94	\$ 18,834.63	\$ 16,437.92	\$ 410.94	\$ 16,026.98
Cities and Towns.....							
Blanding.....	7-1-59	17,748.27	443.71	17,304.56	23,784.68	594.62	23,190.06
Monticello.....	7-1-59	17,301.56	432.53	16,869.03	14,098.20	352.46	13,745.74
Total Cities and Towns.....		\$ 35,049.83	\$ 876.24	\$ 34,173.59	\$ 37,882.88	\$ 947.08	\$ 36,935.80
Total San Juan County including Cities and Towns.....		\$ 54,367.40	\$ 1,359.18	\$ 53,008.22	\$ 54,320.80	\$ 1,358.02	\$ 52,962.78
Sanpete County.....	7-1-63	\$ 4,137.21	\$ 103.43	\$ 4,033.78	\$ 4,272.86	\$ 106.82	\$ 4,166.04
Cities and Towns.....							
Centerfield.....	7-1-63	2,805.24	70.14	2,735.10	1,597.39	39.94	1,557.45

Ephraim.....	7-1-63	9,331.87	233.30	9,098.57	9,474.48	236.86	9,237.62
Fairview.....	7-1-63	2,462.34	61.57	2,400.77	2,628.30	65.71	2,562.59
Fayette.....	10-1-63	134.25	3.35	130.90	121.78	3.04	118.74
Fountain Green.....	7-1-63	976.80	24.42	952.38	997.30	24.94	972.36
Gunnison.....	7-1-63	12,232.76	305.81	11,926.95	13,871.04	346.78	13,524.26
Manti.....	7-1-63	9,434.65	235.86	9,198.79	10,247.40	256.19	9,991.21
Mayfield.....	10-1-63	379.33	9.49	369.84	364.48	9.11	355.37
Moroni.....	7-1-63	3,067.10	76.68	2,990.42	3,224.22	80.61	3,143.61
Mt. Pleasant.....	7-1-63	10,153.65	253.84	9,899.81	10,171.59	254.28	9,917.31
Spring City.....	7-1-63	531.44	13.29	518.15	557.09	13.93	543.16
Sterling.....	4-1-64	307.86	7.69	300.17	370.01	9.25	360.76
Wales.....	10-1-63	90.11	2.25	87.86	84.40	2.11	82.29
Total Cities and Towns.....		\$ 51,907.40	\$ 1,297.69	\$ 50,609.71	\$ 53,709.48	\$ 1,342.75	\$ 52,366.73
Total Sanpete County including Cities and Towns.....		\$ 56,044.61	\$ 1,401.12	\$ 54,643.49	\$ 57,982.34	\$ 1,449.57	\$ 56,532.77
Sevier County.....	7-1-61	\$ 9,042.08	\$ 226.05	\$ 8,816.03	\$ 5,772.77	\$ 144.31	\$ 5,638.46
Cities and Towns.....							
Annabella.....	7-1-64	27.30	.68	26.62	35.99	.89	35.10
Aurora.....	7-1-61	747.75	18.69	729.06	909.88	22.75	887.13
Elsinore.....	7-1-61	665.26	16.64	648.62	664.37	16.61	647.76
Glenwood.....	7-1-61	168.35	4.22	164.13	164.84	4.12	160.72
Joseph.....	7-1-61	260.80	6.51	254.29	268.21	6.70	261.51
Monroe.....	7-1-61	3,861.58	96.54	3,765.04	3,810.39	95.25	3,715.14
Redmond.....	7-1-61	758.74	18.97	739.77	560.77	14.02	546.75
Richfield.....	7-1-61	57,846.46	1,446.15	56,400.31	60,557.89	1,513.95	59,043.94
Salina.....	7-1-61	13,242.72	331.07	12,911.65	13,919.06	347.97	13,571.09
Sigurd.....	7-1-61	712.80	17.81	694.99	488.07	12.20	475.87
Total Cities and Towns.....		\$ 78,291.76	\$ 1,957.28	\$ 76,334.48	\$ 81,379.47	\$ 2,034.46	\$ 79,345.01
Total Sevier County including Cities and Towns.....		\$ 87,333.84	\$ 2,183.33	\$ 85,150.51	\$ 87,152.24	\$ 2,178.77	\$ 84,973.47
Summit County.....	4-1-63	\$ 12,118.93	\$ 302.96	\$ 11,815.97	\$ 4,497.77	\$ 112.44	\$ 4,385.33
Cities and Towns.....							
Coalville.....	4-1-63	11,451.43	286.29	11,165.14	11,141.93	278.55	10,863.38
Francis.....	4-1-63	193.01	4.83	188.18	187.97	4.70	183.27

STATE TAX COMMISSION

UNIT—	Ordinance Effective	Gross Collections July 1, 1964 to June 30, 1965	Administrative Costs July 1, 1964 to June 30, 1965	Net Distribution July 1, 1965 to June 30, 1966	Administrative Costs July 1, 1965 to June 30, 1966	Net Distribution July 1, 1965 to June 30, 1966
Henefer.....	4-1-63	457.00	11.43	445.57	25.80	1,005.80
Kamas.....	4-1-63	8,999.53	224.98	8,774.55	252.41	9,844.42
Oakley.....	4-1-63	736.28	18.41	717.87	15.46	602.84
Park City.....	4-1-63	10,463.77	261.59	10,202.18	511.53	19,949.38
Total Cities and Towns.....		\$ 32,301.02	\$ 807.53	\$ 31,493.49	\$ 1,088.45	\$ 42,449.09
Total Summit County including Cities and Towns.....		\$ 44,419.95	\$ 1,110.49	\$ 43,309.46	\$ 1,200.89	\$ 46,834.42
Tooele County.....	7-1-63	7,053.49	176.33	6,877.16	158.16	6,168.13
Cities and Towns						
Grantsville.....	7-1-63	7,546.63	188.66	7,357.97	197.91	7,718.54
Stockton.....	7-1-63	895.92	22.40	873.52	20.78	810.73
Tooele.....	7-1-63	83,593.22	2,089.84	81,503.38	2,261.18	88,186.28
Wendover.....	7-1-63	6,614.84	165.37	6,449.47	199.13	7,766.13
Total Cities and Towns.....		\$ 98,650.61	\$ 2,466.27	\$ 96,184.34	\$ 2,679.00	\$ 104,481.68
Total Tooele County including Cities and Towns.....		\$ 105,704.10	\$ 2,642.60	\$ 103,061.50	\$ 2,837.16	\$ 110,649.81
Utah County.....	4-1-62	46,962.09	1,174.05	45,788.04	1,349.13	52,616.09
Cities and Towns						
Maeser.....	4-1-62	2,902.91	72.57	2,830.34	84.20	3,283.78
Vernal.....	4-1-62	70,549.54	1,763.74	68,785.80	1,932.71	75,376.01
Total Cities and Towns.....		\$ 73,452.45	\$ 1,836.31	\$ 71,616.14	\$ 2,016.91	\$ 78,659.79
Total Uintah County including Cities and Towns.....		\$ 120,414.54	\$ 3,010.36	\$ 117,404.18	\$ 3,366.04	\$ 131,275.88
Utah County.....	7-1-61	102,314.53	2,557.86	99,756.67	2,551.68	99,515.77
Cities and Towns						
Alpine.....	1-1-62	922.90	23.08	899.82	22.80	889.49
American Fork.....	7-1-61	51,744.69	1,293.62	50,451.07	1,454.64	56,730.77
Genola.....	7-1-61	268.23	6.70	261.53	8.04	313.33

EIGHTEENTH BIENNIAL REPORT

Goshen.....	7-1-61	812.54	20.30	792.24	735.69	18.39	717.30
Lehi.....	7-1-61	14,842.97	371.07	14,471.90	14,569.48	364.24	14,205.24
Lindon.....	7-1-61	3,891.33	97.28	3,794.05	4,853.42	121.35	4,732.07
Mapleton.....	10-1-61	1,191.62	29.78	1,161.84	1,256.19	31.41	1,224.78
Orem.....	10-1-61	88,883.13	2,222.07	86,661.06	88,222.91	2,205.57	86,017.34
Payson.....	7-1-61	27,372.59	684.32	26,688.27	27,562.99	689.07	26,873.92
Pleasant Grove.....	7-1-61	27,163.14	679.08	26,484.06	20,110.47	502.76	19,607.71
Provo.....	7-1-61	404,700.01	10,117.50	394,582.51	416,980.14	10,424.50	406,555.64
Salem.....	7-1-61	2,104.96	52.62	2,052.34	2,426.18	60.65	2,365.53
Santaquin.....	7-1-61	4,184.32	104.61	4,079.71	3,955.47	98.88	3,856.59
Spanish Fork.....	7-1-61	47,385.40	1,184.63	46,200.77	49,698.24	1,242.46	48,455.78
Springville.....	7-1-61	42,848.78	1,071.22	41,777.56	45,635.19	1,140.88	44,494.31
Total Cities and Towns.....		\$ 718,316.61	\$ 17,957.88	\$ 700,358.73	\$ 735,425.44	\$ 18,385.64	\$ 717,039.80
Total Utah County including Cities and Towns.....		\$ 820,631.14	\$ 20,515.74	\$ 800,115.40	\$ 837,492.89	\$ 20,937.32	\$ 816,555.57
Wasatch County.....	7-1-61	7,603.87	190.10	7,413.77	6,154.29	153.86	6,000.43
Cities and Towns							
Charleston.....	7-1-61	186.19	4.65	181.54	197.41	4.92	192.49
Heber City.....	7-1-61	30,343.63	758.59	29,585.04	31,458.85	786.47	30,672.38
Midway.....	7-1-61	4,053.53	101.34	3,952.19	3,616.61	90.42	3,526.19
Wallsburg.....	7-1-61	113.39	2.83	110.56	118.13	2.96	115.17
Total Cities and Towns.....		\$ 34,696.74	\$ 867.41	\$ 33,829.33	\$ 35,391.00	\$ 884.77	\$ 34,506.23
Total Wasatch County including Cities and Towns.....		\$ 42,300.61	\$ 1,057.51	\$ 41,243.10	\$ 41,545.29	\$ 1,038.63	\$ 40,506.66
Washington County.....	7-1-59	5,266.16	131.65	5,134.51	6,058.45	151.46	5,906.99
Cities and Towns							
Enterprise.....	7-1-59	1,937.92	48.45	1,889.47	2,004.33	50.12	1,954.21
Hurricane.....	7-1-59	11,995.65	299.89	11,695.76	13,851.40	346.29	13,505.11
LaVerkin.....	7-1-59	189.70	4.74	184.96	192.55	4.80	187.75
Leeds.....	7-1-59	228.81	5.72	223.09	266.02	6.65	259.37
New Harmony.....	7-1-59	79.42	1.99	77.43	71.09	1.77	69.32
St. George.....	7-1-59	58,678.72	1,466.97	57,211.75	65,373.71	1,634.35	63,739.36
Santa Clara.....	7-1-59	753.30	18.83	734.47	787.50	19.68	767.82
Springdale.....	7-1-59	2,866.47	71.66	2,794.81	3,135.85	78.40	3,057.45

STATE TAX COMMISSION

UNIT—	Ordinance Effective	Gross Collections July 1, 1964 to June 30, 1965	Administrative Costs July 1, 1964 to June 30, 1965	Net Distribution July 1, 1965 to June 30, 1965	Gross Collections July 1, 1965 to June 30, 1966	Administrative Costs July 1, 1965 to June 30, 1966	Net Distribution July 1, 1965 to June 30, 1966
Toquerville.....	10-1-60	164.70	4.12	160.58	173.41	4.33	169.08
Virgin.....	7-1-59	161.59	4.05	157.54	160.38	4.00	156.38
Washington.....	7-1-59	1,167.65	29.18	1,138.47	1,268.20	31.70	1,236.50
Total Cities and Towns.....		\$ 78,223.93	\$ 1,955.60	\$ 76,268.33	\$ 87,284.44	\$ 2,182.09	\$ 85,102.35
Total Washington County including Cities and Towns.....		\$ 83,490.09	\$ 2,087.25	\$ 81,402.84	\$ 93,342.89	\$ 2,333.55	\$ 91,009.34
Wayne County.....	7-1-64	\$ 928.36	\$ 23.21	\$ 905.15	\$ 1,764.40	\$ 44.10	\$ 1,720.30
Cities and Towns							
Bicknell.....	7-1-64	690.90	17.27	673.63	1,247.77	31.20	1,216.57
Loa.....	7-1-64	1,431.91	35.80	1,396.11	2,407.74	60.19	2,347.55
Torrey.....	7-1-64	79.71	1.99	77.72	143.71	3.58	140.13
Total Cities and Towns.....		\$ 2,202.52	\$ 55.06	\$ 2,147.46	\$ 3,799.22	\$ 94.97	\$ 3,704.25
Total Wayne County including Cities and Towns.....		\$ 3,130.88	\$ 78.27	\$ 3,052.61	\$ 5,563.62	\$ 139.07	\$ 5,424.55
Weber County.....	7-1-61	\$ 996,404.05	\$ 24,910.10	\$ 971,493.95	\$ 1,033,154.01	\$ 25,828.85	\$ 1,007,325.16
GRAND TOTALS.....		\$8,153,935.27	\$ 203,848.32	\$7,950,086.95	\$8,703,025.75	\$ 217,575.53	\$8,485,450.22
Total Cities and Towns.....		\$5,450,103.01	\$ 136,252.52	\$5,313,850.49	\$5,682,856.89	\$ 142,071.35	\$5,540,785.54
Total Counties.....		2,703,832.26	67,595.80	2,636,236.46	3,020,168.86	75,504.18	2,944,664.68
GRAND TOTALS.....		\$8,153,935.27	\$ 203,848.32	\$7,950,086.95	\$8,703,025.75	\$ 217,575.53	\$8,485,450.22

REFUND OF MOTOR FUEL TAXES

Chapter 69, Laws of Utah 1959 provides "that any person who shall purchase and use within the State of Utah any motor fuel for the purpose of operating, running and propelling stationary farm engines and propelling farm machinery used solely for non-highway agricultural use and who shall have paid the tax on such motor fuel as provided by this Section shall be entitled to a refund of such tax subject to the conditions and limitations as hereinafter provided . . ."

The following schedule shows the operations of this law during the past biennium.

	1963-64 Period	1964-65 Period	Increase (Decrease)	% Increase % (Dec.)
Total claims paid	3,526	3,705	179	5.0%
Total Gallons	8,996,393	9,577,014	580,621	6.4%
Taxable Gallons Included	2,597,762	2,681,501	83,739	3.2%
Refundable Gallons	6,398,631	6,895,513	496,882	7.7%
Percent Refundable				
to total	71.12%	72%		
Refund at 6¢				
per gallon	\$383,918.07	\$413,730.80	\$ 29,812.73	7.7%
Sales Tax Deducted.....	\$ 37,485.59	\$ 39,953.62	\$ 2,468.03	6.6%
Administrative Costs	\$ 15,356.14	\$ 16,547.82	\$ 1,191.68	7.7%
Net Refunds Paid	\$331,076.34	\$357,229.36	\$ 26,153.02	7.8%
Average Gross Refund	\$ 108.88	\$ 111.67	\$ 2.79	2.5%
Average Net Refund	\$ 93.90	\$ 96.41	\$ 2.51	2.6%

PROPERTY TAXES OVER A TEN-YEAR PERIOD

Calendar Year	Assessed Valuation of State	Property Taxes Levied All Purposes	State Uniform School Fund Mill Levy	Average Mill Levy for Local Purposes
1956	\$1,164,886,237	\$ 60,682,595	2.1	49.99
1957	1,252,342,342	67,520,586	1.0	52.91
1958	1,307,344,603	72,564,172	1.0	54.51
1959	1,316,292,887	83,269,805	6.1	56.26
1960	1,328,626,629	86,962,502	5.9	59.55
1961	1,343,838,206	94,233,249	7.5	62.62
1962	1,381,901,288	96,568,098	7.1	62.78
1963	1,451,172,817	106,837,362	7.6	66.02
1964	1,496,900,506	114,724,732	9.7	66.94
1965	1,528,768,040	122,636,258	8.6	71.62

TOTAL PROPERTY TAXES FOR ALL PUPOSES CHARGED AGAINST EACH CLASS OF PROPERTY

	1964	1965	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
Residential Real Estate\$	7,149,582	\$ 7,589,697	\$ 440,115	6.16
Commercial and Industrial				
Real Estate	4,583,153	4,879,082	295,929	6.46
Agricultural				
Real Estate	4,808,172	4,999,150	190,978	3.97
Unclassified				
Real Estate	86,290	70,393	(15,897)	(18.42)
Residential Buildings	31,281,647	33,993,926	2,712,279	8.67
Commercial and				
Industrial Buildings	13,125,308	14,417,228	1,291,920	9.84
Agricultural Buildings	824,457	849,202	24,745	3.00
Motor Vehicles	8,078,777	8,849,699	770,922	9.54
Merchandise and				
Fixtures	6,619,729	7,161,335	541,606	8.18
Commercial and				
Industrial Machinery	4,545,567	4,446,619	(98,948)	(2.18)
Agricultural Machinery	388,401	394,527	6,126	1.58
Other Personal				
Property	491,545	482,984	(8,561)	(1.74)
Range Cattle	367,462	368,631	1,169	.32
Other Cattle	266,979	264,684	(2,295)	(.86)
Horses and Mules	46,277	48,716	2,439	5.27
Sheep	231,159	271,654	40,495	17.52
Other Animals	24,083	24,493	410	1.70
Poultry	12,708	12,539	(169)	(1.33)
Airlines	177,901	209,749	31,848	17.90
Bus Lines	236,784	265,857	29,073	12.28
Car Companies	163,685	166,186	2,501	1.53
Express Companies	4,236	5,242	1,006	23.75
Gas Distribution	1,992,535	2,176,189	183,654	9.22
Pipe Line Companies	873,818	916,330	42,512	4.87
Power Companies	4,265,698	4,726,095	460,397	10.79
Railroad Companies	4,225,137	4,394,903	169,766	4.02
Telegraph Companies	42,721	43,248	527	1.23
Telephone Companies	3,572,971	3,973,243	400,272	11.20
Terminal Companies	182,429	180,437	(1,992)	(1.09)
Transit-Traction				
Companies	20,324	21,225	901	4.43
Water Companies	27,405	29,836	2,431	8.87
Mining Companies	13,037,874	13,637,122	599,248	4.60
Oil and Gas Companies.....	2,969,918	2,766,037	(203,881)	(6.86)
TOTALS.....\$	114,724,732	\$ 122,636,258	\$ 7,911,526	6.90
By County Assessor	82,931,296	89,124,559	6,193,263	7.47
By State Tax Commission	31,793,436	33,511,699	1,718,263	5.40

DISTRIBUTION OF PROPERTY TAXES ACCORDING TO PURPOSE

TOTALS FOR STATE

Purpose	1964	1965	Increase or (Decrease)	Percent of Change
Schools	\$ 75,934,340	\$ 79,769,243	\$ 3,834,903	5.05
Cities and Towns	15,811,042	16,367,675	556,633	3.52
County	18,724,640	21,853,994	3,129,354	16.71
Special Taxing Districts.....	4,130,629	4,482,606	351,977	8.52
Bounty	124,081	162,740	38,659	31.16
TOTALS.....	\$114,724,732	\$122,636,258	\$7,911,526	6.90

TOTALS FOR EACH COUNTY

Beaver County

Schools	\$ 361,075	\$ 397,538	\$ 36,463	10.10
Cities and Towns	48,084	47,707	(377)	(.78)
County	67,929	73,335	5,406	7.96
Special Taxing Districts.....	28,584	21,486	(7,098)	(24.83)
Bounty	6,036	7,457	1,421	23.54
TOTALS.....	\$ 511,708	\$ 547,523	\$ 35,815	7.00

Box Elder County

Schools	\$ 3,226,355	\$ 3,306,159	\$ 79,804	2.47
Cities and Towns	395,358	405,370	10,012	2.53
County	612,809	604,387	(8,422)	(1.37)
Special Taxing Districts.....	81,671	82,706	1,035	1.27
Bounty	10,137	14,927	4,790	47.25
TOTALS.....	\$ 4,326,330	\$ 4,413,549	\$ 87,219	2.02

Cache County

Schools	\$ 2,007,015	\$ 2,130,825	\$ 123,810	6.17
Cities and Towns	420,071	442,890	22,819	5.43
County	422,531	441,364	18,833	4.46
Special Taxing Districts.....	9,018	9,311	293	3.25
Bounty	2,377	2,601	224	9.42
TOTALS.....	\$ 2,861,012	\$ 3,026,991	\$ 165,979	5.80

Purpose	1964	1965	Increase or (Decrease)	Percent of Change
Carbon County				
Schools	\$ 1,784,419	\$ 1,953,453	\$ 169,034	9.47
Cities and Towns	143,812	137,674	(6,138)	(4.27)
County	407,663	405,266	(2,397)	(.59)
Special Taxing Districts.....	30,589	31,022	433	1.42
Bounty	1,708	1,914	206	12.06
TOTALS.....	\$ 2,368,191	\$ 2,529,329	\$ 161,138	6.80

Daggett County				
Schools	\$ 76,035	\$ 76,526	\$,491	.65
Cities and Towns	3,612	4,366	754	20.87
County	10,940	10,531	(409)	(3.74)
Special Taxing Districts.....	-----	-----	-----	-----
Bounty	880	1,278	398	45.23
TOTALS.....	\$ 91,467	\$ 92,701	\$ 1,234	1.35

Davis County				
Schools	\$ 3,767,627	\$ 4,017,003	\$ 249,376	6.62
Cities and Towns	798,057	927,105	129,048	16.17
County	860,975	936,801	75,826	8.81
Special Taxing Districts.....	551,301	595,192	43,891	7.96
Bounty	829	821	(8)	(.97)
TOTALS.....	\$ 5,978,789	\$ 6,476,922	\$ 498,133	8.33

Duchesne County				
Schools	\$ 536,906	\$ 560,885	\$ 23,979	4.47
Cities and Towns	56,873	56,475	(398)	(.70)
County	162,999	169,315	6,316	3.87
Special Taxing Districts.....	-----	3,386	3,386	100.00
Bounty	7,426	9,921	2,495	33.60
TOTALS.....	\$ 764,204	\$ 799,982	\$ 35,778	4.68

Emery County				
Schools	\$ 468,484	\$ 470,273	\$ 1,789	.38
Cities and Towns	45,871	44,300	(1,571)	(3.42)
County	108,845	127,729	18,884	17.35
Special Taxing Districts.....	8,732	8,332	(400)	(4.58)
Bounty	3,368	4,404	1,036	30.76
TOTALS.....	\$ 635,300	\$ 655,038	\$ 19,738	3.11

Purpose	1964	1965	Increase or (Decrease)	Percent of Change
Garfield County				
Schools	\$ 202,447	\$ 204,404	\$ 1,957	.97
Cities and Towns	36,903	35,785	(1,118)	(3.03)
County	47,788	48,250	462	.97
Special Taxing Districts.....	3,634	3,526	(108)	(2.97)
Bounty	1,586	1,840	254	16.02
TOTALS.....	\$ 292,358	\$ 293,805	\$ 1,447	.49

Grand County				
Schools	\$ 900,721	\$ 911,584	\$ 10,863	1.21
Cities and Towns	81,918	78,754	(3,164)	(3.86)
County	199,065	192,615	(6,450)	(3.24)
Special Taxing Districts.....	20,921	20,369	(552)	(2.64)
Bounty	3,564	2,787	(777)	(21.80)
TOTALS.....	\$ 1,206,189	\$ 1,206,109	\$ (80)	(.01)

Iron County				
Schools	\$ 1,702,456	\$ 1,514,030	\$ (188,426)	(11.07)
Cities and Towns	186,603	194,685	8,082	4.33
County	368,050	340,928	(27,122)	(7.37)
Special Taxing Districts.....	-----	-----	-----	-----
Bounty	5,726	8,206	2,480	43.31
TOTALS.....	\$ 2,262,835	\$ 2,057,849	\$ (204,986)	(9.06)

Juab County				
Schools	\$ 407,866	\$ 409,590	\$ 1,724	.42
Cities and Towns	58,945	58,027	(918)	(1.56)
County	133,375	144,109	10,734	8.05
Specail Taxing Districts.....	-----	2,554	2,554	100.00
Bounty	7,996	11,271	3,275	40.96
TOTALS.....	\$ 608,182	\$ 625,551	\$ 17,369	2.86

Kane County				
Schools	\$ 169,682	\$ 187,487	\$ 17,805	10.49
Cities and Towns	28,390	27,437	(953)	(3.36)
County	50,651	53,787	3,136	6.19
Special Taxing Districts.....	2,223	2,498	275	12.37
Bounty	685	845	160	23.36
TOTALS.....	\$ 251,631	\$ 272,054	\$ 20,423	8.12

Purpose	1964	1965	Increase or (Decrease)	Percent of Change
Millard County				
Schools	\$ 714,455	\$ 758,505	\$ 44,050	6.17
Cities and Towns	60,536	57,169	(3,367)	(5.56)
County	139,084	141,014	1,930	1.39
Special Taxing Districts.....	37,895	30,992	(6,903)	(18.22)
Bounty	17,113	26,191	9,078	53.05
TOTALS.....	\$ 969,083	\$ 1,013,871	\$ 44,788	4.62

Morgan County				
Schools	\$ 383,098	\$ 427,511	\$ 44,413	11.59
Cities and Towns	20,492	21,284	792	3.86
County	126,094	142,639	16,545	13.12
Special Taxing Districts.....	7,642	8,151	509	6.66
Bounty	681	944	263	38.62
TOTALS.....	\$ 538,007	\$ 600,529	\$ 62,522	11.62

Piute County				
Schools	\$ 117,500	\$ 122,513	\$ 5,013	4.27
Cities and Towns	8,146	8,054	(92)	(1.13)
County	27,921	31,476	3,555	12.73
Special Taxing Districts.....	-----	-----	-----	-----
Bounty	855	1,035	180	21.05
TOTALS.....	\$ 154,422	\$ 163,078	\$ 8,656	5.61

Rich County				
Schools	\$ 188,230	\$ 188,302	\$ 72	.04
Cities and Towns	4,818	5,004	186	3.86
County	47,608	53,043	5,435	11.42
Special Taxing Districts.....	-----	2,364	2,364	100.00
Bounty	2,744	3,484	740	26.97
TOTALS.....	\$ 243,400	\$ 252,197	\$ 8,797	3.61

Salt Lake County				
Schools	\$ 36,417,052	\$ 38,730,380	\$ 2,313,328	6.35
Cities and Towns	8,382,090	8,606,735	224,645	2.68
County	10,209,295	12,700,033	2,490,738	24.40
Special Taxing Districts.....	2,445,035	2,650,711	205,676	8.41
Bounty	2,023	2,390	367	18.14
TOTALS.....	\$ 57,455,495	\$ 62,690,249	\$ 5,234,754	9.11

Purpose	1964	1965	Increase or (Decrease)	Percent of Change
San Juan County				
Schools	\$ 3,098,182	\$ 2,927,134	\$ (171,048)	(5.52)
Cities and Towns	39,521	40,285	764	1.93
County	609,214	751,178	141,964	23.30
Special Taxing Districts.....	5,741	50,753	45,012	784.04
Bounty	2,581	2,550	(31)	(1.20)
TOTALS.....	\$ 3,755,239	\$ 3,771,900	\$ 16,661	.44

Sanpete County				
Schools	\$ 621,438	\$ 629,419	\$ 7,981	1.28
Cities and Towns	105,771	99,764	(6,007)	(5.68)
County	114,493	144,239	29,746	25.98
Special Taxing Districts.....	6,361	6,271	(90)	(1.41)
Bounty	5,578	7,412	1,834	32.88
TOTALS.....	\$ 853,641	\$ 887,105	\$ 33,464	3.92

Sevier County				
Schools	\$ 662,567	\$ 699,043	\$ 36,476	5.51
Cities and Towns	122,458	111,452	(11,006)	(8.99)
County	119,472	136,578	17,106	14.32
Special Taxing Districts.....	-----	-----	-----	-----
Bounty	4,675	6,241	1,566	33.50
TOTALS.....	\$ 909,172	\$ 953,314	\$ 44,142	4.86

Summit County				
Schools	\$ 705,452	\$ 774,760	\$ 69,308	9.82
Cities and Towns	67,171	79,179	12,008	17.88
County	164,500	174,022	9,522	5.79
Special Taxing Districts.....	15,866	8,872	(6,994)	(44.08)
Bounty	2,074	2,214	140	6.75
TOTALS.....	\$ 955,063	\$ 1,039,047	\$ 83,984	8.79

Tooele County				
Schools	\$ 1,046,049	\$ 1,113,558	\$ 67,509	6.45
Cities and Towns	307,380	327,945	20,565	6.69
County	242,141	249,677	7,536	3.11
Special Taxing Districts.....	-----	-----	-----	-----
Bounty	12,100	16,685	4,585	37.89
TOTALS.....	\$ 1,607,670	\$ 1,707,865	\$ 100,195	6.23

Purpose	1964	1965	Increase or (Decrease)	Percent of Change
Uintah County				
Schools	\$ 1,634,638	\$ 1,789,769	\$ 155,131	9.49
Cities and Towns	66,190	66,650	460	.69
County	277,824	327,584	49,760	17.91
Special Taxing Districts.....	31,682	26,969	(4,713)	(14.88)
Bounty	10,693	12,382	1,689	15.80
TOTALS.....	\$ 2,021,027	\$ 2,223,354	\$ 202,327	10.01

Utah County				
Schools	\$ 7,344,011	\$ 7,913,226	\$ 569,215	7.75
Cities and Towns	1,718,807	1,828,801	109,994	6.40
County	941,556	964,001	22,445	2.38
Special Taxing Districts.....	53,710	100,818	47,108	87.71
Bounty	5,409	7,093	1,684	31.13
TOTALS.....	\$ 10,063,493	\$ 10,813,939	\$ 750,446	7.46

Wasatch County				
Schools	\$ 362,692	\$ 423,890	\$ 61,198	16.87
Cities and Towns	35,755	37,756	2,001	5.60
County	104,929	128,076	23,147	22.06
Special Taxing Districts.....	154	2,479	2,325	1,509.74
Bounty	809	862	53	6.55
TOTALS.....	\$ 504,339	\$ 593,063	\$ 88,724	17.59

Washington County				
Schools	\$ 508,246	\$ 508,629	\$ 383	.08
Cities and Towns	117,837	120,241	2,404	2.04
County	147,258	173,150	25,892	17.58
Special Taxing Districts.....	-----	-----	-----	-----
Bounty	965	1,039	74	7.67
TOTALS.....	\$ 774,306	\$ 803,059	\$ 28,753	3.71

Wayne County				
Schools	\$ 82,403	\$ 78,332	\$ (4,071)	(4.94)
Cities and Towns	3,460	3,010	(450)	(13.01)
County	25,850	26,884	1,034	4.00
Special Taxing Districts.....	-----	-----	-----	-----
Bounty	1,880	2,505	625	33.24
TOTALS.....	\$ 113,593	\$ 110,731	\$ (2,862)	(2.52)

Purpose	1964	1965	Increase or (Decrease)	of Change
Weber County				
Schools	\$ 6,437,239	\$ 6,544,515	\$ 107,276	1.67
Cities and Towns	2,446,113	2,493,771	47,658	1.95
County	1,973,781	2,161,983	188,202	9.54
Special Taxing Districts.....	789,870	813,844	23,974	3.04
Bounty	1,583	1,441	(142)	(8.97)
TOTALS.....	\$ 11,648,586	\$ 12,015,554	\$ 366,968	3.15

WITHHOLDING TAX REFUNDS

As Provided by the Individual Income Tax Act

The following tabulation shows the number of withholding tax refunds and the total amount of such refunds which were processed each fiscal year since the enactment of the law.

Fiscal Year Ended June 30	No. of Refunds	Total Amount of Refunds
1958	5,100	\$ 30,712
1959	7,500	63,523
1960	67,200	435,732
1961	138,000	1,584,113
1962	168,800	1,964,268
1963	153,800	1,874,737
1964	175,800	2,333,413
1965	162,800	2,280,129
1966	120,400	2,308,282

The individual income tax act was amended in 1957 effective July 1 to provide for the withholding of income taxes from non-residents who were subject to the Utah law. In the above tabulation the refunds for the fiscal years ended June 30, 1958, 1959, and the first half of 1960 were limited to non-residents. In 1959 it was again amended to provide for general withholding effective July 1 of that year. The refunds for the second half of 1960 and for the years following were made under the provisions of the general withholding tax law.

AUDIT OF TAX RETURNS

The following schedule shows the deficiency assessments which were established as a result of audits during the past biennium.

	Fiscal Year Ended June 30, 1965	Fiscal Year Ended June 30, 1966
Sales and Use — 3% state tax	\$1,111,613.86	\$ 802,648.48
Sales and Use —		
Local ½ of 1%		143,072.44
Corporation Franchise	400,019.55	452,620.74
Individual Income	539,280.03	963,342.42
Inheritance	228,561.90	140,583.82
Motor Fuel	35,890.71	23,004.50
Special Fuel	49,039.11	16,643.98
Mileage Fee	22,082.45	45,746.84
Oleomargarine	51,851.32	58,357.61
Insurance	80,222.43	5,957.16
Cigarette and Tobacco	21,873.10	15,467.50
TOTAL	<u>\$2,540,434.46</u>	<u>\$2,667,445.49</u>

