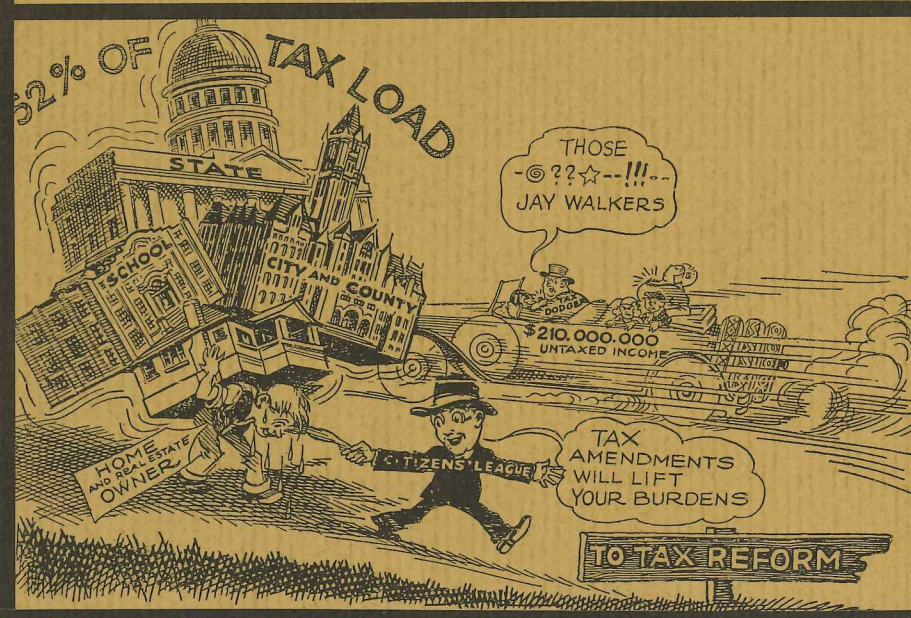


# UTAH STATE TAX COMMISSION TWENTY-FIFTH BIENNIAL REPORT, VOL. I

JULY 1978-JUNE 1979





## ABOUT THE COVER

The political cartoons on the cover originated on handbills put out in 1928 by the Citizen's Tax Revision League. At that time, the heavy burden of property taxes was being loudly protested. Property taxes then made up some 98% of the entire tax base.

Today, that figure has reversed. Excise and income taxes now form the major source of state revenue.

And what is it we now discover people protesting? Once again, the leading issue is property taxes.

It would thus appear that the more we change — the more we stay the same.



**TWENTY-FIFTH  
BIENNIAL REPORT  
of the  
UTAH STATE TAX COMMISSION  
VOLUME I**

David L. Duncan  
*Chairman*

Douglas F. Sonntag  
*Vice-Chairman*

Georgia B. Peterson  
Robert O. Bowen  
*Commissioners*

Phillip E. Procter  
*Executive Secretary*

Bonnie C. Brennan  
*Editor-Contributor*

For the Period From July 1, 1978 to June 30, 1979



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# DEAR GOVERNOR, LEGISLATORS AND INTERESTED CITIZENS:

It is with pleasure that we present the *Twenty-fifth Biennial Report, Volume I*, for the fiscal year July 1, 1978 through June 30, 1979. This report is made in compliance with the requirements of law as stated in Section 59-5-46, Utah Code Annotated, 1953, as amended.

The State Tax Commission is responsible for the collection of most state revenues and supervises the administration and collection of the local property tax, which provides a large portion of the revenue for the operation of local government in Utah.

In the *Twenty-fourth Biennial Report*, the State Tax Commission announced its intention to divide the Biennial Report in two annual reports. It was believed that in this way we would provide our readers with more current data reflecting the pace of change in tax administration procedures.

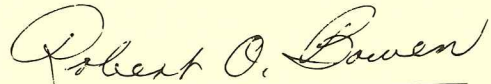
As before, this report provides a summary and account of all taxes administered by the Tax Commission over the past year, as well as a survey of the progress made in all other functions assigned to the Commission. This year the Commission has resumed the inclusion of "recommendations as to such legislation as will correct or eliminate defects in the operations of the tax laws, and will equalize the burden of taxation within the state." For the first time, a new section has been included in which recent legislation and court decisions pertaining to the Tax Commission are reviewed. In addition, our new statistical unit has prepared a report on the economical effects of House Bill 303. Also included are reports on the structural reorganization of the Tax Commission and other activities in which the Commission has recently engaged.

Essentially, the format of the new annual report is based upon the last *Biennial Report*. The Commission continues, however, to seek more useful ways to present the necessary data and information in a manner both attractive and beneficial for the reader.

Sincerely,  
Respectfully submitted,  
STATE TAX COMMISSION




David L. Duncan  
Chairman



Robert O. Bowen  
Commissioner



Douglas F. Sonntag  
Vice-Chairman



Georgia B. Peterson  
Commissioner





# INTRODUCTION

In 1930, the State Constitution was amended to provide for the creation of the Tax Commission and abolish the then existing State Board of Equalization. The new Tax Commission was given responsibility for the collection and administration of major taxes including those previously administered by other agencies as well as functions of the State Board of Equalization.

The Tax Commission is now fast approaching fifty years of age. Its maturity is reflected in the evolution of the taxes it administers towards a broader and more equitable tax base.

For the first two years of its existence, the principal duties of the State Tax Commission consisted of the equalization of property tax, the assessment for property tax purposes of certain classes of property and the administration and collection of the personal income and corporate franchise taxes. On June 26, 1933, the provision of the Revised Statutes of Utah which transferred to the Tax Commission the administration and collection of all other state taxes, became effective. The Commission, under the revised statutes, was called upon to administer income and corporate franchise taxes and to carry out additional duties including: motor vehicle registration, the motor fuel tax, the cigarette stamp tax, the oleomargarine stamp tax, the motor transportation tax, the insurance premium tax, the tax on industrial self-insurers and finally, the inheritance tax.

Over the years, the duties of the Commission have been varied as new taxes were enacted and others repealed. The individual income tax and the franchise and privilege taxes were enacted in 1931. In 1933, the Emergency Revenue Act, more commonly known as the sales tax, became law and in 1937, the use tax was enacted as a supplement to the sales tax.

When the Liquor Control Act was passed in 1935, an excise tax on all beer was included as one of its provisions. The mine occupation tax was enacted in 1937. The occupation tax on mines was extended by the legislature in 1955, to apply to gas and oil wells. Finally, the legislature, in 1959, enacted what is known as a corporation income tax as a companion to the already established corporation franchise tax. Since that time, the legislature has continued to adjust taxation levels to achieve a more equitable distribution.

During the first biennium after the Tax Commission was established, approximately eighty percent of all state expenditures was financed by property taxes. The above account describes the gradual redistribution of the tax burden until the present point in time when figures show that there has been a complete reversal. Property taxes accounted for only \$18,825,706 of the total revenue collected by the Tax Commission in 1932 whereas income and excise taxes accounted for some \$00,000,000 during the 1978-79 fiscal year.

In the wake of the tax revolt (which has been sweeping the nation) the legislature passed a series of tax relief measures during the 1979 legislative session.<sup>1</sup> (Some excise tax reductions were considered but failed.) These measures included SB-186, "Tax Relief for Individuals," (Circuit Breaker) SB-306, "Rate of Assessment" and SB-320 "Excess Revenue Return." (Renter and Home-owner rebate based on property tax.) The excess revenue return or refund law was later challenged by the State Treasurer as being unconstitutional. The District Court ruled the law was unconstitutional but the Utah Supreme Court reversed the decision and ruled that the refund law was constitutional. The estimated impact losses which shall be incurred by this legislation (as shown in Table 00, pp 00) will be \$54,720,000 with administrative costs of \$270,300 and additional losses to local funds of some \$8,500,000. In addition to these relief measures S.B. 345 (School Finance Law) specified a reduction of 4 mills from the mandatory basic program levy of 28 mills. The net tax reduction of this bill was estimated to be \$19 million, bringing the total tax reduction to an estimated \$75,000,000.

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<sup>1</sup>That tax package is reviewed in detail below. See page 40, "Legislative Review."



The legislature also imposed spending limitations on state and local government. (HB-303) This spending ceiling will limit state and local government budgets to eighty-five or ninety percent of the annual percentage change in personal income.

At a seminar sponsored jointly by the Tax Commission,<sup>2</sup> and the Utah Taxpayer's Association Governor Scott M. Matheson made a policy statement on future development in Utah tax law. His major points were that:

1. Any future changes in the state tax structure or new spending curtailments must be made with reference to population growth projections and the new needs that growth will entail. "I think we all have to recognize that we are talking about undermining a tax base whose principal purpose has been to support the educational structure in our state."
2. He will attempt to present a 1980-81 fiscal year budget to the legislature next January which will continue the property tax relief program passed this year and accommodate the removal of the food sales tax. This anticipates the passage of an initiative removing the state food sales tax during part of that fiscal year.
3. If the state sales tax on food is removed by initiative, then there will be tremendous pressure to remove the local option sales tax from food. He has asked his Tax Revision Study Committee to determine how this can be done.<sup>3</sup>
4. He has also referred the possibility of a coal severance tax to that committee.

Governor Matheson advised that we ought to reflect upon the need for tax equity and the needs of the taxpayers for relief in a time of rising inflation and work out sensible modifications of the existing program and sensible statutory tax limitations which will not seriously hamper our state's future.

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<sup>2</sup>See "Utah Taxes Now," p. 29.

<sup>3</sup>See "Governor's Tax Revision Committee," p. 35.

## ORGANIZATIONAL OVERVIEW

The Utah State Tax Commission is headed by a four-member Commission with not more than two members from the same political party. Members are appointed by the governor with the consent of the senate. The commissioners serve a four-year term. The legislature determines their salaries.

The commissioners function in the capacity of the State Board of Equalization wherein they equalize evaluations subject to tax laws. The board may act on its own initiative to correct valuations on property which has been over-assessed, under-assessed or non-assessed. The commissioners also act as a board of appeals to hear appeals from decisions of county boards of equalization.

The commissioners perform a quasi-judicial function in matters involving any of the taxes administered by it. A taxpayer may initiate proceedings which can result in either an informal or formal hearing before the Commission.

Finally, the commissioners are the executive directors of the entire Tax Commission — a department which consists of eleven separate divisions employing a total of some six hundred employees. As such, they may formulate policy and promulgate rules and regulations to assist the various divisions of the Tax Commission in effectively interpreting the laws they are charged with administering.



FIGURE A

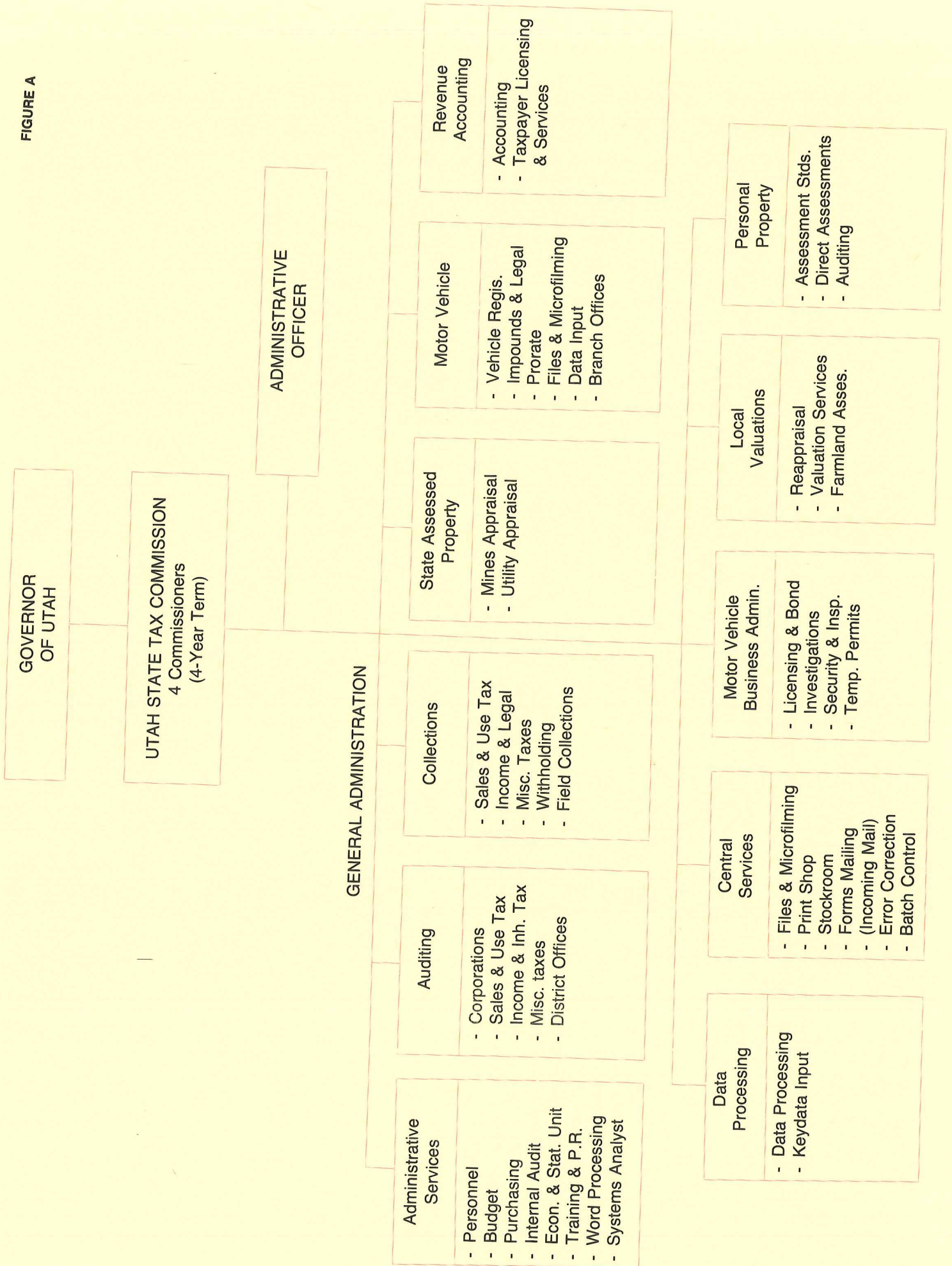
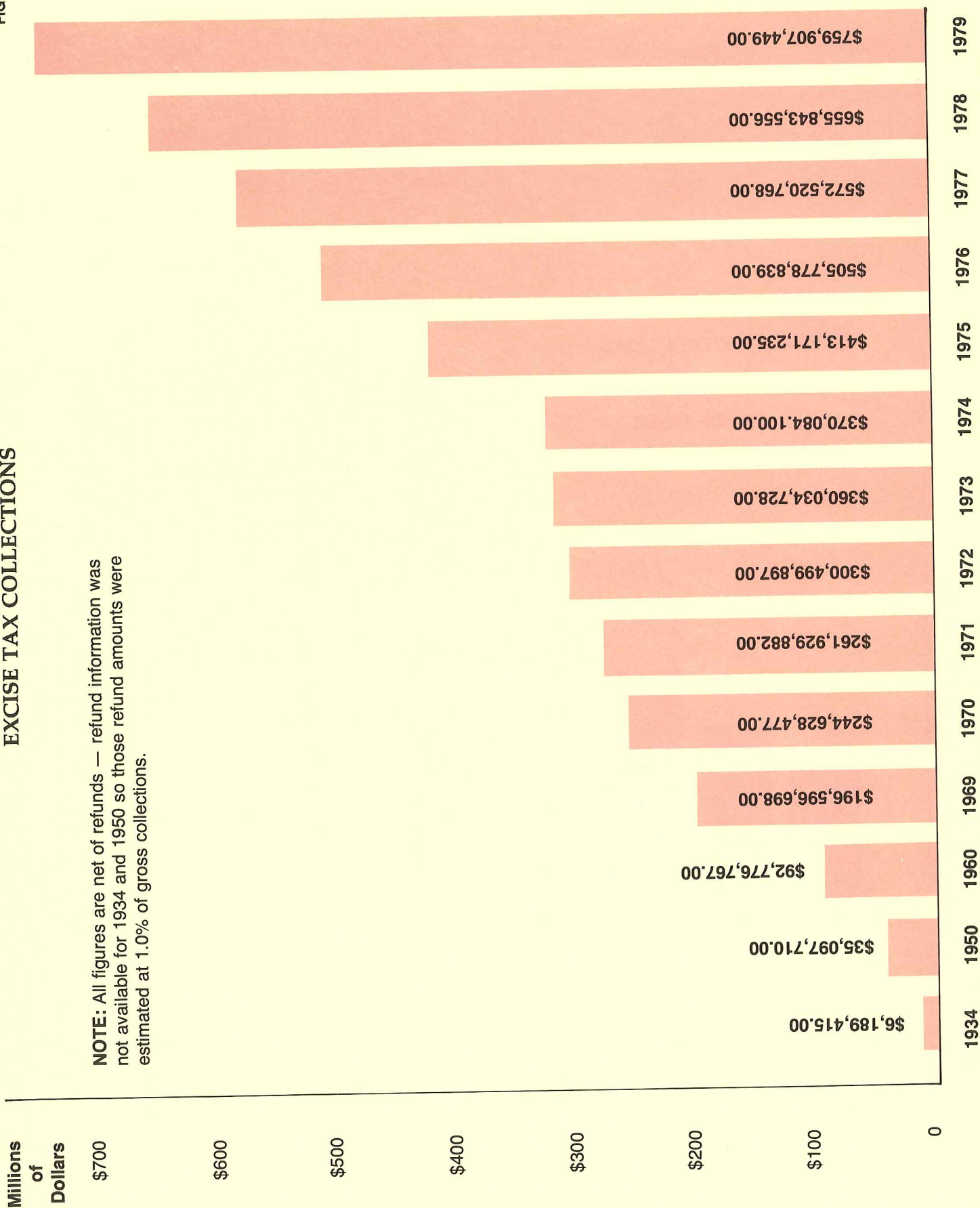


FIGURE B

# EXCISE TAX COLLECTIONS

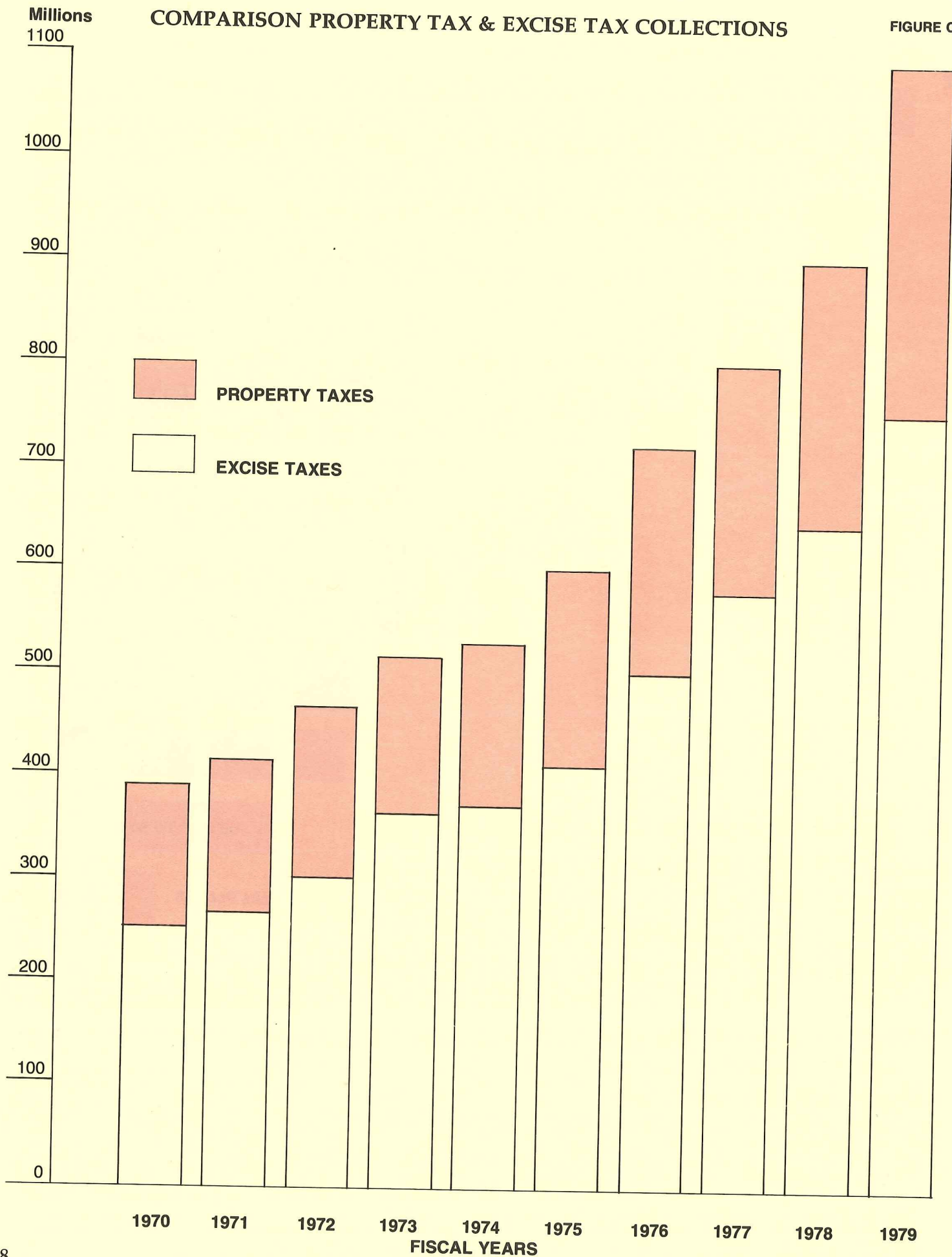
**NOTE:** All figures are net of refunds — refund information was not available for 1934 and 1950 so those refund amounts were estimated at 1.0% of gross collections.





# COMPARISON PROPERTY TAX & EXCISE TAX COLLECTIONS

FIGURE C



# REVENUE ACCOUNTING

The Revenue Accounting Division of the State Tax Commission has three major functions:

1. Receives and receipts for all revenues collected
2. Establishes appropriate accounting records
3. Taxpayer service and licensing function.

Other functions of the Revenue Accounting Division include the responsibility for safekeeping of certain surety bonds as well as negotiable instruments and other securities deposited by taxpayers. The maintaining of a Tax Commission revolving fund which is used for change funds in the various district offices, a petty cash fund and a travel advance fund are responsibilities of Revenue Accounting. Control of cigarette stamps is another important function of this Division.

Figure D (pie charts) illustrates the greatest source of revenue for each fund. These figures represent only taxes collected by the Tax Commission and do not indicate total state revenue in each fund.



# TAXES AND COLLECTIONS BY TAX COMMISSION

Showing funds and percentage  
each tax contributes.  
Fiscal Year — 1979

FIGURE D

## UNIFORM SCHOOL FUND

Drivers Education  
Tax — .55%  
School Lunch  
Fund — 1.39%



## GENERAL FUND



These figures represent  
only taxes collected  
by the Tax Commission  
and do not indicate  
total State revenue  
in each Fund.

## TRANSPORTATION FUND

Motor Vehicle Registration  
Fund — 11.64%

Special Fuel  
Tax — 11.10%

Temporary  
Permit Fees — .88%

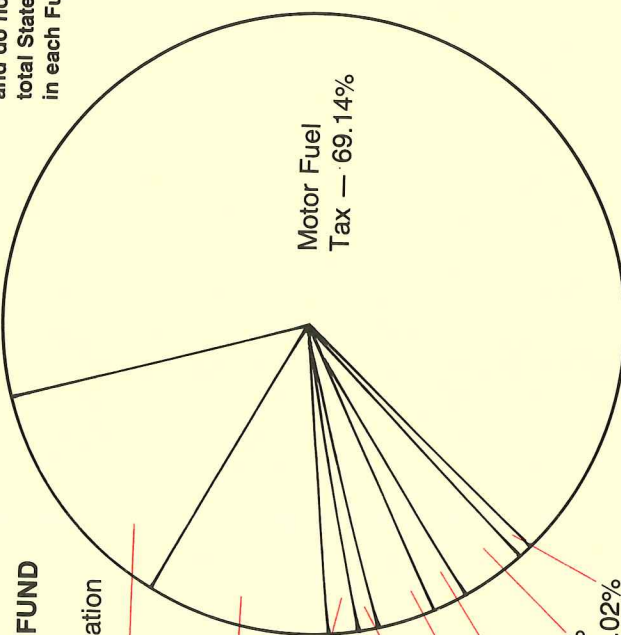
Motor Vehicle  
Control Fees — .58%

Proportional  
Reg. Fees — 2.52%

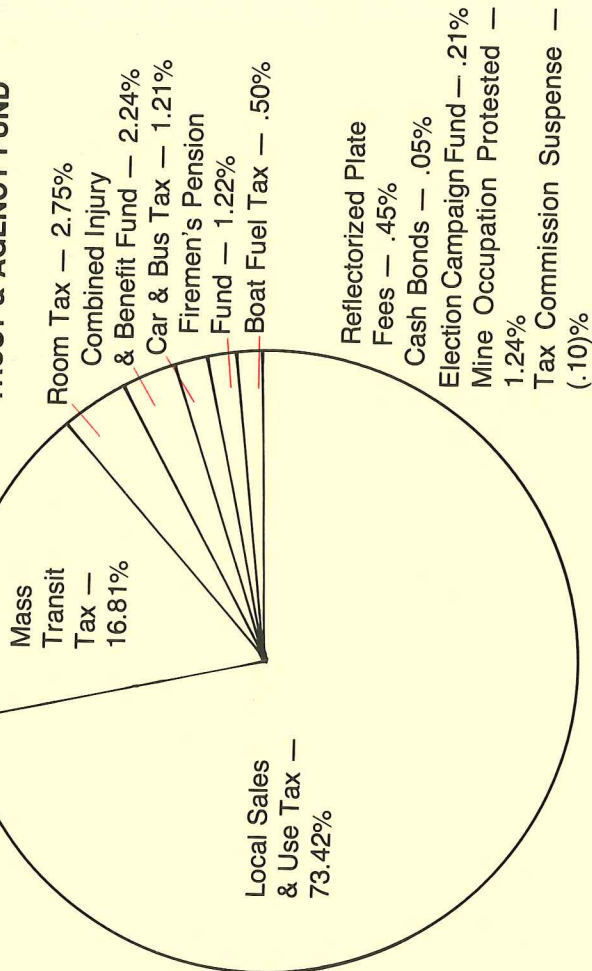
Highway Use  
Tax — 1.29%

Aviation Fuel  
Tax — 2.83%

Studded Tire Fees — .02%



## TRUST & AGENCY FUND



# STATE ASSESSED PROPERTY

The State Tax Commission is responsible for assessing several categories of property which cross county and state boundaries. These properties include airlines, bus lines, car companies, gas distribution companies, pipeline companies, power companies, railroad companies, terminal companies, water companies, mining companies and oil and gas companies.

Assessment of these are determined annually by the State Tax Commission. The assessed value of Utah properties are apportioned to the taxing districts.

Table 7 represents the total assessed value, both properties assessed by the State Tax Commission and by the local county assessors for the state for 1977 and 1978. Assessed value state-wide increased 40.26% from \$3,370,965,566 assessed value to \$4,728,002,188 assessed value in one year. While the assessed value increased 40.26%, taxes increased 16.81% as shown on Table 8. This was a result of the mill levy decreasing on the average state-wide. The largest percentage increase of locally assessed properties was commercial and industrial real estate which increased 76.5% and residential real estate which increased 65.90%. The largest percentage increase of State Assessed Property was attributable to non-metalliferous (coal and gilsonite) which increased 37.11%

Figure E graphically shows the percentage of assessed value attributed to all classes of property. In 1978 the percentage of residential real estate and buildings increased while other categories remained the same or decreased.

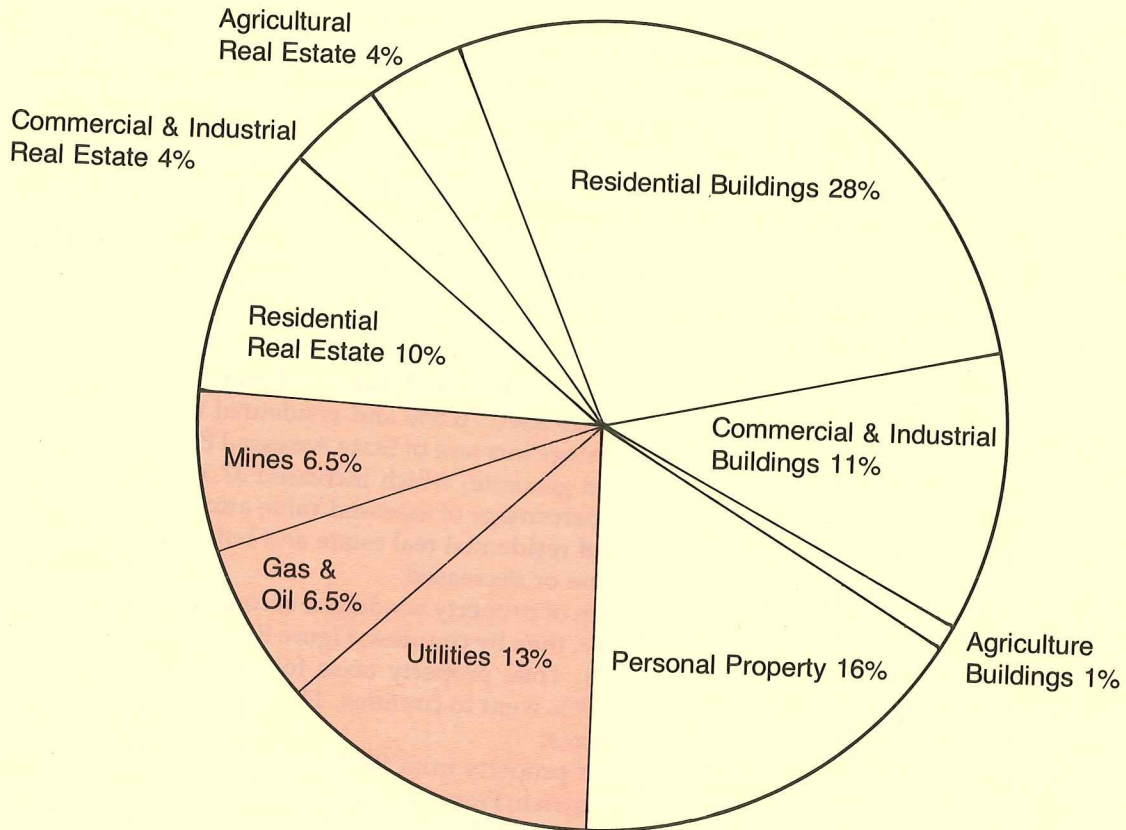
Table 9 compares the distribution of property tax dollars according to purpose for 1977 and 1978 — first for the whole state, then by counties. Figure F graphically represents the property tax distribution for 1978. Total property taxes for 1978 were \$309,662,936 of which 61.5% went to schools, 18.9% went to counties, 11.6% went to cities and towns, and .1% were special livestock taxes.

Property taxes from all classes of property from 1969 to 1978 increased 2.14 times from \$144,473,414 to \$309,668,926 as shown in Figure G. Assessed value of properties assessed by the State Tax Commission increased during the same period from \$522,391,605 to \$951,580,734 as shown in Figure H.

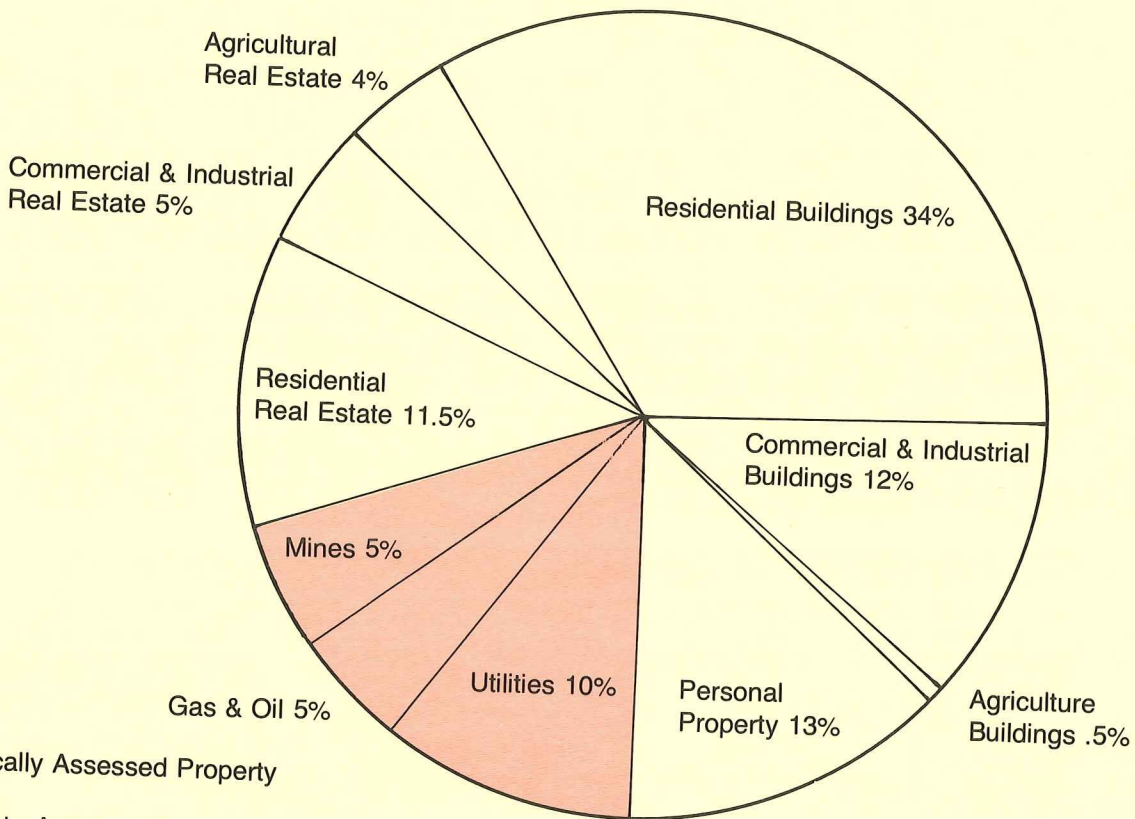


# **ASSESSED VALUE OF ALL CLASSES OF PROPERTY FOR 1977 AND 1978**

**FIGURE E**



**1977 Total Assessed Value \$3,700,965,566**



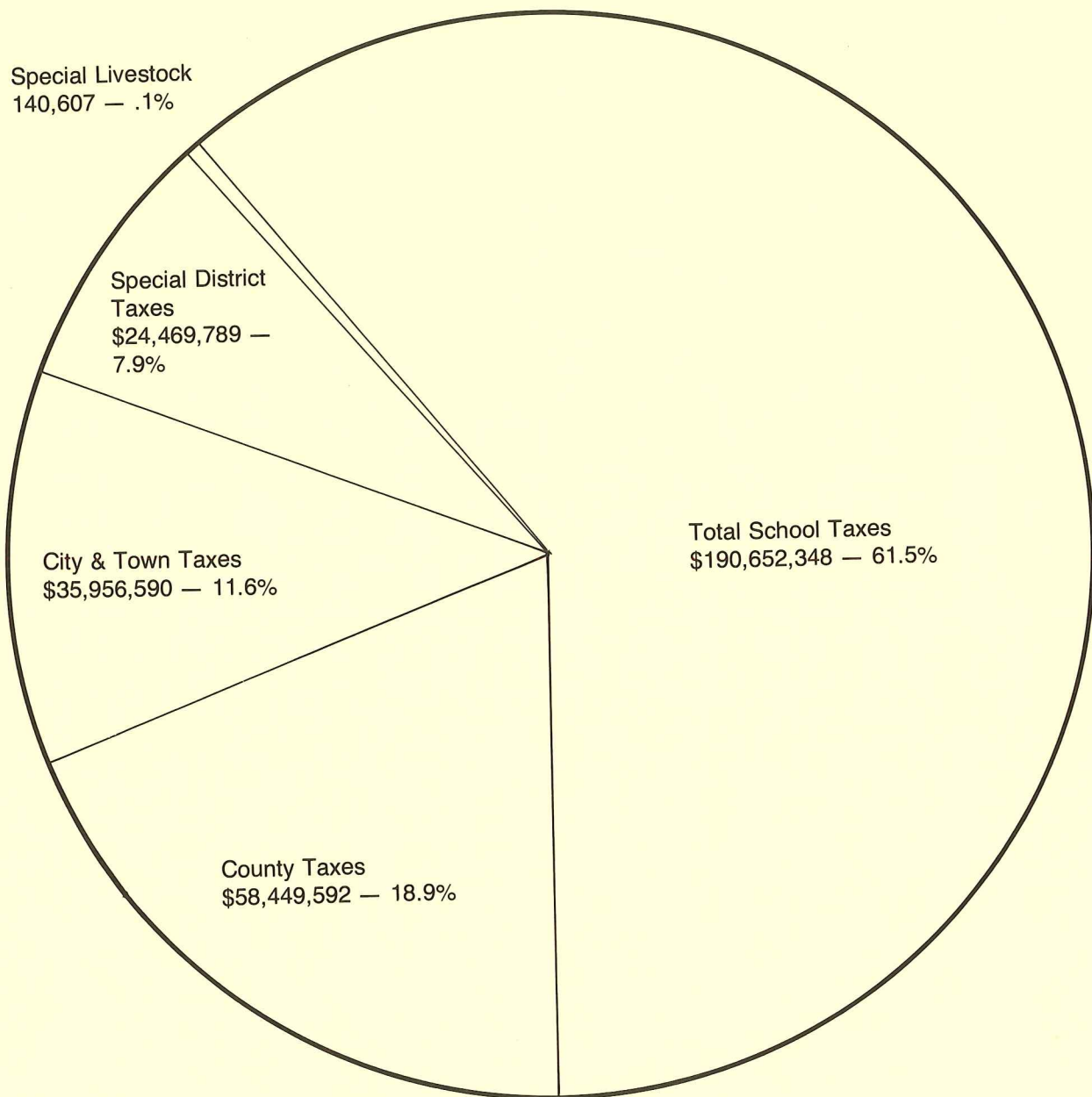
**1978 Total Assessed Value \$4,728,002,188  
40.26% Increase over 1977**

□ Locally Assessed Property

■ State Assessed Property

# PROPERTY TAX DISTRIBUTION FOR 1978

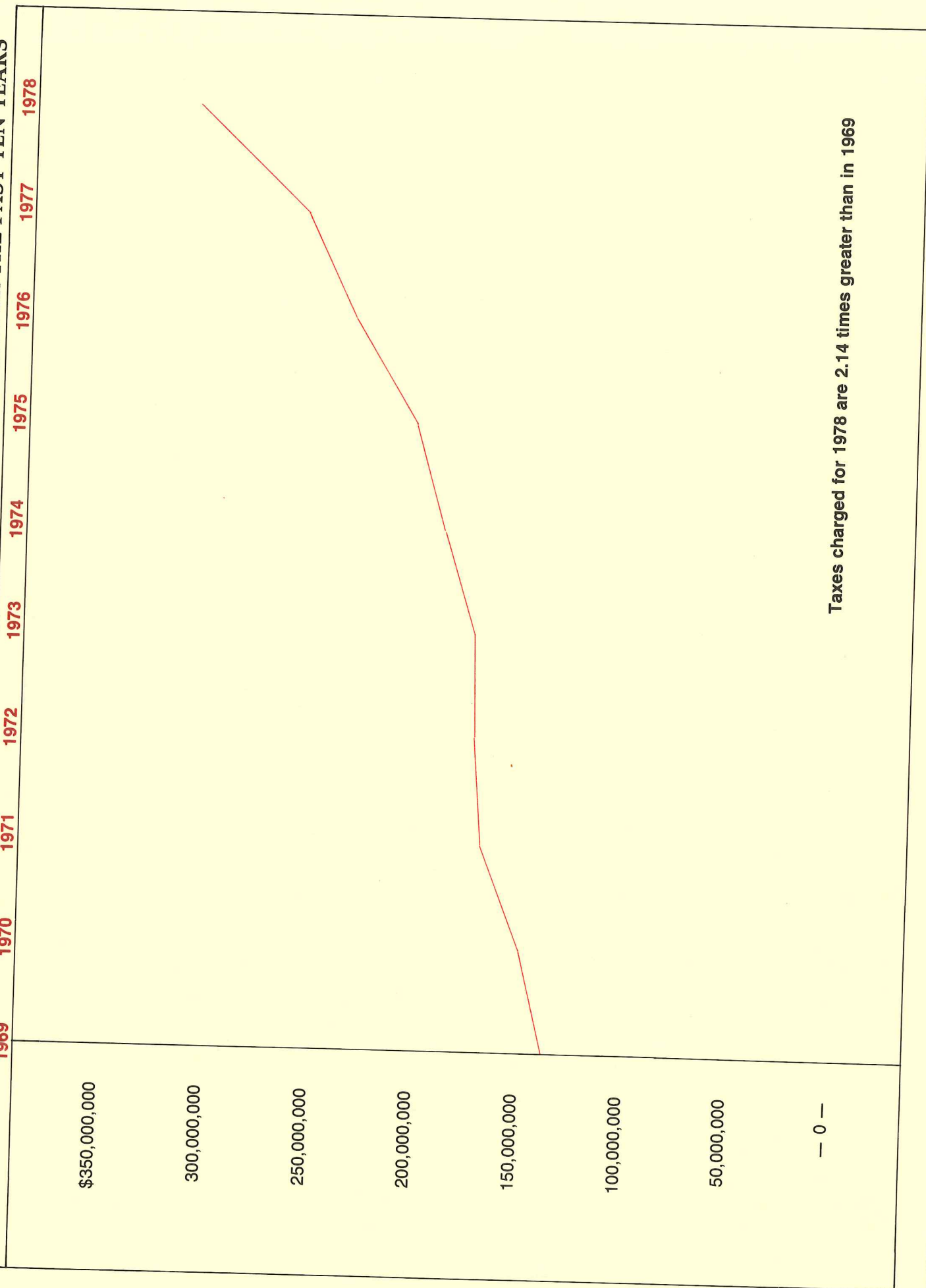
FIGURE F



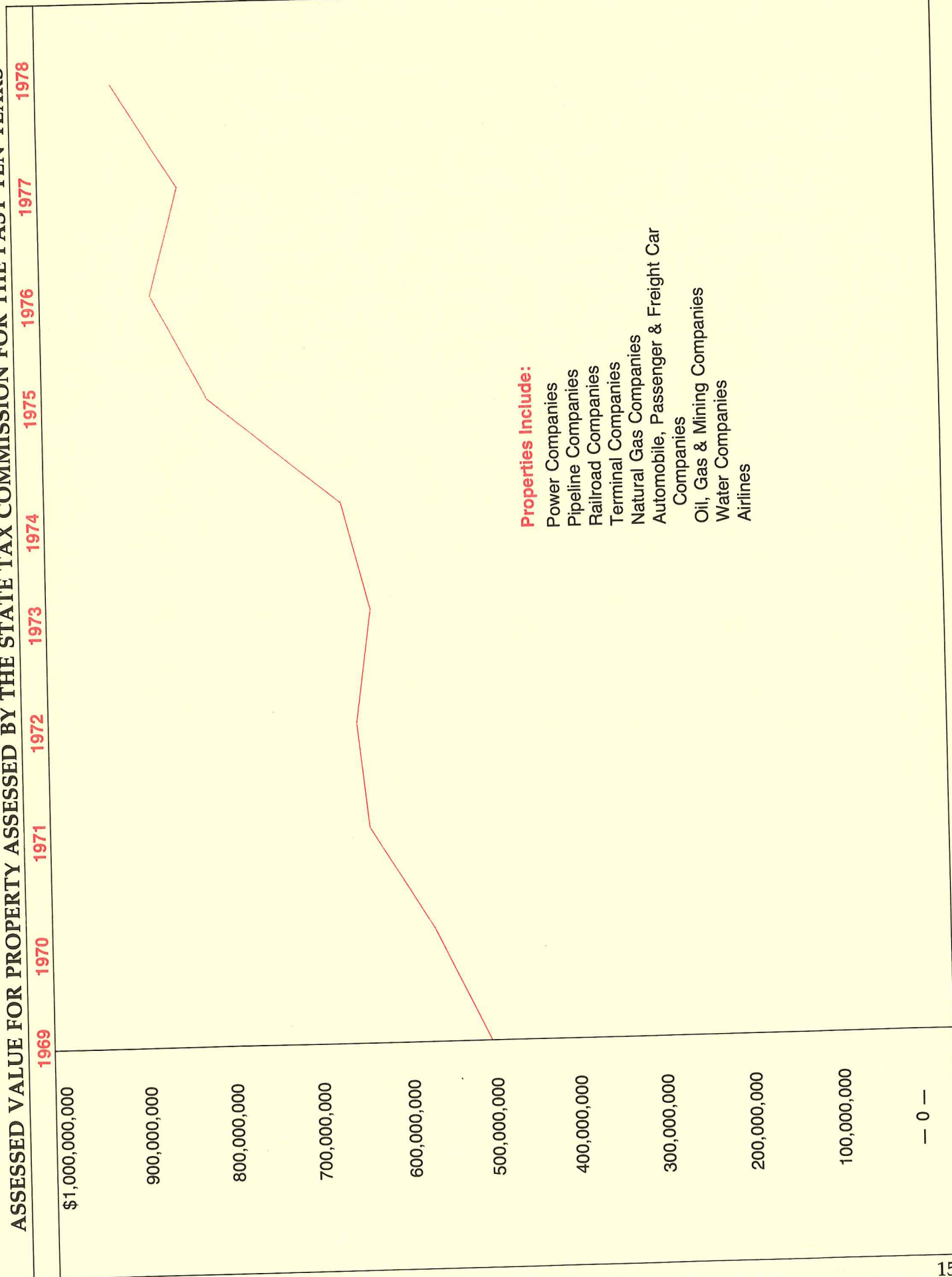
Total Property Taxes — 309,662,926



**FIGURE G**  
**TOTAL PROPERTY TAXES CHARGED ON ALL CLASSES OF PROPERTY IN THE STATE FOR THE PAST TEN YEARS**



# ASSESSED VALUE FOR PROPERTY ASSESSED BY THE STATE TAX COMMISSION FOR THE PAST TEN YEARS





# LOCAL VALUATION

During the first revaluation cycle, local valuation division prepared the groundwork which will enable more timely revaluation in subsequent cycles. County plats have been standardized statewide. Properties have been inventoried and assigned unique identification numbers. Problems have been identified and corrected in antiquated and/or defective legal descriptions. All farmland has undergone an initial classification. A computer assisted appraisal system (CAAS) has been developed and refined.

Local valuation division continues to emphasize automated techniques to assist in meeting constitutional and statutory requirements at the lowest possible cost. CAAS was designed to enhance the productivity of the revaluation and maintenance programs. CAAS will substantially reduce revaluation cycles when all data are stored in computer files. Maintenance of prescribed assessment levels between cycles will also be simplified while maintaining equitable assessments. At the end of the reporting period 54.7% of properties in the State of Utah are on CAAS (see Figure I, conversion to refined CAAS). When the records of all counties are on CAAS, the major role of local valuation division will change transition from revaluation to providing county maintenance, technical assistance, and the establishment of standards as needed.

Contracts for the second revaluation cycle have been signed with Garfield, Wayne, Wasatch, Duchesne, and Summit counties. In addition, preappraisal work currently has been completed in Garfield, Wayne, and Summit counties, and is underway in Duchesne, and Kane counties (see Figure J, Work in Process Cycle II).

In addition, this report includes (1) a reprint of the overall statewide assessment levels as published in the 1978 Sales-Ratio Study (see Figure K, Assessment Levels — Counties Overall); (2) the acreage which will be reviewed during fiscal 1979-80 (see Figure L, Review of Land Classification); (3) a summary of appraisal and technical assistance to counties during this reporting period (see Figure M, Assistance to Counties).

The following is the order of revaluation for Cycle II, as determined by the 1977 Assessment-Sales Analysis:

## CYCLE II ORDER OF REVALUATION

COUNTY	ASSESSMENT LEVEL	COUNTY	ASSESSMENT LEVEL
Garfield	8.24	Tooele	14.06
Wayne	8.29	Weber	14.29
Wasatch	8.44	Cache	14.80
Duchesne	8.46	San Juan	15.06
Kane	9.80	Grand	15.58
Summit	9.98	Davis	15.86
Morgan	10.11	Piute	16.03
Emery	10.15	Iron	16.97
Daggett	10.68	Utah	18.45
Rich	10.83	Juab	18.95
Uintah	10.93	Salt Lake	20.00*
Millard	12.59	Carbon	20.00*
Washington	12.96	Sanpete	20.00*
Beaver	13.20	Sevier	20.00*
Box Elder	13.53		

\*Revaluation was recently completed, and assessment-sales ratio is estimated at 20%. New ratios will be published in the 1979 study.

FIGURE I

## CONVERSION TO REFINED CAAS

County	St. Units	% of Total	Completed During
Salt Lake	328,600	33.2	1978
Carbon	29,600	3.0	1979
Sanpete	35,100	3.5	1979
Sevier	37,800	3.8	1979
Garfield	5,100	0.5	1979
Wayne	2,000	0.2	1979
Kane	7,400	0.7	1979
Summit	13,000	1.3	1979
Morgan	3,700	0.4	1979
Wasatch	8,600	0.9	1980
Duchesne	13,700	1.4	1980
Emery	8,100	0.8	1980
Daggett	2,500	0.3	1980
Rich	3,400	0.3	1980
Uintah	13,700	1.4	1980
Millard	10,300	1.0	1980
Washington	22,900	2.3	1980
Beaver	4,800	0.5	1980
Box Elder	25,200	2.5	1980
Tooele	13,200	1.3	1980
Weber	99,600	10.1	1981
Cache	86,300	8.7	1981
San Juan	5,900	0.6	1981
Grand	5,400	0.5	1981
Davis	71,100	7.2	1982
Piute	2,200	0.2	1982
Iron	15,000	1.5	1982
Juab	6,500	0.7	1982
Utah	110,800	11.2	1982
TOTAL	991,500	100.0	

**WORK IN PROGRESS CYCLE II**  
**6-30-79**

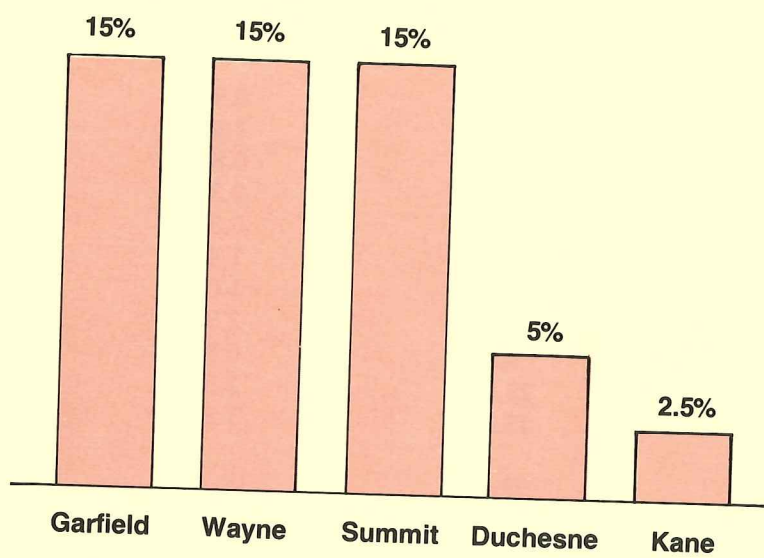
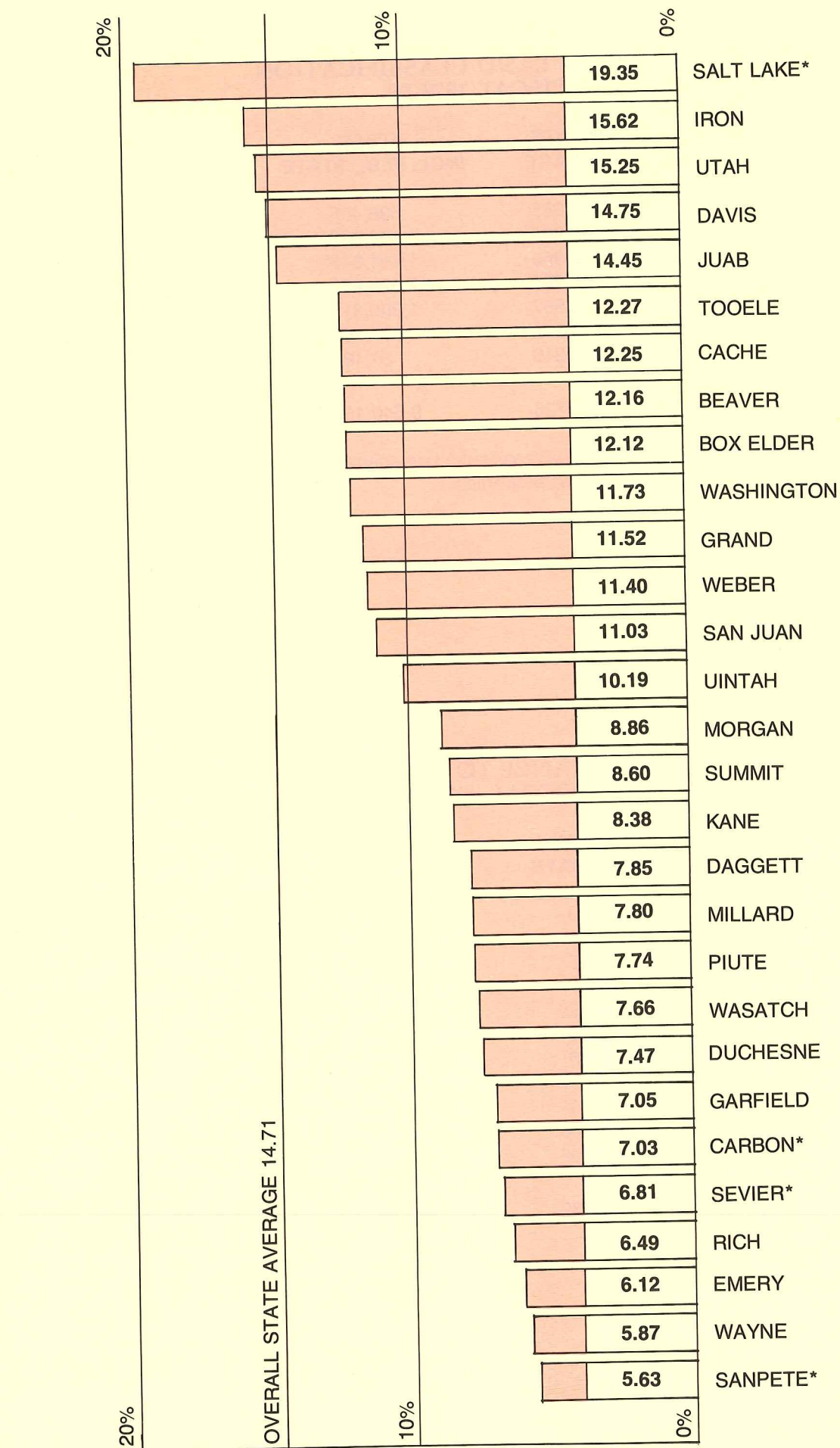




FIGURE K

ASSESSMENT LEVELS — COUNTIES OVERALL  
1978



\*Revaluation underway or pending at the time of this study.

FIGURE L

### REVIEW OF LAND CLASSIFICATION FISCAL 1979-80

COUNTY	PRIVATE ACREAGE	OTHER INCL. FED., STATE	TOTAL
Summit	652,255	536,405	1,188,660
Garfield	132,337	3,186,063	3,318,400
Wayne	99,965	1,491,075	1,591,040
Kane	145,288	2,424,952	2,570,240
Duchesne	783,587	1,300,313	2,083,900
Wasatch	252,078	570,162	822,240
Morgan	359,216	31,184	390,400
TOTAL	2,424,726	9,540,154	11,964,880

In addition, it is anticipated that Land Classification personnel will review 16,000 properties and conduct 1,000 audits on specific properties.

FIGURE M

### ASSISTANCE TO COUNTIES FISCAL 1978-79

COUNTY	TOTAL MAN/DAYS	TOTAL COST	COUNTY PORTIONS
Beaver	15.0	\$ 2,250.00	\$ 675.00
Emery	4.0	600.00	180.00
Iron	79.5	11,925.00	3,577.50
Kane	33.5	5,025.00	1,507.50
Millard	20.38	3,057.00	917.10
Morgan	1.0	150.00	45.00
Rich	15.5	2,325.00	697.50
San Juan	34.75	5,212.50	1,563.75
Summit	4.0	600.00	180.00
Utah	175.88	26,382.00	7,914.60
Wasatch	16.38	2,457.00	737.10
TOTAL:	399.89	\$59,983.50	\$17,995.05

## PERSONAL PROPERTY

The State Tax Commission is required to appraise or audit twenty percent of all auditable, personal property accounts in each county each year. Such audit results are reported to the county assessors for placement on the assessment rolls. The program is conducted on a cyclical five-year basis thus providing complete audit coverage of all personal accounts every five years.

The Personal Property Division was originally set up within the framework of the Local Valuation Division to insure that all tangible personal property was placed on the tax rolls. However, for fiscal year 1971-1972 and thereafter, the Tax Commission has defined this as a separate division responsible for all personal property functions of the Commission.

The ad valorem tax on merchandise inventory was phased out over a three-year period and was completed on January 1, 1973, with a total assessed valuation loss from inventory calculated at approximately \$57,000,000. Concentration on all other personal property during the phase-out period resulted in equal offsetting amounts of \$52,154,800. The cost of administering the program is shared by the counties. Close liaison is being maintained with local county officials to insure that audit results are reflected in the tax records.

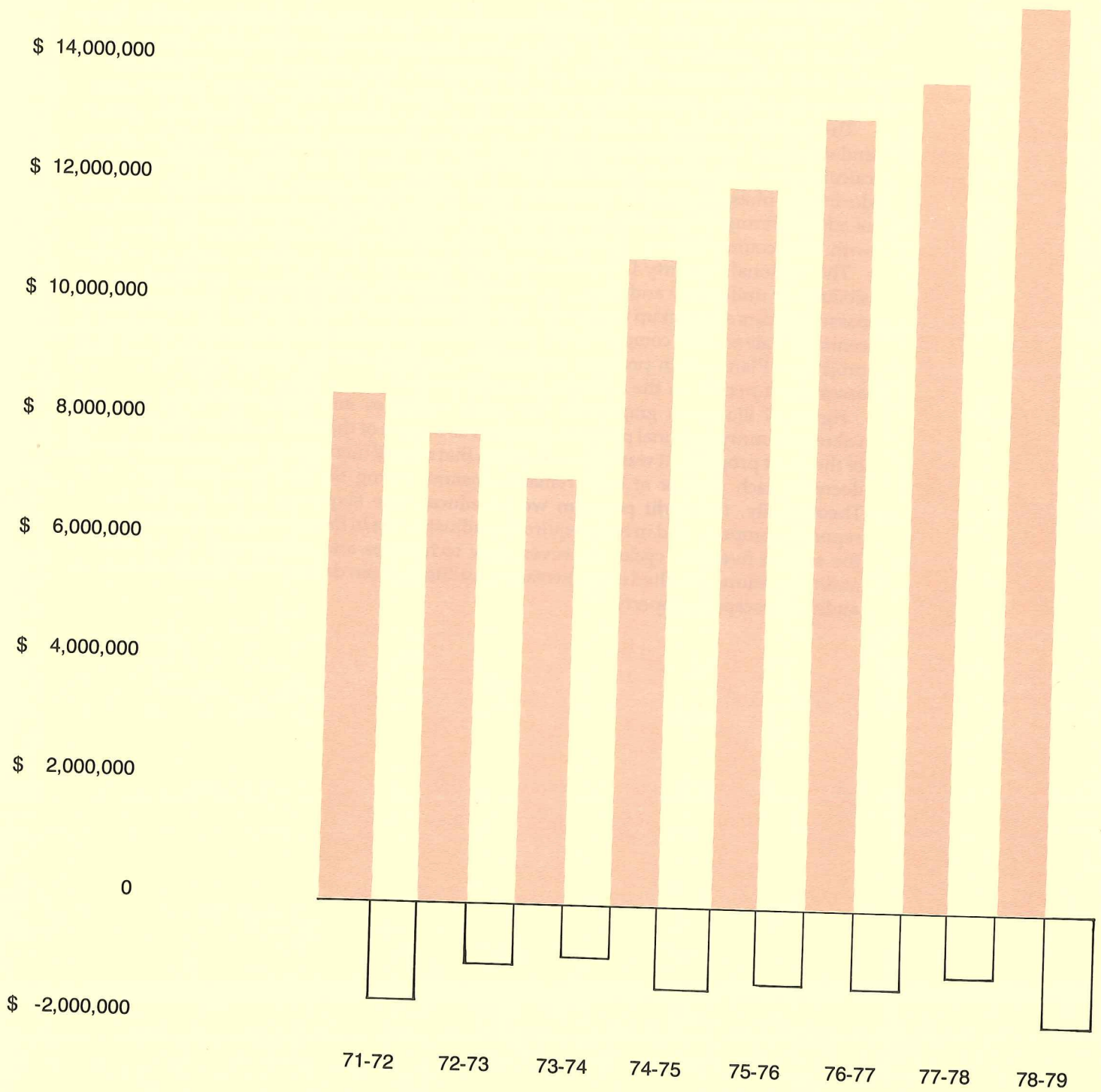
The Personal Property Division is employing automation to help to meet its responsibilities of uniformity and equity in the assessment of personal property. Currently, all passenger cars and pickup trucks are centrally valued with the computer. The division has centrally valued and computerized the truck campers for the twenty-nine counties as projected. Plans are in progress to initiate valuing recreation vehicles during the 1980 assessment period on the same basis as campers.

Figure N illustrates graphically the yearly increases and decreases in the assessed values of county personal property accounts as a result of the state audit. At the beginning of the audit program, it was the assumption that overall increases in assessed value would decrease each year or at least remain constant during the first five-year audit cycle. Theoretically, the audit program would educate the taxpayers to the proper way of reporting property and in turn require less adjustments in the reported assessed values on the second five-year cycle. However, new techniques and refinements in the existing audit procedures resulted in an increase in audits per man day and substantial increases in audits of escaped property.



FIGURE N

# AUDIT RESULTS REPRESENTING 20 PERCENT OF PERSONAL PROPERTY ACCOUNTS IN EACH COUNTY



Line indicates assessments prior to audits  
 Black bars indicate increases in assessments as a result of audits  
 White bars indicate decreases in assessments as a result of audits

# AUDITING

The Auditing Division has the responsibility for auditing and determining the correct tax liability for all excise tax returns filed with the Tax Commission. The taxes involved are sales and use, local sales and use, transit authority, transient room, individual income, employer's withholding, corporation franchise, corporation income, motor fuel, special fuel, cigarette and tobacco, inheritance, insurance premium, selfinsurers, beer and public utility regulation fee.

In addition to the auditing function, the division has much of the responsibility for general administration of the excise tax laws such as drafting tax reporting forms and instructions, assembling mailing lists of potential taxpayers and preparing proposed changes in regulations and statutes. The Auditing Division has also been assigned a large share of the responsibility for administration of the property tax relief measures adopted by the legislature in recent years.

Figure O indicates that in 1979 over \$13.1 million was recovered as a result of the audit program. This figure has grown steadily over the past ten years from an approximate \$3.9 million in 1970.

There are many and varied reasons for tax deficiencies discovered through the audit program. These range from simple mathematical errors to the deliberate misstatement of pertinent facts. The majority of errors, however, arise from a misunderstanding of the law rather than deliberate evasion.

The most common errors found on income tax returns relate to the federal income tax deduction and misunderstanding of how to treat the various federal tax credits. Other errors arise from taxpayers using incorrect tax tables or tax rate schedules and claiming an incorrect amount for the standard deduction. In the sales tax area, many deficiencies arise from a misinterpretation of the exemption provisions of the law. Many use tax deficiencies are assessed covering taxes due on purchases made from out of state vendors. It is the purchaser's responsibility to report the tax on these purchases when the property is to be used in Utah. Also many times there is a misunderstanding of what is personal and what is real property and how the sales tax law affects each of these classes.

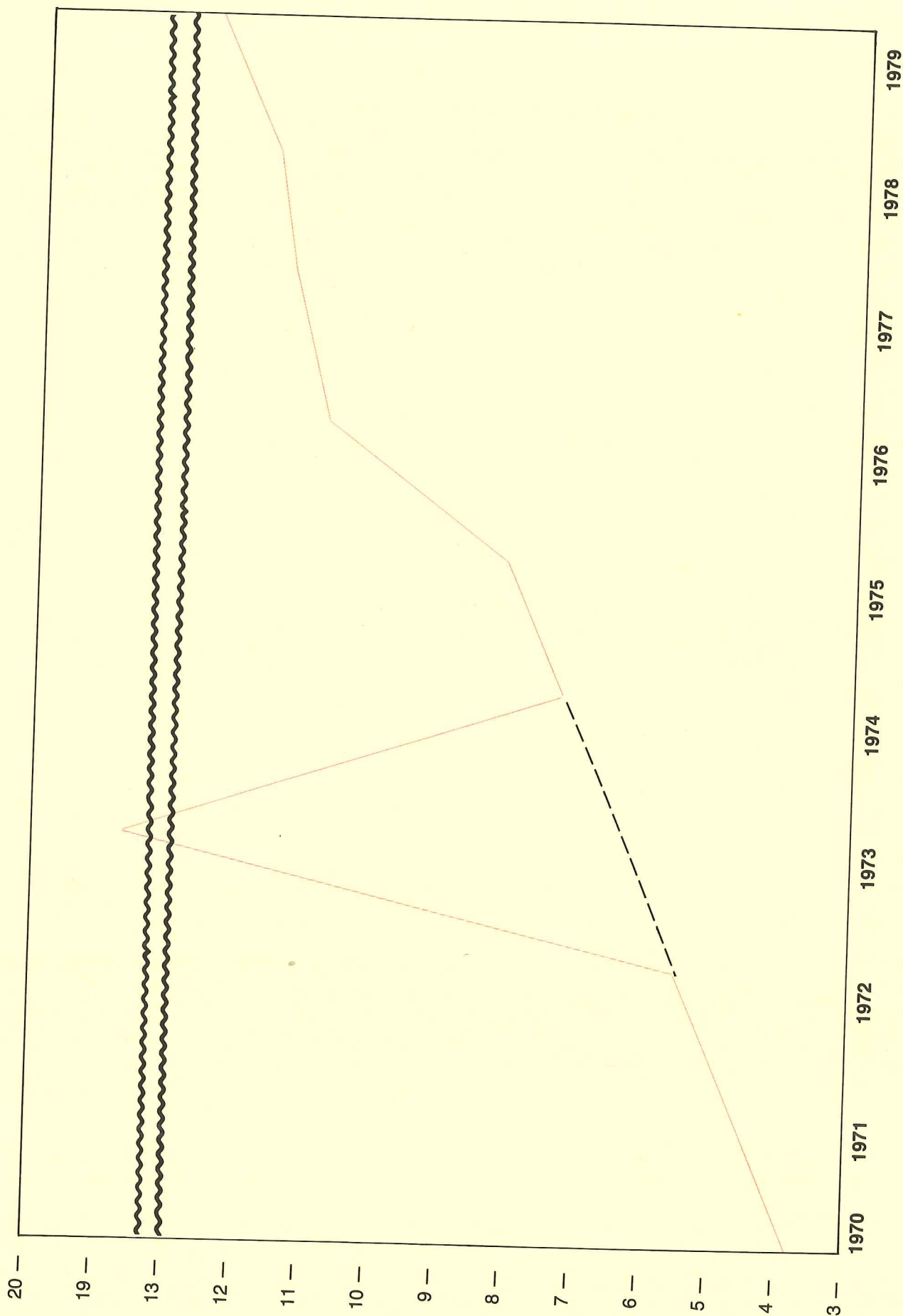
During fiscal year 1978-79, fifteen out-of-state audit trips disclosed approximately \$925,000 in unreported sales and use tax liability together with \$760,000 in corporation franchise tax deficiencies. These out-of-state trips are necessary in view of the fact that many of the multi-state firms doing business in Utah maintain their books and records at their out-of-state corporate headquarters.

Appendix A, Table 10, Audit of Excise Tax Returns, details a ten year period of deficiency assessments on the excise taxes administered by the Tax Commission.

Millions  
of  
Dollars

# AUDIT OF EXCISE TAX RETURNS TEN YEAR HISTORY

FIGURE O



NOTE: In 1973 an unusual audit was made. If eliminated, the dashed line would result.



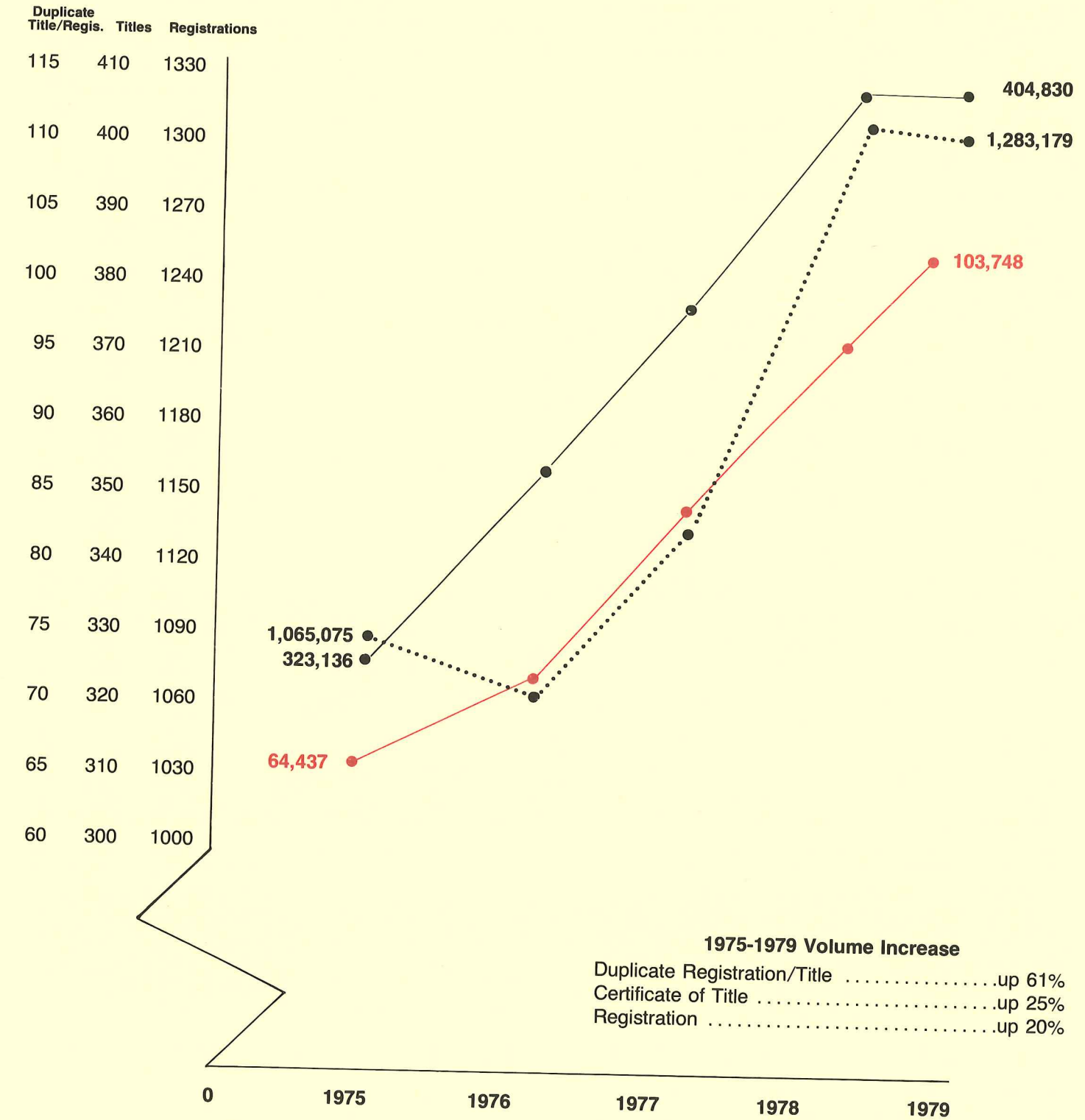
## MOTOR VEHICLE

The Motor Vehicle Division is assigned to administer the provision of the motor vehicle statutes. This division is in charge of the licensing and titling of all vehicles operated on Utah highways and the maintenance of files, records and microfilm instruments evidencing loans or encumbrances on motor vehicles.

Motor Vehicle proportionally licenses and registers interstate commercial vehicles. Other duties include: processing and disposing of impounded vehicles by auction sale, placing orders for license plates, correlating the non-resident student permit program with colleges of the state, answering subpoenas in court cases, furnishing certified copies of registration and title documents, and computing and collecting sales tax on sale of vehicles between individuals.

The activity in the Motor Vehicle Division is indicated by the volume of documents represented in Figure P.

## TRANSACTIONS PROCESSED BY THE MOTOR VEHICLE DIVISION



Red — Duplicate Titles and Duplicate Registration (in thousands)  
 Black — Certificate of Title (in thousands)  
 Black - - - Registration (in thousands)

# MOTOR VEHICLE BUSINESS ADMINISTRATION

The Motor Vehicle Business Administration is charged with the responsibility of licensing and regulating of all persons, firms or corporations who are involved in the manufacturing, distributing, sales, dismantling for salvage, all motor vehicles of a type subject to registration under the provisions of the Motor Vehicle Act.

The Motor Vehicle Business Administration works closely with the law enforcement agencies and county attorneys in helping to enforce the Motor Vehicle laws. This division's investigatory activities include: inspections of places of business, peace officer inspections, impounded vehicle identification number (VIN) verifications, impounded vehicle sales, consumer complaints, auto theft, fraud and enforces provisions of the Motor Vehicle Act. Businesses regulated through this division include: new and used car dealers, trailer dealers, motorcycle dealers, transporters, wreckers or dismantlers of motor vehicles, manufacturers, distributors and representatives. Permits issued include: intransit, temporary, junk and dismantling. Special plates (dealers, wrecker, transporter and manufacturer) are issued through this division.

Since the department was organized in 1949 the licensing fees for the motor vehicle industry have remained the same. Until approximately five years ago the operation of the Motor Vehicle Business Administration was funded fully from the licensing and permit fees received from the industry.

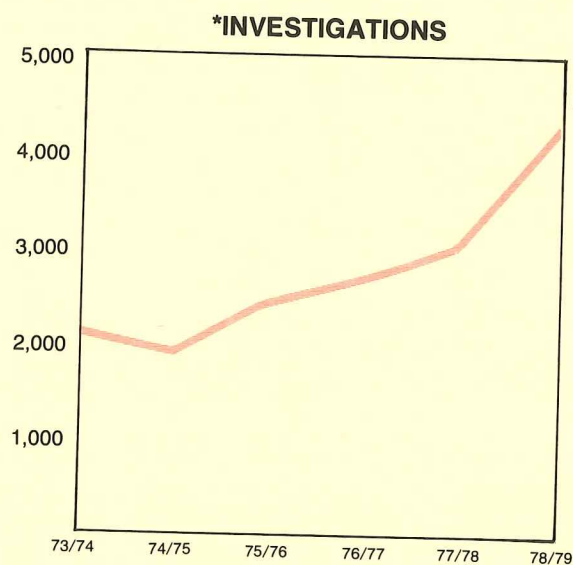
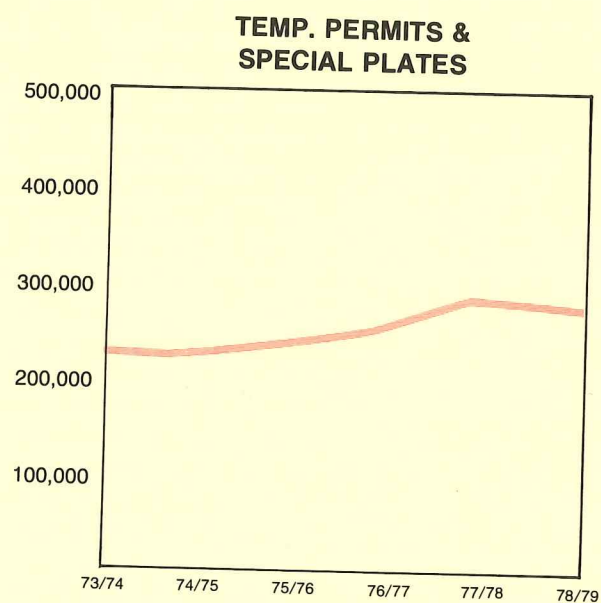
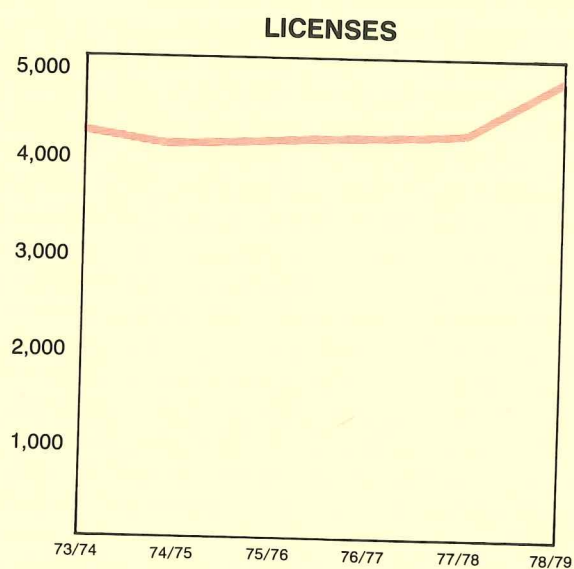
Due to the inflationary trend and the additional responsibilities delegated to this division the present fee schedule is inadequate. These facts will be brought to the attention of the legislature for appropriate action. This industry should be self supporting in their regulation which was originally proposed by the industry itself in 1949.

Other legislation is needed to resolve problems which have arisen in the motor vehicle salvage operation. It is suggested that some of the larger salvage operators, including crushers, shredders, etc., be required to post a bond sufficient to protect the public against loss through illegal disposal of possible stolen vehicles.

Amended legislation is also needed regarding use and control of special plates.



FIGURE Q



\*Total Investigations For Fiscal 78/79 Includes, "Impounded V.I.N. Verifications", Which Were Not Included In The Investigations Totals Of Prior Years.

## UTAH TAXES NOW

This year, the State Tax Commission, in conjunction with the Utah Taxpayer's Association, created a new forum which it hopes to see pass into tradition. On Tuesday, May 22, 1979, these two organizations jointly sponsored a comprehensive seminar entitled "Utah Taxes Now" which was designed to familiarize taxpayers and government officials with tax and related legislation passed by the 1979 session of the Utah Legislature.

The seminar was a day-long affair drawing upon the expertise of numerous dignitaries of Utah state and local government and the private sector. David L. Duncan, Chairman of the State Tax Commission and Vaun Cox, Vice-President of the Utah Taxpayers Association, presided with Commissioner Bowen conducting. Mike Monson, Weber County Assessor, gave the keynote speech. The Honorable Scott M. Matheson, Governor of Utah, spoke at the seminar luncheon. Commissioners Georgia B. Peterson, Robert O. Bowen, and Douglas F. Sonntag moderated three panels discussing respectively in "1979 Utah Tax Laws — Governmental Implementation," "Effects of 1979 Legislation on Schools" and "Business, Industry and the Taxpayer."

It is hoped that through cooperative efforts like this one, the Tax Commission will develop a symbiotic relationship with the taxpayers it serves.

# A NEW TAX MANAGEMENT SYSTEM

The 1978 Legislature appropriated \$405,000 for the purchase of a new validation machines used in the Accounting Revenue Division. The commissioners observed that mere replacement of the antiquated machines was not enough. It became obvious that the entire organization needed to be scrutinized to determine how it might be made more efficient. The new validation machines were obtained for \$210,000. The commissioners then used the remaining portion of the appropriation to bring in Deloitte, Haskins and Sells for consultation on the matter. Haskins and Sells isolated a series of problems which the Tax Commission faces in performing their duties.

1. An expanded population has caused significant growth in numbers of tax returns and registrations.
2. Greater demands for information and increased complexity of tax laws have heightened the need for improved records and access to Tax Commission information.
3. Internal control problems have developed as operations have grown over the years.
4. Improved data processing technology has become available to assist in dealing with the difficulty of expanded operations, but processing methods have not been comprehensively developed or consistently applied to the operations of the various divisions.

By coordinating systems and procedures development for the entire organization, the Tax Commission may better cope with each of the four problems listed.

Haskins and Sells has developed a six-phase program to achieve this end. The first phase was the creation of a conceptual design from which a preliminary evaluation could be made of the project.

At this point, it was noted that a natural separation of functions exists between the three major activities of tax administration and revenue collection, motor vehicle registration and property assessments. For maximum efficiency, separate systems should be developed for each of these activities. This observation served as the skeletal framework for the conceptual design.

After a long series of suggestions and modifications, a plan for computerization was reached which the Commission was able to adopt in full. Thus, Phase II and III commenced immediately.

Phase II and Phase III overlap somewhat. The former ranged in time from the end of March through the end of June. The latter phase was started in January of this year and shall be completed in December according to projected time estimates.

Phase II involves two immediate improvements: the installation of the recommended accounting and operating concepts for revenue collection on an interim basis and the installation of the revised accounting control procedures for the Division of Motor Vehicles.

Phase III comprises the implementation of several supplemental projects which meet problems that have been identified during the interim period. These projects are designed to achieve one or both of the following objectives:

1. Solve existing problems such as replacement of validation machines and improvement of operating efficiency.
2. Realize interim benefits such as improved cash flow with increased interest income to the State, and increased clerical efficiency.

These modifications concern the Collection Division, Motor Vehicle Division and State Assessed Property Division.



Each of these phases is a step towards the ultimate goal which is the design and implementation of a tax management system — Phases IV, V, and VI. The entire process from Phase II through Phase VI shall take approximately two and one half years at an investment cost of some \$2,900,000. The following table summarizes estimated operating costs and benefits of the improvements to Tax Commission systems and procedures. Significant operating benefits are anticipated which will result in recovery of investment within an estimated period of less than five years. Stated another way, the return on investment should be in excess of 20%.

### ESTIMATED PROJECT COSTS AND BENEFITS

Operating Costs:	
Benefits .....	\$1,405,000
Increases .....	780,000
Net Benefit .....	<u>\$ 625,000</u>
Investment cost .....	<u>\$2,900,000</u>
Payback years .....	<u>4.6</u>
Return on investment .....	<u>21.6%</u>

Because of the complexities and uncertainties involved in estimating the costs and benefits of such a project we also quantified our optimistic and pessimistic estimates in order to provide a range of possible outcomes. Each estimate was weighted and an average, more conservative than our basic estimate, was developed. In developing the average, the estimates were weighted to reflect a conservative probability of realization as follows

- Basic estimate — 50%
- Optimistic estimate — 10%
- Pessimistic estimate — 40%

The results of this computation are summarized below

COST/BENEFIT	OPTIMISTIC ESTIMATE	PESSIMISTIC ESTIMATE	WEIGHTED AVERAGE
Operating Costs:			
Benefits .....	\$1,575,000	\$1,192,500	\$1,337,000
Increases .....	702,000	858,000	803,400
Net Benefit .....	<u>\$ 873,000</u>	<u>\$ 334,000</u>	<u>\$ 533,600</u>
Investment cost .....	<u>\$2,550,000</u>	<u>\$3,400,000</u>	<u>\$3,065,000</u>
Payback years .....	<u>2.9</u>	<u>10.2</u>	<u>5.7</u>
Return on investment .....	<u>34.2%</u>	<u>9.8%</u>	<u>17.4%</u>

Haskins and Sells defined three ways in which the tangible benefits, these figures account for, will accrue to the Tax Commission with the installation of the tax manage-

ment system. They are identified as interest income resulting from earlier deposit of checks, staff reductions and reduction of existing data processing costs.

In addition to the tangible benefits which will result from installing the tax management system, many intangible benefits will accrue. These intangible benefits represent solutions to virtually all of the problems identified in the initial analysis of Tax Commission operations. The system places a strong emphasis on internal control thus meeting problems of growth in that area. Processing efficiency shall be improved because of organizational and procedural changes. The Tax Commission's public image shall be improved because it will be better able to handle requests for information and taxpayer registration. Finally, tax administration shall be improved because of the ability to concentrate on taxpayer compliance and consistent taxpayer treatment thus providing better overall operations.

Thus far the Commission has been able to fund this project from existing appropriations by keeping an extremely tight budget. The commissioners plan to continue progress towards an efficient work flow throughout the Tax Commission in the future.

\*It should be noted that given the current budget cut of four percent, these figures may vary.



## NEW UNITS

As its name implies, the Tax Commission's most basic responsibility is to administer Utah taxes both efficiently and equitably. The Commission has introduced two new administrative units to enhance its ability to meet this task. A training unit has been established which encourages Tax Commission employees to pursue courses which will enable them to perform their duties more efficaciously. In addition, a statistical unit recently has been created to develop a data base upon which the governor, legislators and commissioners can draw in their efforts to insure an equitable tax base.

Below are more detailed accounts of these new units and their goals:

### Employee Development and Training

Prior to May 1, 1978, no official employee development and training program for the Tax Commission existed. Information from the State of Utah Office of Personnel Management and the Auditor General's Office indicated tremendous training needs existed in state government. The Utah State Auditor recommended that the Tax Commission address this need. A training officer was hired during the fiscal year 1979-80 and a training program developed in the areas of: management skills, supervision, oral and written communication, human and public relations, employee performance appraisal, employee orientation, etc.

Specifically, the new programs include: an advisory training council, an incentive awards program, training manuals, question and answer feedback sessions, workshops and retreats, and specialized training in basic computer science, effective writing, time management, communication, tax procedures, law, I.B.M. copier training, telephone collections, and auditing. In the area of public relations, a federal grant was obtained from the Utah Department of Public Safety to produce a motor vehicle and title registration filmstrip and teaching kit to be placed in ninety Utah high schools. Finally, toward human relations, "Lagoon Day" has been started as a means of uniting fellow Tax Commission employees on an annual basis.

The objective of the training and development program for fiscal year 1980-81 will be to help each employee, through training, to reach his potential, thereby maximizing his production as a human resource of the state.

### Economic and Statistical Unit

In order to assist the Tax Commission to comply with Subsections 59-5-46 (20) (21) and (24) UCA, the 1979 Legislature appropriated funds to create an Economic and Statistical Unit. According to the above statute, the unit will assist the Tax Commission.

1. Furnish to the governor from time to time such assistance and information as he may require;
2. Transmit to the governor and the legislature a report with its recommendations as to such legislation as will correct or eliminate defects in the operation of the tax laws and will equalize the burden of taxation within the state; and
3. Compile and publish statistics relating to taxation in this state.

Five major objectives of the unit which are directed at accomplishing the above goals are to:

1. Provide quarterly breakdowns of sales tax collections by industry. Currently, only total sales tax collections are reported by location. However, to pinpoint business and market trends and forecast consumer behavior, the



- unit intends to provide quarterly breakdowns of retail sales by major standard industrial classification and by location;
2. Report annual distributions of income and income tax liability of Utah residents and nonresidents from samples of income tax returns. Currently, only total collections are reported. Requests for detailed information regarding tax burdens require that information from income tax returns be sampled and summarized. The information will also be useful in performing the functions listed below;
  3. Provide the Commission and the governor with revenue estimates of tax collections along with a report on the economic condition of the state. The unit intends to use econometric techniques to assist in the forecasting of Utah's economy and future tax collections;
  4. Provide information on the impact of any proposed changes in tax laws and tax administration. Results from the three above objectives will enhance the Tax Commission's ability to predict fiscal impacts of proposed tax legislation.

### **Taxpayer Services Unit**

Not only has the Tax Commission created the new units previously described but it is giving a new look to an old unit geared to serve the taxpayer.

Presently, Taxpayer Services consists of primarily a licensing function and this function has existed for many years in accordance with the Constitution of Utah, Article XIII, Revenue and Taxation, UCA 1975 as amended, Titles 32, 25, 41, 54, and 59.

It is our objective, however, to expand this unit to accomplish the following:

1. Provide comprehensive instructions to the taxpayer public through the use of seminars, printed material, etc.
2. Provide an increased amount of one-stop service to the taxpayer by incorporating scattered functions into one taxpayer service section.
3. Design, enhance and maintain an interphasing of all computer systems relating to taxpayer entities requiring licensing or registration.
4. Establish terminal input capability to update all withholding, sales tax, special fuel tax, etc., which may require a license, permit or bond for operation.
5. Provide additional source data information for the proper handling of non-filing and estimated accounts through the use of county and industry codes.
6. Interface to every extent possible with the Secretary of State's office and Corporation Franchise Tax section to properly identify entities which may have different DBA's.

# GOVERNOR'S TAX REVISION COMMITTEE

Given the state of unrest growing out of a heavy taxation burden in Utah, Governor Scott M. Matheson recognized the need for a general tax revision. He called to his aid a highly qualified group of men and women under the co-chairmanship of Commissioner David L. Duncan and Representative LeRay McAllister to study the matter and make recommendations to him.

The Governor assigned to the new Tax Revision Study Committee the mammoth task of reviewing and studying the entire tax structure of the State of Utah. The objective of this study was to determine if taxes were fairly distributed and review alternative tax possibilities to the present system. In addition, the committee was to study the process under which Utah tax laws are presently administered and taxes collected. The committee was given leave to make recommendations for tax increases to partially or completely offset other recommendations for tax decreases.

The committee proceeded to put together a tax package that represented literally thousands of hours of work. With the exception of the tax-relief package, the majority of the committee's recommendations was adopted, in part or in full, by the 1979 Legislature. Even so, the task was not completed and the Governor has assembled another committee to carry on the work.

On July 16, 1979, the Governor spoke before the opening meeting of the reconstituted committee. In that speech, he instructed the committee to pursue the same goals as its predecessor while specifically directing the members to consider the issues of:

1. removing the sales tax on food;
2. making provisional reductions in the existing property tax program; and
3. imposing a severance tax on coal.

On the basis of the recommendations of the Committee, it is hoped that the State of Utah will be able to continue moving towards a more equitable tax base.

## ON BEHALF OF THE UTAH TAXPAYER

The Tax Commission went to battle with the Internal Revenue Service on behalf of the people of Utah this year. With the passage of the Utah Revenues Return Act, virtually all Utah taxpayers will share in the disbursement of general state funds to the state. The legislature expressly found that "recent increases in the cost of living in the state has (*sic*) had its primary impact upon the individual households, subjecting many of them to extreme economic hardship." The question arose whether this revenue return was taxable by the Federal Government thus dampening the intended effect of economic relief.

With certain qualifications, the Internal Revenue Code requires a taxpayer who deducts amounts paid for state taxes one year and who receives a tax refund the next to report the refund as gross income in the year which it is received. The Commission argued that the payments to the states' households under the Excess Revenues Return Act are tax-exempt payments in the nature of welfare assistance hence they are not covered by this provision.



# THE UTAH DICHOTOMY\*

Since 1973, Utah has experienced an economic boom easily in step with her western sister states and many lengths ahead of her eastern counterparts. Utah's nonfarm income has risen thirty-three percent faster than average nonfarm income in the United States. Increased in-migration and birth rates, which are spurring increased demands for consumer goods, are also placing new demands on public schools, roads, social services and other governmental services. At the same time, however, the taxpayer's concern that government revenues are growing faster than personal income in an inflationary economy induced the 1979 Utah Legislature to enact a bill which provides for limitations on state and local expenditures and revenues. The following is an analysis of the origins of this economic boom and the resulting dichotomy between the increased demands and limited budgets which is now facing state and local governments of Utah.

## Genesis of the Boom

Since the 1974 recession, Utah's personal income has increased at an accelerated rate of 13.1 percent per year. Even if one adjusts for inflation, personal income increased 5.4 percent per year in real dollars. (See Chart 1.) A variety of causes account for the booming economy.

During the early seventies, a definite shift in population from east to west occurred. Horace Greeley's "Go West, Young Man! Go West!" has had renewed application. Not only are corporations finding expanding markets in Utah, but they are also attracted to the state because of a favorable tax climate and extraordinary quality of life.

The syndrome of Utah-educated youth migrating to major cities in the east in search of employment appears to be reversing. Evidence of this can be found in the 1976 Minicensus taken by the Bureau of Census and compiled by the University of Utah's Bureau of Economic and Business Research. Although this trend may be accounted for in part by different survey techniques in 1970 and 1976, 17.7 percent of Utah's population over fifteen years of age in 1976 were not Utah residents in 1970. (See Table 1.) It is also interesting to note that over twenty-seven percent of those persons in the twenty-to-thirty-four age bracket were not Utah residents in 1970.

The influx of people in the twenty-to-thirty-four age brackets may have stimulated an increase in other economic indicators. First, as shown in Chart 2, the birth rate in Utah has climbed from 22.5 in 1970 to 29.5 in 1978. It is likely that the major cause for this change in the birth rate is the influx of people in the twenty-to-thirty-four age bracket who are at the prime child-bearing age. Secondly, this influx created a greater demand for homes and rental units. Chart 3 indicates that for the last three years, the number of dwelling unit permits issued have been higher than ever before.

Once new homes are constructed, people purchasing them will then desire new furniture and appliances thereby bolstering retail sales of consumer goods. From 1965 to 1975, gross retail sales of consumer goods grew in real 1967 dollars at 4.8 percent per year; but from 1975 to 1978, they have been climbing at a 7.8 percent clip. (See Chart 1.) As a consequence of the increased demand for consumer goods, employment has in turn increased at a rate of 5.3 percent per year since 1975 compared with a healthy 3.5 percent growth rate during the previous ten years. (See Chart 4.) Estimated employment grew a whopping 7.5 percent in 1978 resulting an absolute increase of almost 40,000 persons employed. At the same time, population in 1978 grew by only 3.6 percent.

This state of affairs poses the question: From what sources did the labor force draw in order to expand at a more rapid rate than the population of Utah? One explanation for the dramatic expansion may be the entrance of more women into the labor market. Table 2

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\*By Douglas Macdonald, Tax Economist  
July, 1979



indicates that an estimated thirty-eight percent of the labor force was composed of females in 1978. This contrasts significantly with the labor force in 1955, at which time only 25.4 percent was made up by women.

Employment increases, cost of living allowances and other inflationary factors over the past three years have affected Utah's personal income dramatically. From 1965 to 1975, personal income grew at a 9.6 percent rate; but during the last three years, the rate increased to 13.4 percent. If inflation is removed, we find real personal income increasing 3.9 percent per year from 1965 to 1975 and 7.4 percent from 1975 to 1978. (see Chart 1).

### **Is the Boom Waning?**

There is some evidence that the economic boom may be leveling off. Chart 3 indicates that the number of dwelling unit permits issued turned down from the record high of 21,784 in 1977 to approximately 19,871 in 1978, an 8.8 percent drop. Chart 5 demonstrates that both valuation of residential and nonresidential building permits dropped in constant 1967 dollars during 1978. It appears from Chart 6 that sales of new cars and trucks may have plateaued at 79,600 units in 1978. Since both construction valuation and new car and truck sales are leading indicators of Utah's economy, one would expect a cooling off in 1979.

### **How Does the Boom Affect the Demand for Government Services?**

The block diagram, Chart 7, illustrates how the booming economy and correlative factors affect the demand for government services. The squares outside the block are factors which exogenously impact Utah's economy. The diagram is simplistic in that all possible interrelationships are not represented.

Both in-migration and the related high birth rate will increase the population from zero to five years of age who will enter public schools by 1983-84. As increasing numbers of twenty-through-thirty-four-year-olds purchase new homes, services to those homes must be provided. Local governments will be called upon to respond by providing roads, utilities, and recreation to residences in addition to, at a minimum, a twenty-five percent increase in school costs. State government must react to increasing demands on institutions of high education, state highways, courts, and recreational activities. Additionally, possible increases in drug abuse, alcoholism and divorce accompanying the population increase will require a response on the part of the State Department of Social Services.

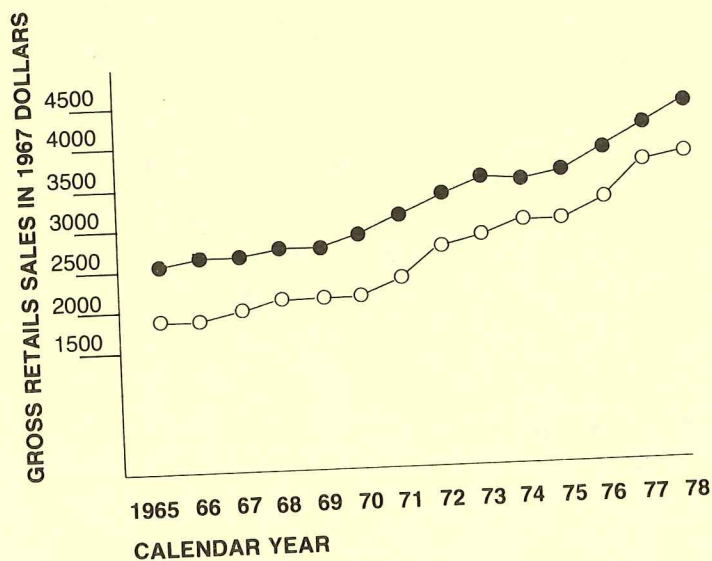
### **Tax Limitation Versus a Greater Demand for Government Services**

Ironically, at a time when the demand for government services can be expected to peak, the public is demanding that government services be pruned back and that long-range tax relief be instituted. In response, the 1979 Legislature enacted House Bill 303 which will gradually lower state and local government expenditures as a percent of Utah's personal income.

The impact of House Bill 303 on the local government will be the limitation of revenues for the upcoming year to be no greater than the ninety percent of the percentage change in state per capita personal income plus the percentage change of population growth for the local governmental unit applied to the revenues of the preceding year. Thus, if the 1979 revenues of local unit A was \$1,000,000 and its population is expected to grow by five percent in 1980 and the state per capita income is expected to grow by ten percent, then the revenue limit for 1980 would be calculated as follows:

$$\begin{aligned}\text{Revenue Limit 1980} &= \$1,000,000_{1979} \times (1 + [.90 \times .10] + .05) \\ &= \$1,000,000 \times 1.14 \\ &= \$1,140,000\end{aligned}$$

**CHART 1**  
**UTAH PERSONAL INCOME AND**  
**GROSS RETAIL SALES IN 1967 DOLLARS**  
(In Millions)

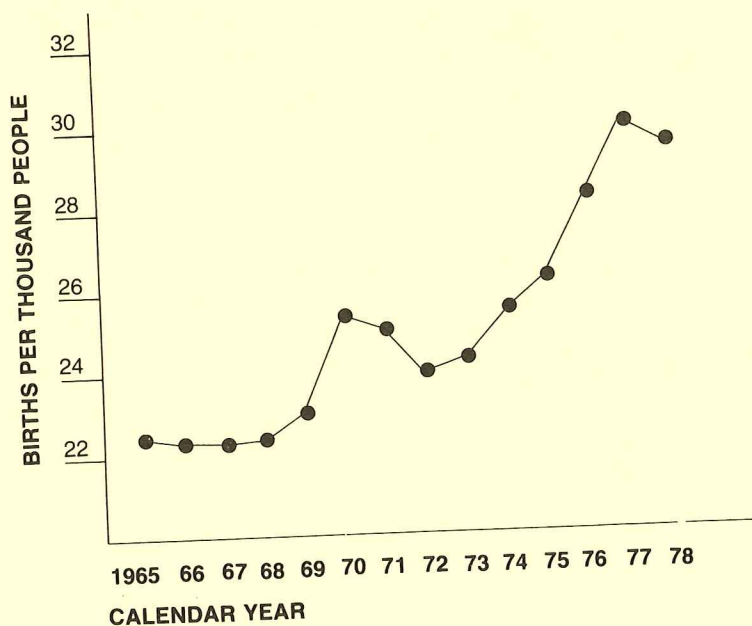


**LEGEND**

UTAH PERSONAL INCOME ●  
GROSS RETAIL SALES ○

Source: U.S. Department of Commerce, Utah State Tax Commission

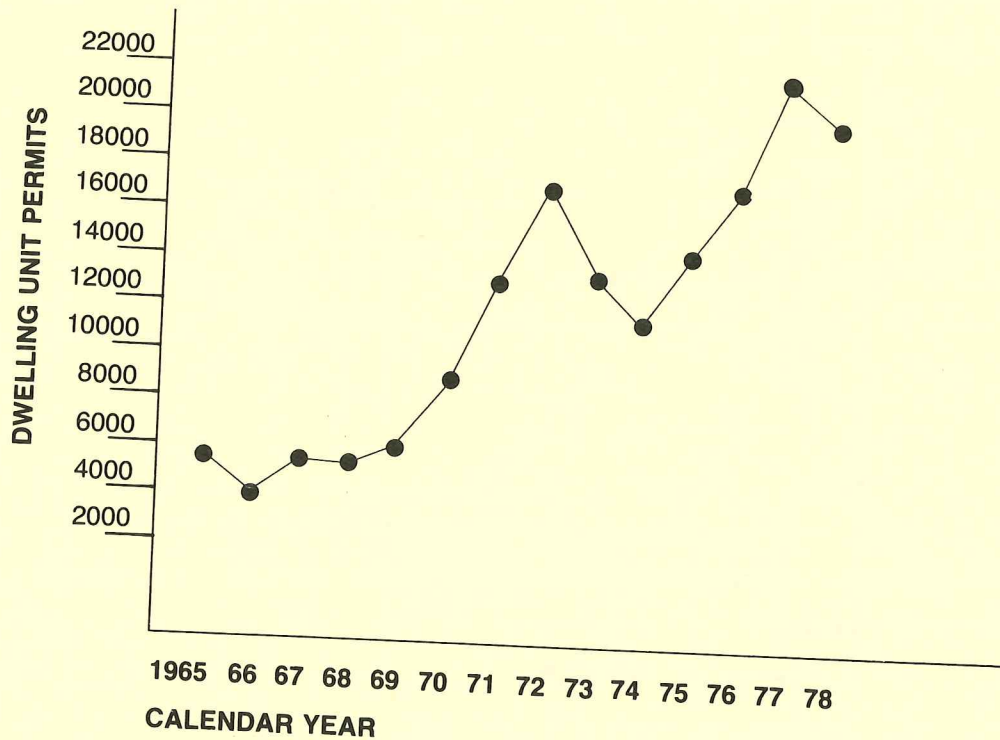
**CHART 2**  
**UTAH BIRTH RATE**  
**PER THOUSAND PEOPLE**  
1965-78



Source: Utah State Department of Health Statistics

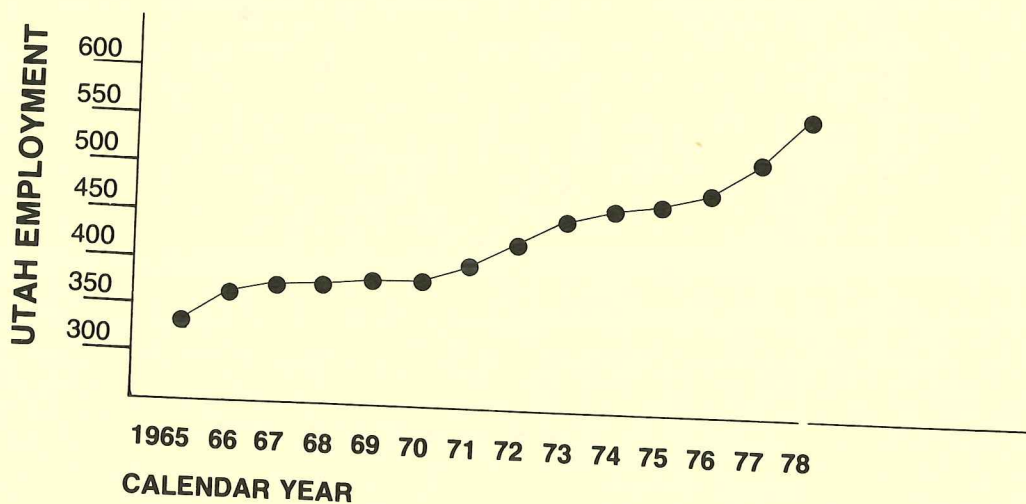


**CHART 3**  
**UTAH DWELLING UNIT PERMITS**  
**1965-78**



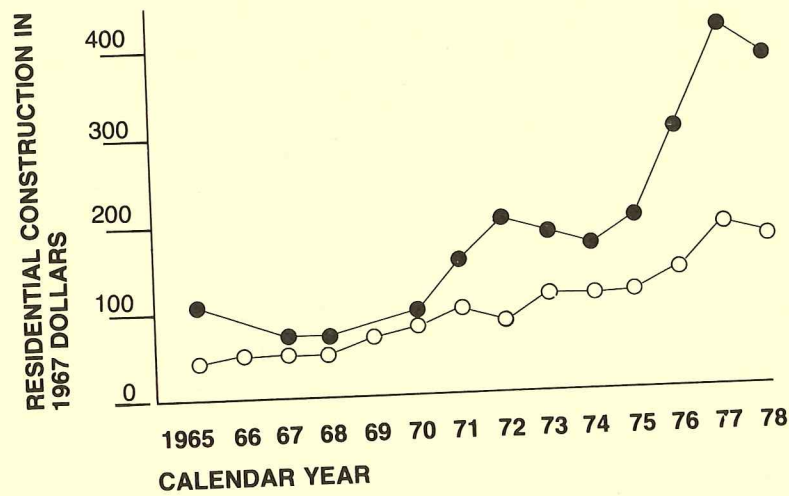
Source: Bureau of Business and Economic Research, University of Utah

**CHART 4**  
**UTAH EMPLOYMENT**  
**1965-78**  
**(In Thousands)**



Source: Utah Job Service

**CHART 5**  
**CONSTRUCTION VALUATION**  
**FOR PERMIT AWARDS**  
**(In Millions)**



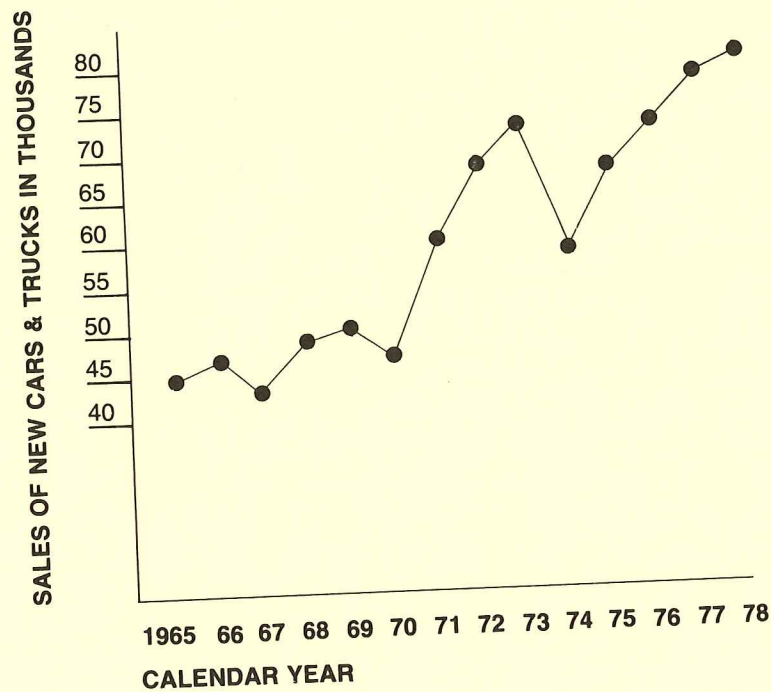
**LEGEND**

RESIDENTIAL CONSTRUCTION ●

NON-RESIDENTIAL CONSTRUCTION ○

Source: Bureau of Business and Economic Research, University of Utah

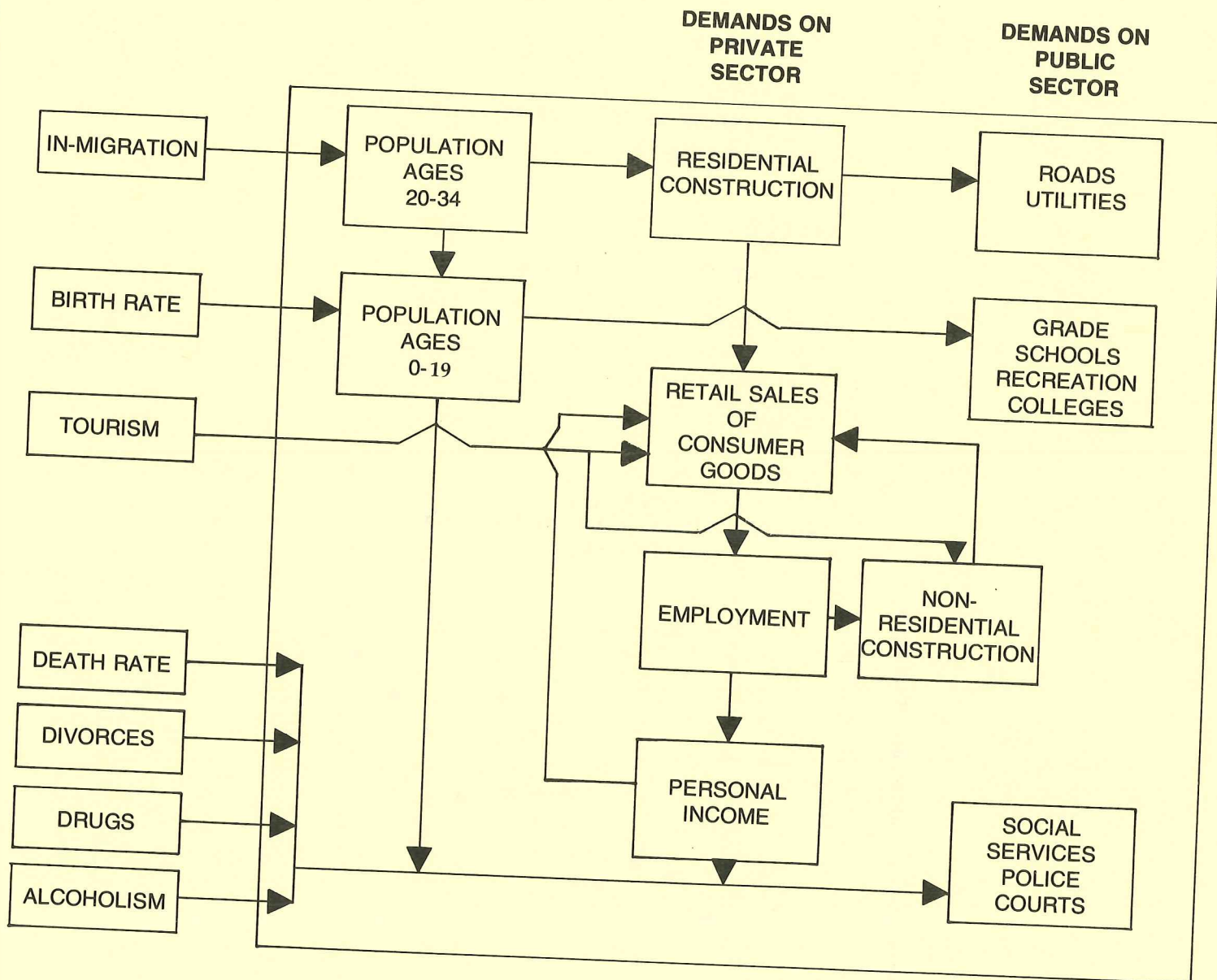
**CHART 6**  
**SALES OF NEW CARS & TRUCKS**  
**(In Thousands)**



Source: Utah Auto Dealers Association

CHART 7

**BLOCK DIAGRAM OF BOOM EFFECT  
ON PUBLIC AND PRIVATE SECTOR**





House Bill 303 limits the expenditures of state government to eighty-five percent of the percentage change in Utah's personal income. If expenditures for the state were estimated to be \$1.0 billion for fiscal year 1979 and personal income for 1980 was expected to grow by thirteen percent, then the expenditure limit would be calculated as follows:

$$\begin{aligned}\text{Expenditure Limit 1980} &= \$1.0 \text{ Billion}_{1979} \times (1 + .13) \\ &= \$1.0 \text{ Billion} \times 1.13 \\ &= \$1.13 \text{ Billion}\end{aligned}$$

The demand for significant tax relief will probably run head on into a counter demand for increased government services in the next few years. Thus, the State of Utah will soon be faced with the enigma of providing more services on relatively less money.

### EVIDENCES OF IN-MIGRATION, 1970-1976

Age Group	Not Utah Residents in 1970	All 1976 Resident Persons	Percent of Population Residing in Utah Less Than 6 Years
15-19	18,478	124,657	14.8
20-24	34,940	128,045	27.3
25-34	51,601	180,191	28.6
35-44	21,325	120,843	17.6
45-54	11,555	104,125	11.1
55-64	5,773	88,954	6.5
67-74	3,063	55,948	5.5
75	1,447	32,894	4.4
Totals	<u>148,182</u>	<u>835,657</u>	<u>17.7</u>

Source: Bureau of Business and Economic Research

Estimated Females Employees  
in the Labor Force 1955-1978

Year	Labor Force — Percent Female
1955	25.4
1960	28.0
1965	29.5
1970	32.7
1978	38.0

## LEGISLATIVE REVIEW

The 1979 Utah State Legislature adopted many revisions affecting the state income tax and various state excise taxes. While some of the changes are rather minor, others will have a major impact on the state's revenue, particularly the rebate measures which provide for major tax relief based on rentals and property taxes paid. The rebates do not come from property tax funds, and, therefore do not impact local government or school district revenues. A summary of the changes follows.

*SB-138 Collection of Taxes* — provides for an extension of time for county treasurers to mail tax notices not to exceed 10 days beyond November 1st. When so extended, the time when the taxes covered by these notices are to become delinquent shall be extended the same number of days.

*SB-186 Tax Relief for Individuals* — changes the "Circuit Breaker" Law to provide general property tax relief for resident widows and widowers of all ages as well as to other residents sixty-five and over. This relief is based on the amount of property tax paid and is further determined by consideration of the household income. The relief is graduated and based on the amount of household income not to exceed \$7,000.00. The maximum amount under this legislation is \$300.00.

The relief allowed to renters is based on household income and rent paid with a maximum rebate of \$300.00.

The law previously limited the total amount of relief through the "Circuit Breaker" to \$2.4 million. This provision was deleted by SB-316, since many of those eligible did not apply for it. It is expected under the new law that more people will take advantage of it and the total appropriation cost will remain essentially the same.

*SB-190 Property Revaluation Program* — provides that all property assessed under the revaluation program after January 1, 1978, be given values on the basis of fair market values as of January 1, 1978.

*SB-306 Rate of Assessment* — changes the rate of assessment on taxable property 25%. Effective January 1, 1979.

*SB-316 Circuit Breaker Modification* — eliminates the maximum expenditures in the state allowed for total relief granted in any one year under the circuit breaker provisions for property tax relief. Effective January 1, 1979.

*SB-320 Excess Revenue Return* — authorizes general tax relief. The law provides for a payment measured by the amount of rent or property taxes paid for a person's primary residence. Property owners receive twenty-seven percent of the property tax paid with a maximum of \$400.00 and \$100.00 minimum.

Renters receive 2.7% of the gross rent paid during the period July 1, 1978 through June 30, 1979, and each twelve months thereafter, with a \$100.00 minimum rebate paid. The filing deadline is December 31 of each year.

Payments are available to all full year residents who do not receive public funds for the payment of taxes nor for rent subsidies. "Circuit Breaker" payments do not constitute "public funds" for this purpose.

*SB-330 Property Tax Abatement and Deferral* — increases the amount of income permissible for persons to qualify for property tax abatement and deferral. This bill also increases the maximum value of property for which abatements and deferrals may be made from \$40,000.00 to \$70,000.00.

*HJR-23 Personal Property Tax on Livestock* — amends Article XI, Sections 2 and 3 of the Constitution of the State of Utah to exempt livestock from the imposition of ad valorem property tax.

*HJR-25 Property Exemption* — amends Article XIII, Section 2, allowing by law exemption of tangible personal property from ad valorem property tax and allowing by law exemption up to one-half the fair market value or rebate up to one-half the taxes on owner-occupied homes and homesteads and disabled veterans.

*SB-9 Retirement Income Deduction* — increases the retirement income deduction for taxpayers sixty-five and over to \$6,000.00. This bill also permits Keogh and IRA income to be deducted as retirement income. Effective January 1, 1979.



*SB-30 Corporate Tax Return Extensions* — permits a ninety-day extension of time for filing corporation tax returns upon receipt of a copy of an "Automatic Extension of Time" form filed with the IRS. Requires remittance of eighty percent of the estimated tax due or an amount equal to the prior year's tax.

*SB-31 Limitations on Amount of Collections* — provides for a waiver of the statute of limitations in certain cases where an audit discloses an income tax deficiency and the adjustment to income affects a prior year. As a result of this law, any prior year credit that is beyond the statute of limitations may be applied to the deficiency determined. This bill also requires a taxpayer to file an amended state tax return within 90 days of notification of a final federal audit or a federal amended return determination. This bill is effective May 8, 1979.

*SB-32 Tax Rate For Head of Household* — provides that a person who qualifies as a "head of household" under IRS rules may use the "Married Filing Jointly" tax table and rate schedule. Effective January 1, 1979.

*SB-86 Nonresident Taxable Income* — changes the method of computing tax for nonresidents and part-year residents. The law now provides for applying Utah income percentages to the tax determined on total net income. Effective January 1, 1979.

*SB-106 Application of Tax Overpayments* — provides that income tax refunds may be applied to judgments obtained by state agencies other than the Tax Commission after any back income taxes are satisfied.

*SB-266 Non-Profit Corporations Act Amends* — changes inter alia what instruments foreign corporations must file to obtain certificates of authority in this state to remain qualified for exemption. Provides certain changes regarding delinquency, suspension, dissolution and reinstatement of nonprofit corporations.

*HB-105 Sales Tax Exemption-Farm Items* — phases in an exemption for equipment and other tangible personal property used directly in farming operations. This exemption does not apply to vehicles required to be licensed nor to other transportation equipment or research equipment. Tools with a unit price of less than \$100.00 will continue to be subject to sales tax. Tax is decreased one percent July 1, 1979, with full exemption, July 1, 1982.

*HB-327 Sales Tax Distribution Agreements* — provides an alternate method of distribution of local option sales and use tax revenue.

*SB-65 Cigarette Tax Increase* — increases cigarette tax from 8c per package to 10c per package. Effective July 1, 1979.

*SB-75 Utah Revised Principal and Income Act* — repeals all of Uniform Principal and Income Act by repealing all of Chapter 3, Title 22, Utah Code Annotated, 1953 and replacing it with the Utah Revised Principal and Income Act by enacting all of Chapter 3, Title 22, Utah Code Annotated 1953. Effective January 1, 1980.

*SB-120 Business License Qualifications* — provides for the removal of the requirement that licensees to sell beer be citizens.

*SB-193 Inheritance Tax Returns Disclosure* — sets forth criteria for disclosing inheritance tax return information.

*HB-131 Fuel Tax Exemption Change* — reduces the minimum requirement for exempt motor fuel sales to government agencies from 1,000 gallons to 750 gallons.

*HB-308 Collection of Taxes* — provides for a jeopardy assessment utilized to prevent the evasion of the payment of state taxes and for personal liability for the failure to collect, account or pay over state taxes and for the establishment of a lien date for the purposes of tax collection.

*SB-13 Special License Plates* — increased the allowable number of characters from seven to eight on license plates for amateur radio or citizen's band operators.

*SB-69 License Plate for Handicapped* — provides inter alia for special plates for handicapped persons or another whose vehicle is the primary means of transporting the handicapped.

*HB-48 Calendar Year Registration of Vehicles* — authorizes the Tax Commission to register vehicles with gross laden weight in excess of 12,000 pounds on a calendar year basis and clarifies that vehicles of a lesser weight are to be registered on a staggered basis.



*HB-97 Employee Vanpooling Exemption* — provides exemption for employees riding together in the vehicle of their employer to and from their employment.

*HB-129 Motor Vehicle Act Amendments* — provides for a number of ministerial changes.

*HB-214 Horseless Carriage Licenses* — provides that the Tax Commission may select inscriptions other than "Utah Horseless Carriage" to be used on horseless carriage license plates.

*HB-282 Disposition of Abandoned Vehicles* — provides for replacement of any defaced, altered or obliterated number or identification mark or stamping of another number; and also provides for sale of an abandoned vehicle if the vehicle is not reclaimed by the registered owner or any lien holder within thirty days after actual notice or reasonable attempt to give notice to the registered owner or any lien holder.

*HB-394 Transfer of Vehicle License* — authorizes transfer of exempt license plates and registration number from a vehicle which has been sold to a newly acquired vehicle.

# SUMMARY OF FISCAL IMPACT ESTIMATES ON TAX LEGISLATION PASSED BY 1979 GENERAL SESSION — 43RD LEGISLATURE

## Revenue Impact by Fund & Source

### - Administrative Impact -

Bill No.	Title	- State Funds -				Personal Services	Travel	C.E. & C.O.	Total	G.F.	U.S.F.	T.F.	Dept. Collection
		G.F.	U.S.F.	T.F.	Local Fund								
Property Taxes	SB-138 Collection of Taxes								- 0 -				
	SB-186 Tax Rel. For Ind. (Circuit Breaker)	(2,600,000)			2,600,000				- 0 -				
	SB-190 Property Revaluation Amendments								- 0 -				
	SB-305 School Bldg. Levy Limitations								- 0 -				
	SB-306 Rate of Assessment				(8,500,000)				- 0 -				
	SB-316 Circuit Breaker Modifications								- 0 -				
Substitute	SB-320 Excess Revenue Return	(52,120,000)			(52,120,000)	93,000	(G.F.)	Postage and Mailing	76,300				
	* SB-330 Property Tax Abatement & Deferral								194,000				
	HJR-23 Personal Prop. Tax-Livestock	- 0 -			- 0 -				T.C. - 0 -				
	HJR-25 Property Classification								- 0 -				
<b>Subtotals Property Tax Estimated Impact</b>		<b>(54,720,000)</b>	<b>- 0 -</b>		<b>(5,900,000)</b>	<b>93,000</b>	<b>- 0 -</b>	<b>177,300</b>	<b>270,300</b>	<b>270,300</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>
Income Taxes	SB-9 Retirement Income Deduction		(90,400)						(90,400)				
	SB-30 Corporate Tax Return Extensions							Forms - 0 -	- 0 -				
	SB-31 Limitations on Amount & Collections								- 0 -				
	SB-32 Tax Rate For Head of Household		(320,000)						- 0 -				
	SB-86 Non-Resident Taxable Income		1,000,000						(320,000)				
	SB-106 Application of Tax Overpayments								1,000,000				
	SB-266 Non-Profit Corps. Act. Amendments								- 0 -				
<b>Subtotals Income Tax Est. Impact</b>		<b>- 0 -</b>	<b>589,600</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>589,600</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>
Sales Taxes	HB-105 Sales Tax Exemption-Farm Items	(188,000)			L.O.S.T. (28,200)				(222,700)				Loss of (700)
	HB-105 Sales Tax Exemption-Farm Items				U.T.A. (6,500)				- 0 -				Administrative Fee
	HB-327 Sales Tax Distribution Agreements								- 0 -				
					Changes Distribution Formula Only				- 0 -				
<b>Subtotals Sales Tax Est. Impact</b>		<b>(188,000)</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>(34,700)</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>(222,700)</b>	<b>700</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>(700)</b>
Misc. Taxes	SB-65 Cigarette Tax Increase	1,599,000							1,599,000	20,000			
	SB-75 Utah Revised Principle & Income Act								- 0 -				
	SB-120 Business License Qualifications								- 0 -				
	SB-193 Inheritance Tax Returns Disclosure								- 0 -				
	HB-131 Fuel Tax Exemption Change		(5,000)						(5,000)				
	HB-308 Collection of Taxes	134,400			5,600				140,000	- 0 -			
									- 0 -				
<b>Subtotal Misc. Taxes Est. Impact</b>		<b>1,733,400</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>5,600</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>- 0 -</b>	<b>- 0 -</b>
Motor Vehicle	SB-13 Special License Plates								- 0 -				
	SB-69 License Plates for Handicapped								- 0 -				
	HB-48 Registration of Vehicles Calendar Year								- 0 -				
	HB-97 Employee Van Pooling Exemption								- 0 -				
	HB-129 Motor Vehicle Act Amendments		340,000						340,000				
	HB-214 Horseless Carriage Licenses								- 0 -				
	HB-282 Disposition of Abandoned Vehicles								- 0 -				
Subtotal Motor Vehicle Est. Impact	HB-394 Transfer of Vehicle License							(1,100)	(1,100)			(1,100)	
		<b>- 0 -</b>	<b>- 0 -</b>	<b>340,000</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>(1,100)</b>	<b>(1,100)</b>	<b>- 0 -</b>	<b>- 0 -</b>	<b>(1,100)</b>	<b>- 0 -</b>
<b>Total T.C. Legislation Impact</b>		<b>(53,174,600)</b>	<b>589,600</b>	<b>335,000</b>	<b>(5,929,100)</b>	<b>93,000</b>	<b>- 0 -</b>	<b>196,200</b>	<b>289,200</b>	<b>291,000</b>	<b>- 0 -</b>	<b>(1,100)</b>	<b>(700)</b>

\*SB-345 provided additional 19.4 million dollars relief by reducing the Uniform Local Levy for school purposes 4 mills.

\*Additional Appropriation from General Fund required to Offset Loss of Administrative Fee on L.O.S.T. & U.T.A.



## SUPREME COURT DECISIONS

The following are the recent leading decisions of the Supreme Court of Utah which will have an impact on the administration of taxes in the state.

*Deseret Pharmaceutical*

*vs.*

*State Tax Commission*

On appeal to the Supreme Court, Deseret Pharmaceutical contended the Tax Commission erred in using a substitute formula for establishing the extent of Deseret's income except that portion attributable to the states of Texas and Washington.

Deseret claimed that the Commission should have used the formula provided in Section 59-13-86 Utah Code Annotated instead of 59-13-95 which was used because the statutory formula "did not fairly represent the extent of the taxpayer's business activity in this state." The Commission assigned receipts to point of origin, for the purpose of determining the sales fraction portion of the apportionment formula, when the state of destination did not have jurisdiction to impose a tax.

The court concluded that the facts in the case clearly established an unusual situation and the Tax Commission employed a proper method to reach an equitable allocation and apportionment of Deseret's income. "We hold that the parties seeking to invoke the relief provisions of the act must prove that under the apportionment provisions of the act, an unreasonable result will occur such as the taxes imposed are grossly disproportionate to the taxpayer's business activity in this state or extra territorial income is being taxed. We believe such an act to make the law of the enacting states uniform, Section 59-13-96, and to assure that 100% of income, no more or no less, will be taxed."

*E. Ray Christensen*

*vs.*

*State Tax Commission*

The Utah Supreme Court rules in the Christensen case (decided February 5, 1979) that exemption provisions found in the Utah State Retirement Act and the Public Employees should not be deemed to be superseded by the limiting provisions of the income tax law as previous interpretations had held. Beneficiaries under these plans are therefore entitled to exclude, for state income tax purposes, all regular retirement income deduction for other types of retirement income up to the \$48,000.00 limit. (\$6,000.00 effective January 1, 1979)

There are three other retirement plans affecting public employees which were not mentioned in the subject case but which contain, in each instance, an exemption provisions almost identical to those found in the plans specifically dealt with by the court. In view of these similarities, it is the Commission's position that the treatment indicated above should also be accorded to beneficiaries of these three plans known as the Utah Firemen's Retirement Act, the Utah Judge's Retirement Act and Utah Public Safety Retirement Act. It should be noted that employees of most political subdivisions of the state, such as school districts, cities, counties, etc. are covered under the aforementioned pension plans.

In those instances where the court decision would have an affect on prior year's calculations, amended returns and refund claims will be honored as long as they are filed within the three year statutory period provided for in the state income tax law.



*Utah Power & Light Company*

*vs.*

*Utah State Tax Commission*

Utah Power and Light protested an assessment by the Commission on the ground that the Commission had based its assessment on estimated earnings of 1976 instead of actual earnings of 1975 and further, that estimate had included gains which could only derive from facilities which were to be added during 1976. These facilities were neither in place nor in progress as of January 1, 1976 — by statute, the mandatory assessment date.

The Court found that the Commission's use of such an estimate was not unreasonable. "Since the statute requires tax to be assessed against value as of January 1, of each year, the capitalization of preceding year's income would undervalue the property of an expanding utility and overvalue the property of a decreasing one."

# LEGISLATIVE RECOMMENDATIONS

The following recommendations are suggested by the Tax Commission as necessary changes in Utah law to provide equity, uniformity, economy and convenience to the taxpayer in the administration of tax laws.

## Motor Vehicle

We respectfully recommend that:

- a. The legislature amend section 41-1-6, 41-1-10, and 41-1-12, U.C.A., by removing all references to operator's and/or chauffeurs' license, since they do not fall under the jurisdiction of the Motor Vehicle Division, nor the Tax Commission.
- b. The legislature amend section 41-1-8, U.C.A., to increase the fee charged for providing certified copies of departmental records to \$1.00. The research of records is lengthy and technical. The cost of time spent justifies the increase.
- c. The legislature amend section 41-1-35, U.C.A., to permit issuance of title only under specified circumstances. This to include issuance of special salvage titles to insurance companies when a total loss claim is paid. Also, the amendment should require special safety inspection on reconstructed vehicles.
- d. The legislature amend section 41-1-37, U.C.A., to remove the necessity of showing on a vehicle's title, the type of lien recorded, the registration number, and the gross laden weight. Both the registration number and the gross laden weight are subject to change, under the same title.
- e. The legislature amend section 41-1-49.5, U.C.A., to clarify that transferring special plates, from a vehicle which has been sold, will conform to other sections of the statute.
- f. The legislature amend section 41-1-52, U.C.A., to delete reference to December 15, which under staggered registration does not apply.
- g. The legislature amend section 41-1-57, U.C.A., to conform with the present standardized system of issuing VINS.
- h. The legislature amend section 41-1-130, U.C.A., to delete the first paragraph dealing with procedures prior to July 1, 1973. To amend remainder of section to remove the reference to trailer registration by weight, and further amend the section covering the registration of vehicles for an excess of six months, from the eighty-five to ninety percent of the regular registration fee. This change will remove the uneven dollar amount in fees collected.

## Motor Vehicle

- i. The legislature amend section 41-1-133, U.C.A., to increase the fee for the issuance of a certificate of title to \$2.00. The expense of producing a title with the new automated system necessitates a change in the amount of the fee.
- j. The legislature amend section 41-1-137, U.C.A., to increase the fee for providing a duplicate registration to \$2.00, and the cost of a duplicate title to \$4.00. The cost of issuing a duplicate title, or a duplicate registration far exceeds the \$1.00 fee we are now receiving. Considering that the issuance of duplicates over the past five years have increased an overwhelming sixty-one percent, the increased fee would be most effective in controlling this phenomena.
- k. The legislature repeal section 41-1-69, U.C.A. Lien holders should not have to comply with strict dealer regulation.

# **Appendix A**

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TABLE 1  
SUMMARY OF EXCISE TAX COLLECTIONS — NET — FISCAL YEARS 1970 THRU 1979

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Individual Income Tax	\$ 61,334,600	\$ 61,883,516	\$ 74,096,483	\$ 88,546,711	\$ 90,032,358	\$ 104,919,366	\$ 140,561,916	\$ 158,268,002	\$ 188,893,615	\$ 225,955,596
Corporation Franchise Tax	11,839,339	11,127,260	12,691,054	29,620,635	20,173,183	18,002,679	24,501,925	24,866,694	29,448,490	32,874,065
Cigarette and Tobacco Tax	5,442,027	5,764,405	6,232,494	6,458,595	6,916,797	7,069,584	7,504,408	7,712,867	8,003,201	8,242,742
Inheritance Tax	3,101,636	3,593,586	2,816,947	3,565,540	3,669,012	3,784,893	3,460,538	5,564,283	4,054,945	1,423,243
Insurance Tax	4,393,263	5,064,923	5,591,097	6,327,153	6,976,078	7,520,415	8,384,435	10,098,434	11,917,410	13,452,007
Mine Occupation Tax	4,179,357	4,576,494	3,830,829	3,801,382	5,033,602	5,769,461	11,258,648	8,489,036	8,446,277	8,423,221
Sales an Use Tax (State)	90,870,265	101,236,304	117,686,126	135,864,153	149,442,237	173,736,874	194,799,068	225,793,595	257,988,280	288,602,629
Motor Fuel Tax	32,744,736	35,207,994	38,223,558	41,124,133	39,971,348	40,484,784	43,514,958	45,694,373	48,808,152	61,371,556
Motor Vehicle Reg. Fund	6,794,631	7,215,915	8,112,040	8,991,819	10,488,809	8,903,180	8,915,065	9,254,984	9,831,087	10,335,951
Special Fuel Tax	3,301,780	3,677,912	4,398,081	5,141,349	5,667,002	5,753,299	6,240,646	6,865,182	7,391,145	9,851,605
Uniform Local Sales and Use Tax	11,174,642	12,402,057	14,369,001	16,604,886	19,036,945	21,735,782	33,333,154	42,148,484	49,177,918	55,949,450
Local Transit Auth. Tax	-	-	-	-	-	1,383,395	7,707,244	9,560,527	11,170,144	12,807,371
All Other State & Local Taxes Collected (Net)	9,452,201	10,179,516	12,452,187	13,988,372	12,676,729	14,107,523	15,596,834	18,204,307	20,712,892	28,618,013
TOTALS	\$244,628,477	\$261,929,882	\$300,499,897	\$360,034,728	\$370,084,100	\$413,171,235	\$505,778,839	\$572,520,768	\$655,843,556	\$757,907,449

**TABLE 2**  
**EXCISE TAX COLLECTIONS AND FUND DISTRIBUTION**  
**FISCAL YEARS 1977-78 AND 1978-79**

	1978	1978	1978	1979	1979	1979	Percent Increase or (Decrease)
	Gross Collections	Refunds and Adjustments	Net Available for Distribution	Gross Collections	Refunds and Adjustments	Net Available for Distribution	Increase or (Decrease)
Uniform School Fund:							
Individual Income Tax	\$219,924,074	\$ 31,030,459	\$188,893,615	\$266,779,340	\$ 40,823,744	\$225,955,596	\$ 37,061,981
Corporation Franchise Tax	33,132,713	3,684,223	29,448,490	37,860,002	4,985,937	32,874,065	3,425,575
School Lunch Tax	3,058,376	-	3,058,376	3,672,688	-	3,672,688	614,312
Drivers Education Tax	1,404,576	103	1,404,473	1,462,624	99	1,462,525	58,052
TOTAL	\$257,519,739	\$ 34,714,785	\$222,804,954	\$309,774,654	\$ 45,809,780	\$263,964,874	\$ 41,159,920
General Fund:							
Beer Tax	\$ 1,990,043	\$ 4,625	\$ 1,985,418	\$ 1,915,811	\$ 2,373	\$ 1,913,438	\$ 71,980
Cigarette & Tobacco Tax	8,089,212	86,011	8,003,201	8,316,293	73,551	8,242,742	239,541
Inheritance Tax	4,108,997	54,052	4,054,945	1,457,764	34,521	1,423,243	(2,631,702)
Insurance Tax	11,918,683	1,273	11,917,410	13,448,959	4,444	13,444,515	1,527,105
Insurance Tax Clearing Acct.	-	-	-	7,492	-	7,492	7,492
Mine Occupation Tax	8,446,277	-	8,446,277	8,423,221	-	8,423,221	(23,056)
M.V.B.A. Fee	310,495	336	310,159	352,863	296	352,567	42,408
Public Service Commission Fee	1,288,926	-	1,288,926	995,464	-	995,464	(293,462)
Sales & Use Tax-State	259,423,555	1,435,275	257,988,280	291,656,662	3,054,033	288,602,629	30,614,349
Sales & Use Tax Clearing Acct.	-	-	-	3,295,062	-	3,295,062	3,295,062
Prepaid Sales & Use Tax Constr. Acct.	349,647	-	349,647	2,280,653	-	2,280,653	1,931,006
TOTAL	\$295,925,835	\$ 1,581,572	\$294,344,263	\$332,150,244	\$ 3,169,218	\$28,981,026	\$ 34,636,763
Transportation Fund:							
Motor Fuel Tax	\$ 48,832,242	\$ 24,090	\$ 48,808,152	\$ 61,455,243	\$ 83,687	\$ 61,371,556	\$ 12,563,404
Motor Vehicle Registration Fund	9,852,243	21,156	9,831,087	10,345,684	9,733	10,335,951	504,864
Special Fuel Tax	7,593,360	202,215	7,391,145	10,194,451	342,846	9,851,605	2,460,460
Temporary Permit Fees	761,160	275	760,885	780,490	50	780,440	19,555
Motor Vehicle Control Fee	501,280	7	501,273	512,156	16	512,140	10,867
Proportional Registration Fee	2,178,953	19,639	2,159,314	2,241,086	2,324	2,238,762	79,448
Highway Use Tax	1,093,675	323	1,093,352	1,151,539	9,451	1,142,088	48,736
Aviation Fuel Tax	2,222,112	-	2,222,112	2,510,695	-	2,510,695	288,583
Studded Tire Fee	6,787	-	6,787	14,803	-	14,803	8,016
TOTAL	\$ 73,041,812	\$ 267,705	\$ 72,774,107	\$ 89,206,147	\$ 448,107	\$ 88,758,040	\$ 15,983,933
							22.0



**Trust and Agency Fund:**

Car and Bus Tax	\$ 807,786	-	\$ 807,786	\$	926,021	\$ 3,655	\$ 922,366	\$ 114,580	14.2
Firemen's Pension Fund	789,002	-	789,002		928,010	-	928,010	139,008	17.6
Cash Bonds (Sales, Sp. Fuel, w/h, Ad Valorem)									
Tax Commission Suspense	45,842	50,456	(4,614)		159,732	119,108	40,624	45,238	780.4
Combined Injury & Benefit Fund	172,695	88,421	84,274		(24,796)	55,973	(81,769)	(166,043)	
Boat Fuel Tax	1,377,313	-	1,377,313		1,707,486	-	1,707,486	330,173	24.0
Reflectorized Plate Fee	356,340	-	356,340		377,339	-	377,339	20,999	6.0
Election Campaign Fund	335,256	11	335,245		346,458	16	346,442	11,197	3.3
Protested-Mine Occupation Tax	82,686	-	82,686		161,081	-	161,081	78,395	94.8
	-	-	-		947,062	-	947,062	947,062	

**TOTAL**

	\$ 3,966,920	\$ 138,888	\$ 3,828,032	\$ 5,527,393	\$ 178,752	\$ 5,348,641	\$ 1,520,609	39.7
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**TOTAL STATE TAXES**

	\$630,454,306	\$ 36,702,950	\$593,751,356	\$736,658,438	\$ 49,605,857	\$687,052,581	\$ 93,301,225	15.7
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**Local Tax Collections:**

Uniform Local Sales & Use Tax	\$ 49,523,571	\$ 345,653	\$ 49,177,918	\$ 56,597,053	\$ 647,603	\$ 55,949,450	\$ 6,771,532	13.8
Transient Room Tax	1,744,462	324	1,744,138	2,098,333	285	2,098,048	353,910	20.3
Transit Authority Tax	11,241,913	71,769	11,170,144	12,862,921	55,550	12,807,371	1,637,227	14.7

**TOTAL**

	\$ 62,509,946	\$ 417,746	\$ 62,092,200	\$ 71,558,307	\$ 703,438	\$ 70,854,869	\$ 8,762,669	14.1
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**GRAND TOTAL**

	\$692,964,252	\$ 37,120,696	\$655,843,556	\$808,216,745	\$ 50,309,295	\$757,907,450	\$102,063,894	15.6
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- (1) Insurance Tax Clearing Account Added to General Fund 3-1-79  
(2) Sales and Use Tax Clearing Account Added to General Fund 3-1-79  
(3) Ad Valorem Cash Bonds Added to Trust & Agency Fund 3-1-79  
(4) Protested-Mine Occupation Tax Added to Trust & Agency Fund 6-1-79



**TABLE 3**  
**TEN-YEAR COMPARATIVE REPORT OF PROPERTY TAXES LEVIED & EXCISE TAXES**  
**COLLECTED FOR CALENDAR YEARS 1969-1978 AND FISCAL YEARS JULY 1 TO JUNE 30,**  
**1970-1979**

Calendar Year	Fiscal Year	Property Taxes Levied Calendar Year	Excise Taxes Net Collection Fiscal Year	Total	Property Taxes % of Total	Excise Taxes % of Total
1969	1970	\$144,473,414	\$244,628,477	\$389,101,891	37.13	62.87
1970	1971	154,121,967	261,929,882	416,051,849	37.04	62.96
1971	1972	167,880,362	300,499,897	468,380,259	35.84	64.16
1972	1973	169,207,884	360,034,728	529,242,612	31.97	68.03
1973	1974	170,641,107	370,084,100	540,725,207	31.56	68.44
1974	1975	181,090,140	413,171,235	594,261,375	30.47	69.53
1975	1976	208,132,348	505,778,839	713,911,187	29.15	70.85
1976	1977	240,134,711	572,520,768	812,655,479	29.55	70.45
1977	1978	265,094,843	655,843,556	920,938,399	28.78	71.22
1978	1979	309,668,926	757,907,449	1,067,576,375	29.01	70.99
Rate of Increase in 10 Years		114.34%	209.82%	174.37%		

**TABLE 4**  
**SUMMARY OF DISTRIBUTION OF UNIFORM LOCAL SALES AND USE TAX TO**  
**PARTICIPATING UNITS FOR FISCAL YEARS 1977-78 AND 1978-79**

Unit	Net Distribution After Admin. Costs		Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
	7-1-77 to 6-30-78	7-1-78 to 6-30-79		
<b>BEAVER COUNTY</b>				
Cities and Towns	\$ 19,525.20	\$ 22,161.77	\$ 2,636.57	13.50
Beaver				
Milford	53,179.38	56,701.95	3,522.57	6.62
Minersville	28,857.40	30,952.66	2,095.26	7.26
	7,278.33	7,622.61	344.28	4.73
Total Cities and Towns	\$ 89,315.11	\$ 95,277.22	\$ 5,962.11	6.68
Total Beaver County				
Including Cities and Towns	\$ 108,840.31	\$ 117,438.99	\$ 8,598.68	7.90
<b>BOX ELDER COUNTY</b>				
Cities and Towns	\$ 82,295.50	\$ 111,150.34	\$ 28,854.84	35.06
Bear River				
Brigham City	2,293.17	4,458.20	2,165.03	94.41
Corrinne	375,324.56	420,399.26	45,074.70	12.01
Deweyville	9,236.36	10,583.61	1,347.25	14.59
Elwood	412.22	1,666.47	1,254.25	304.27
Fielding	5,302.20	4,907.86	(394.34)	(7.44)
Garland	1,507.95	2,884.26	1,376.31	91.27
Honeyville	13,545.63	18,232.15	4,686.52	34.60
Mantua	2,239.85	4,154.03	1,914.18	85.46
Perry	926.83	2,057.63	1,130.80	122.01
Plymouth	19,268.63	21,986.25	2,717.62	14.10
Portage	1,026.07	1,305.43	279.36	27.23
Snowville	506.08	853.36	347.28	68.62
Tremonton	5,727.22	6,416.98	689.76	12.04
Willard	221,184.23	256,646.81	35,462.58	16.03
	11,919.43	14,151.84	2,232.41	18.73
Total Cities and Towns	\$ 670,420.43	\$ 770,704.14	\$ 100,283.71	14.96
Total Box Elder County				
Including Cities and Towns	\$ 752,715.93	\$ 881,854.48	\$ 129,138.55	17.16
<b>CACHE COUNTY</b>				
Cities and Towns	\$ 69,313.71	\$ 111,383.51	\$ 42,069.80	60.69
Amalga				
Clarkston	7,840.07	13,653.43	5,813.36	74.15
Cornish	1,260.00	1,714.60	454.60	36.08
Hyde Park	624.38	790.38	166.00	26.59
Hyrum	19,338.04	23,262.87	3,924.83	20.30
Lewiston	34,410.99	37,564.54	3,153.55	9.16
Logan	12,245.92	16,499.43	4,253.51	34.73
Mendon	1,119,654.21	1,206,559.89	86,905.68	7.76
Millville	3,384.19	3,825.61	441.42	13.04
Newton	3,278.10	3,939.75	661.65	20.18
Nibley	2,274.58	2,293.07	18.49	.81
North Logan	2,102.75	2,627.92	525.17	24.98
Paradise	56,653.20	83,260.28	26,607.08	46.96
Providence	2,354.73	3,996.97	1,642.24	69.74
Richmond	14,020.85	12,854.32	(1,166.53)	(8.32)
	19,666.86	21,826.50	2,159.64	10.98



TABLE 4 (continued)

River Heights	2,840.34	2,206.29	(634.05)	(22.32)
Smithfield	87,211.87	107,146.23	19,934.36	22.86
Trenton	4,000.22	4,252.23	252.01	6.30
Wellsville	7,627.15	7,928.46	301.31	3.95
Total Cities and Towns	\$ 1,400,788.45	\$ 1,556,202.77	\$ 155,414.32	11.09
Total Cache County Including Cities and Towns	\$ 1,470,102.16	\$ 1,667,586.28	\$ 197,484.12	13.43
<b>CARBON COUNTY</b>	\$ 394,631.80	\$ 345,352.94	\$ (49,278.86)	(12.49)
Cities and Towns				
Helper	68,570.75	105,836.30	37,265.55	54.35
Price	439,164.41	597,309.48	158,145.07	36.01
Total Cities and Towns	\$ 507,735.16	\$ 703,145.78	\$ 195,410.62	38.49
Total Carbon County Including Cities and Towns	\$ 902,366.96	\$ 1,048,498.72	\$ 146,131.76	16.19
<b>DAGGETT COUNTY</b>	\$ 38,147.07	\$ 19,355.16	\$ (18,791.91)	(49.26)
Cities and Towns				
Manila	6,322.53	7,496.34	1,173.81	18.56
Total Cities and Towns	\$ 6,322.53	\$ 7,496.34	\$ 1,173.81	18.56
Total Daggett County Including Cities and Towns	\$ 44,469.60	\$ 26,851.50	\$ (17,618.10)	(39.62)
<b>DAVIS COUNTY</b>	\$ 220,868.30	\$ 259,056.13	\$ 38,187.83	17.29
Cities and Towns				
Bountiful	950,936.53	1,035,264.77	84,328.24	8.87
Centerville	178,405.99	246,502.10	68,096.11	38.17
Clearfield	277,088.80	324,384.41	47,295.61	17.07
Clinton	7,146.16	10,095.48	2,949.32	41.27
East Layton	6,301.08	9,104.97	2,803.89	44.50
Farmington	65,387.37	73,207.12	7,819.75	11.96
Fruit Heights	7,336.23	9,312.27	1,976.04	26.94
Kaysville	79,934.89	112,551.18	32,616.29	40.80
Layton	463,469.66	573,554.52	110,084.86	23.75
North Salt Lake	194,743.09	238,129.65	43,386.56	22.28
South Weber	12,008.91	19,720.82	7,711.91	64.22
Sunset	43,930.08	56,140.40	12,210.32	27.79
Syracuse	123,389.29	139,598.58	16,209.29	13.14
West Bountiful	75,763.93	101,891.55	26,127.62	34.48
West Point	4,110.36	5,304.04	1,193.68	29.04
Woods Cross	197,683.88	227,751.82	30,067.94	15.21
Total Cities and Towns	\$ 2,687,636.25	\$ 3,182,513.68	\$ 494,877.43	18.41
Total Davis County Including Cities and Towns	\$ 2,908,504.55	\$ 3,441,569.81	\$ 533,065.26	18.33
<b>DUCHESNE COUNTY</b>	\$ 150,470.61	\$ 252,580.97	\$ 102,110.36	67.86
Cities and Towns				
Altamont	13,253.47	16,509.06	3,255.59	24.56
Duchesne	35,620.44	42,805.31	7,184.87	20.17
Myton	1,882.07	2,170.89	288.82	15.34
Roosevelt	254,497.95	296,818.31	42,320.36	16.63
Total Cities and Towns	\$ 305,253.93	\$ 358,303.57	\$ 53,049.64	\$17.38
Total Duchesne County Including Cities and Towns	\$ 455,724.54	\$ 610,884.54	\$ 155,160.00	34.05



TABLE 4 (continued)

<b>EMERY COUNTY</b>	\$	66,673.85	\$	54,710.38	\$	(11,963.47)	(17.94)
Cities and Towns							
Castle Dale		58,720.90		52,770.14		(5,950.76)	(10.13)
Cleveland		8,849.44		3,916.11		(4,933.33)	(55.75)
Elmo		4,146.09		1,159.57		(2,986.52)	(72.03)
Emery		7,190.38		3106.63		(4,083.75)	(56.79)
Ferron		31,067.10		15,590.71		(15,476.39)	(49.82)
Green River		71,613.14		61,628.26		(9,984.88)	(13.94)
Huntington		60,312.74		46,086.86		(14,225.88)	(23.59)
Orangeville		19,878.03		10,195.55		(9,682.48)	(48.71)
Total Cities and Towns	\$	261,777.82	\$	194,453.83	\$	(67,323.99)	(25.72)
Total Emery County							
Including Cities and Towns(1) See Notes)	\$	328,451.67	\$	249,164.21	\$	(79,287.46)	(24.14)
<b>GARFIELD COUNTY</b>	\$	21,458.19	\$	34,500.71	\$	13,042.52	60.78
Cities and Towns							
Boulder		753.52		1,041.51		287.99	38.22
Cannonville		339.28		583.39		244.11	71.95
Escalante		7,684.31		10,127.33		2,443.02	31.79
Hatch		2,417.02		2,744.31		327.29	13.54
Henrieville		492.84		624.96		132.12	26.81
Panguitch		48,816.13		57,023.38		8207.25	16.81
Tropic		2,437.73		3,985.18		1,547.45	63.48
Total Cities and Towns	\$	62,940.83	\$	76,130.06	\$	13,189.23	20.95
Total Garfield County							
Including Cities and Towns	\$	84,399.02	\$	110,630.77	\$	26,231.75	31.08
<b>GRAND COUNTY</b>	\$	106,157.24	\$	96,234.19	\$	(9,923.05)	(9.35)
Cities and Towns							
Moab		256,055.12		318,020.55		61,965.43	24.20
Total Cities and Towns	\$	256,055.12	\$	318,020.55	\$	61,965.43	24.20
Total Grand County							
Including Cities and Towns	\$	362,212.36	\$	414,254.74	\$	52,042.38	14.37
<b>IRON COUNTY</b>	\$	65,266.70	\$	54,086.97	\$	(11,179.73)	(17.13)
Cities and Towns							
Brian Head		13,128.17		15,413.51		2,285.34	17.41
Cedar City		486,641.63		553,768.09		67,126.46	13.79
Kanarraville		747.73		609.80		(137.93)	(18.45)
Paragonah		837.74		678.58		(159.16)	(19.00)
Parowan		24,180.80		22,742.53		(1,438.27)	(5.95)
Total Cities and Towns	\$	525,536.07	\$	593,212.51	\$	67,676.44	12.88
Total Iron County							
Including Cities and Towns	\$	590,802.77	\$	647,299.48	\$	56,496.71	9.56
<b>JUAB COUNTY</b>	\$	15,151.76	\$	13,191.02	\$	(1,960.74)	(12.94)
Cities and Towns							
Eureka		6,979.08		6,823.59		(155.49)	(2.23)
Levan		2,217.57		1,641.61		(575.96)	(25.97)
Mona		1,281.61		1,491.13		209.52	16.35
Nephi		119,494.18		133,609.42		14,115.24	11.81
Total Cities and Towns	\$	129,972.44	\$	143,565.75	\$	13,593.31	10.46
Total Juab County							
Including Cities and Towns	\$	145,124.20	\$	156,756.77	\$	11,632.57	8.02

TABLE 4 (continued)

<b>KANE COUNTY</b>	\$	39,235.39	\$	41,597.49	\$	2,362.10	6.02
Cities and Towns							
Alton		79.31		78.87		(.44)	(.55)
Glendale		3,211.02		3,289.82		78.80	2.45
Kanab		74,020.10		85,319.89		11,299.79	15.26
Orderville		4,671.55		4,535.22		(136.33)	(2.92)
Total Cities and Towns	\$	81,981.98	\$	93,223.80	\$	11,241.82	13.71
Total Kane County	\$	121,217.37	\$	134,821.29	\$	13,603.92	11.22
Including Cities and Towns							
<b>MILLARD COUNTY</b>	\$	30,989.26	\$	34,983.15	\$	3,993.89	12.89
Cities and Towns							
Delta		86,088.29		101,584.61		15,496.32	18.00
Fillmore		75,351.34		86,084.82		10,733.48	14.24
Hinckley		960.64		1,077.55		116.91	12.17
Holden		1,631.70		1,807.16		175.46	10.75
Kanosh		2,276.65		2,611.73		335.08	14.72
Leamington		140.13		187.74		47.61	33.98
Lynndyl		632.76		576.73		(56.03)	(8.85)
Meadow		1,665.74		2,222.80		557.06	33.44
Oak City		471.61		583.02		111.41	23.62
Scipio		1,535.48		1,773.97		238.49	15.53
Total Cities and Towns	\$	170,754.34	\$	198,510.13	\$	27,755.79	16.25
Total Millard County	\$	201,743.60	\$	233,493.28	\$	31,749.68	15.74
Including Cities and Towns							
<b>MORGAN COUNTY</b>	\$	74,439.76	\$	104,941.42	\$	30,501.66	40.97
<b>PIUTE COUNTY</b>	\$	7,925.99	\$	7,302.81	\$	(623.18)	(7.86)
Cities and Towns							
Circleville		237.55		1,097.73		860.18	-
Junction		1,759.91		2,078.73		318.82	18.12
Marysvale		3,997.94		2,396.96		(1,600.98)	(40.04)
Total Cities and Towns	\$	5,995.40	\$	5,573.42	\$	(421.98)	(7.04)
Total Piute County	\$	13,921.39	\$	12,876.87	\$	(1,045.16)	(7.51)
Including Cities and Towns							
<b>RICH COUNTY</b>	\$	11,389.34	\$	20,490.87	\$	9,101.53	79.91
Cities and Towns							
Garden City		4,997.70		5,319.78		322.08	6.44
Laketown		2,537.90		2,751.04		213.14	8.40
Pickleville		1,856.80		4,239.78		2,382.98	128.34
Randolph		13,259.48		17,940.79		4,681.31	35.31
Total Cities and Towns	\$	22,651.88	\$	30,251.39	\$	7,599.51	33.55
Total Rich County	\$	34,041.22	\$	50,742.26	\$	16,701.04	49.06
Including Cities and Towns							
<b>SALT LAKE COUNTY</b>	\$	7,898,820.84	\$	8,771,561.13	\$	872,740.29	11.05
Cities and Towns							
Alta		48,428.34		53,678.86		5,250.52	10.84
Bluffdale(2) See Notes		-		1,110.66		1,110.66	-
Draper(3) See Notes		-		37,770.61		37,770.61	-
Midvale		504,608.64		653,630.83		149,022.19	29.53
Murray		2,779,934.33		2,940,684.23		160,749.90	5.78



TABLE 4 (continued)

Riverton	115,753.83	127,415.94	11,662.11	10.07
Salt Lake City	11,895,785.33	13,280,984.32	1,385,198.99	11.64
Sandy	531,418.45	849,575.69	318,157.24	59.87
South Jordan	18,795.40	32,225.44	13,430.04	71.45
South Salt Lake	1,561,942.37	1,797,497.91	235,555.54	15.08
West Jordan	305,126.56	602,775.70	297,649.14	97.55
Total Cities and Towns	\$17,761,793.25	\$20,377,350.19	\$ 2,615,556.94	14.72
Total Salt Lake County Including Cities and Towns	<u>\$25,660,614.09</u>	<u>\$29,148,911.32</u>	<u>\$ 3,488,297.23</u>	<u>13.59</u>
<b>SAN JUAN COUNTY</b>				
Cities and Towns	\$ 113,224.45	\$ 87,710.72	\$ (25,513.73)	(22.53)
Blanding	70,932.98	73,019.58	2,986.60	2.94
Bluff(4) See Notes	3,982.43	3,860.39	(122.04)	(3.06)
Monticello	79,908.06	85,449.98	5,541.92	6.94
Total Cities and Towns	\$ 154,323.47	\$ 162,329.95	\$ 8,006.48	5.19
Total San Juan County Including Cities and Towns	<u>\$ 267,547.92</u>	<u>\$ 250,040.67</u>	<u>\$ (17,507.25)</u>	<u>(6.54)</u>
<b>SANPETE COUNTY</b>				
Cities and Towns	\$ 27,727.16	\$ 28,638.94	\$ 911.78	3.29
Centerfield	4,787.02	7,345.04	2,558.02	53.44
Ephraim	48,709.87	58,778.09	10,068.22	20.67
Fairview	9,576.13	16,640.48	7,064.35	73.77
Fayette	711.79	731.11	19.32	2.71
Fountain Green	2,379.93	2,540.35	160.42	6.74
Gunnison	60,565.04	74,464.98	13,899.94	22.95
Manti	40,242.29	31,771.12	(8,471.17)	21.05
Mayfield	1,562.00	1,811.90	249.90	16.00
Moroni	17,153.36	21,714.93	4,561.57	26.59
Mt. Pleasant	45,530.48	61,224.20	15,693.72	34.47
Spring City	2,756.78	2,587.59	(169.19)	(6.14)
Sterling	1,212.10	1,515.04	302.94	24.99
Wales	253.73	319.86	66.13	26.06
Total Cities and Towns	\$ 235,440.52	\$ 281,444.69	\$ 46,004.17	19.54
Total Sanpete County Including Cities and Towns	<u>\$ 263,167.68</u>	<u>\$ 310,083.63</u>	<u>\$ 46,915.95</u>	<u>17.83</u>
<b>SEVIER COUNTY</b>				
Cities and Towns	\$ 32,152.15	\$ 80,066.57	\$ 47,914.42	149.02
Annabella	675.58	1,048.69	373.11	55.23
Aurora	8,367.72	11,408.21	3,040.49	36.34
Elsinore	3,378.00	3,667.57	289.57	8.57
Glenwood	531.86	702.44	170.58	32.07
Joseph	1,059.86	1,058.29	(1.57)	(.15)
Monroe	13,683.69	12,033.47	(1,650.22)	(12.06)
Redmond	5,487.05	6,434.67	947.62	17.27
Richfield	330,782.31	354,952.13	24,169.82	7.31
Salina	93,010.50	93,833.55	823.05	.88
Sigurd	2,331.71	3,274.73	943.02	40.44
Total Cities and Towns	\$ 459,308.28	\$ 488,413.75	\$ 29,105.47	6.34
Total Sevier County Including Cities and Towns	<u>\$ 491,460.43</u>	<u>\$ 568,480.32</u>	<u>\$ 77,019.89</u>	<u>15.67</u>



TABLE 4 (continued)

<b>SUMMIT COUNTY</b>	\$ 62,780.02	\$ 72,890.53	\$ 10,110.51	16.10
Cities and Towns				
Coalville	35,067.02	36,356.33	1,289.31	3.68
Francis	1,559.30	2,183.05	623.75	40.00
Henefer	5,689.59	3,776.09	(1,913.50)	(33.63)
Kamas	23,451.98	25,335.15	1,883.17	8.03
Oakley	2,620.84	3,087.26	466.42	17.80
Park City	192,578.27	285,885.90	93,307.63	48.45
Total Cities and Towns	\$ 260,967.00	\$ 356,623.78	\$ 95,656.78	36.65
Total Summit County				
Including Cities and Towns	\$ 323,747.02	\$ 429,514.31	\$ 105,767.29	32.67
<b>TOOELE COUNTY</b>	\$ 107,176.43	\$ 90,274.13	\$ (16,902.30)	(15.77)
Cities and Towns				
Grantsville	29,365.41	40,438.29	11,072.88	37.71
Stockton	2,043.36	2,555.95	512.59	25.08
Tooele	369,888.37	496,226.22	126,337.85	34.16
Wendover	26,470.74	41,033.32	14,562.58	55.01
Vernon	672.34	1,178.93	506.59	75.35
Total Cities and Towns	\$ 428,440.22	\$ 581,432.71	\$ 152,992.49	35.71
Total Tooele County				
Including Cities and Towns	\$ 535,616.65	\$ 671,706.84	\$ 136,090.19	25.41
<b>UINTAH COUNTY</b>	\$ 418,607.91	\$ 315,087.93	\$ (103,519.98)	(24.73)
Cities and Towns				
Vernal	464,496.04	793,657.21	329,161.17	70.86
Ballard	22,342.36	29,902.85	7,560.49	33.84
Total Cities and Towns	\$ 486,838.40	\$ 823,560.06	\$ 336,721.66	69.16
Total Uintah County				
Including Cities and Towns	\$ 905,446.31	\$ 1,138,647.99	\$ 233,201.68	25.76
<b>UTAH COUNTY</b>	\$ 507,951.31	\$ 560,640.70	\$ 52,689.39	10.37
Cities and Towns				
Alpine	14,532.96	12,879.80	(1,653.16)	(11.38)
American Fork	389,077.21	460,241.67	71,164.46	18.29
Genola	1,791.96	2,452.53	660.57	36.86
Goshen	2,239.69	2,465.82	226.13	10.10
Highland	3,670.59	7,791.35	4,120.76	-
Lehi	82,083.03	92,958.93	10,875.90	13.25
Lindon	66,857.68	105,975.22	39,117.54	58.51
Mapleton	16,138.10	20,828.59	4,690.49	29.06
Orem	1,691,732.50	2,062,777.81	371,045.31	21.93
Payson	129,599.88	163,852.40	34,252.52	26.43
Pleasant Grove	89,404.01	113,608.00	24,203.99	27.07
Provo	1,855,791.03	2,065,102.53	209,331.50	11.28
Salem	14,487.18	16,183.55	1,696.37	11.71
Santaquin	20,626.98	24,457.16	3,830.18	18.57
Spanish Fork	267,054.63	312,998.47	45,943.84	17.20
Springville	185,682.53	212,841.31	27,158.78	14.63
Total Cities and Towns	\$ 4,830,769.96	\$ 5,677,415.14	\$ 846,645.18	17.53
Total Utah County				
Including Cities and Towns	\$ 5,338,721.27	\$ 6,238,055.84	\$ 899,334.57	16.84

TABLE 4 (continued)

<b>WASATCH COUNTY</b>				
Cities and Towns	\$ 49,683.37	\$ 33,230.26	\$ (16,453.11)	(33.12)
Charleston				
Heber	1,311.84	1,365.97	54.13	4.13
Midway	183,967.56	214,705.61	30,738.05	16.71
Soldier Summit	18,202.48	17,188.04	(1,014.44)	(5.57)
Wallsburg	1,693.82	1,715.62	21.80	1.29
	4,785.81	2,622.15	(2,163.66)	(45.21)
Total Cities and Towns	\$ 209,961.51	\$ 237,597.39	\$ 27,635.88	13.16
Total Wasatch County				
Including Cities and Towns	\$ 259,644.88	\$ 270,827.65	\$ 11,182.77	4.31
<b>WASHINGTON COUNTY</b>				
Cities and Towns	\$ 55,463.55	\$ 64,669.65	\$ 9,206.10	16.60
Enterprise				
Hildale	8,932.05	11,195.91	2,263.86	25.34
Hurricane	4,123.77	3,558.91	(564.86)	(13.70)
Ivins	65,114.41	74,566.67	9,452.26	14.52
LaVerkin	841.07	1,073.37	232.30	27.62
Leeds	6,963.76	9,280.78	2,317.02	33.27
Santa Clara	788.65	1,026.82	238.17	30.20
Springdale	4,250.21	5,905.53	1,655.32	38.95
St. George	15,448.36	17,486.08	2,037.72	13.19
Toquerville	509,972.16	633,024.79	123,052.63	24.13
Virgin	571.49	795.52	224.03	39.20
Washington City	417.12	425.14	8.02	1.92
	19,827.70	21,433.98	1,606.28	8.10
Total Cities and Towns	\$ 637,250.75	\$ 779,773.50	\$ 142,522.75	22.36
Total Washington County				
Including Cities and Towns	\$ 692,714.30	\$ 844,443.15	\$ 151,728.85	21.90
<b>WAYNE COUNTY</b>				
Cities and Towns	\$ 10,489.59	\$ 18,119.64	\$ 7,630.05	72.74
Bicknell				
Loa	6,207.86	7,640.50	1,432.64	23.08
Torrey	8,808.23	10,219.70	1,411.47	16.02
	1,443.00	1,467.30	24.30	1.68
Total Cities and Towns	\$ 16,459.09	\$ 19,327.50	\$ 2,868.41	17.43
Total Wayne County				
Including Cities and Towns	\$ 26,948.68	\$ 37,447.14	\$ 10,498.46	38.96
<b>WEBER COUNTY</b>				
Cities and Towns	\$ 4,543,184.80	\$ 5,126,327.47	\$ 583,142.67	12.84
Riverdale				
	284,826.06	350,220.99	65,394.93	22.96
Total Cities and Towns	\$ 284,826.06	\$ 350,220.99	\$ 65,394.93	22.96
Total Weber County				
Including Cities and Towns	\$ 4,828,010.86	\$ 5,476,548.46	\$ 648,537.60	13.43
<b>GRAND TOTAL</b>				
	\$48,192,717.50	\$55,294,372.09	\$ 7,101,654.59	14.74

- (1) Emery County locations — negative amounts are due to a \$146,000 pollution control refund given to UP&L.  
 (2) Bluffdale — adopted local option tax effective 1-1-79.  
 (3) Draper — adopted local option tax effective 7-1-78.  
 (4) Bluff — disincorporated 10-11-78.



**TABLE 5**  
**SUMMARY OF DISTRIBUTION OF TRANSIENT ROOM TAX TO PARTICIPATING UNITS FOR**  
**FISCAL YEARS 1977-78 AND 1978-79**

	Date	Net Distribution After Contract Admin. Costs		Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
		Effective 7-1-77 to 6-30-78	7-1-78 to 6-30-79		
Beaver County	1-1-74	\$ 10,332.70	\$ 8,223.44	\$ (2,109.26)	(20.41)
Box Elder County	7-1-70	19,036.06	24,210.91	5,174.85	27.18
Cache County	4-1-73	15,284.59	18,848.88	3,564.29	23.32
Carbon County	7-1-72	20,669.26	22,777.40	2,108.14	10.20
Daggett County	10-1-72	2,071.83	2,095.26	23.43	1.13
Davis County	4-1-70	9,230.95	12,344.07	3,113.12	33.72
Duchesne County	4-1-73	4,689.34	6,607.88	1,918.54	40.91
Emery County	7-1-72	-0-	11,055.24	11,055.24	-
Garfield County	4-1-69	17,938.62	21,617.33	3,678.71	20.51
Grand County	4-1-70	57,464.44	48,968.05	(8,496.39)	(14.78)
Iron County	4-1-72	35,804.58	40,442.25	4,637.67	12.95
Juab County	7-1-73	7,303.46	7,992.76	689.30	16.02
Kane County	1-1-72	21,094.43	25,298.54	4,204.11	19.93
Millard County	4-1-74	9,517.79	11,069.26	1,551.47	16.30
Morgan County	4-1-72	107.65	107.98	.33	.31
Piute County	7-1-73	414.47	543.90	129.43	31.23
Rich County	4-1-73	5,427.01	7,999.57	2,572.56	47.40
Salt Lake County	8-5-65	1,073,760.94	1,247,504.60	173,743.66	16.18
San Juan County	4-1-70	10,250.58	13,017.00	2,766.42	26.99
Sanpete County	10-1-73	2,750.70	2,851.67	100.97	3.67
Sevier County	10-1-72	24,701.34	30,288.23	5,586.89	22.62
Summit County	10-1-71	83,996.58	154,597.43	70,600.85	84.05
Tooele County	10-1-75	11,836.26	18,656.08	6,819.82	57.62
Uintah County	4-1-72	20,404.81	22,172.42	1,767.61	8.66
Utah County	7-1-71	91,307.08	118,048.50	26,741.42	29.29
Wasatch County	4-1-71	18,767.15	19,703.83	936.68	4.99
Washington County	4-1-72	55,097.06	72,105.48	17,008.42	30.87
Wayne County	1-1-73	3,571.06	3,844.93	273.87	7.67
Weber County	1-1-70	79,276.88	89,780.89	10,504.01	13.25
GRAND TOTAL		\$1,712,107.62	\$2,062,773.78	\$350,666.16	20.48

**NOTES:** Green River City is located in both Grand and Emery Counties. Due to a room tax allocation problem, Emery County received tax that should have gone to Grand County. The zero on Emery County results from tax money being paid back to Grand County.



**TABLE 6**  
**SUMMARY OF DISTRIBUTION OF LOCAL TRANSIT AUTHORITY TAX TO PARTICIPATING**  
**UNITS FOR FISCAL YEARS 1977-78 AND 1978-79**

	Net Distribution After Admin. Costs		Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
	7-1-77 to 6-30-78	7-1-78 to 6-30-79		
Davis County	\$ 947,055.52	\$ 1,138,208.42	\$ 191,152.90	20.18
Salt Lake County	8,391,891.76	9,625,830.68	1,233,938.92	14.70
Weber County	1,578,508.68	1,809,969.05	231,460.37	14.66
Park City	25,160.62	89,241.02	64,080.40	-
<b>GRAND TOTAL</b>	<b>\$10,942,616.58</b>	<b>\$12,663,249.17</b>	<b>\$1,720,632.59</b>	<b>15.72</b>

**NOTES:** Park City adopted the transit authority tax effective 1-1-78. The above tax amounts represent  $\frac{1}{4}$  of 1 percent of taxable sales. No percent is computed as the two years are not yet comparable.

Tables 4, 5 and 6 show the amounts of uniform local sales and use tax, transient room tax and mass transit tax that were collected by local business concerns, remitted to the state on quarterly returns and distributed back to the participating localities net of a 2 percent Tax Commission's administrative fee for processing, tabulating, distributing, and when necessary, collecting from the local concerns.

The distributed amounts are based on the following tax rates:

**Local Sales & Use Tax:**  $\frac{3}{4}$  of 1 percent of net taxable sales or purchases, as applicable. At present, the rate is uniform statewide. It is based on point of sale and the money is distributed back to the town, city or county depending on whether or not the local option ordinance has been adopted.

**Transient Room Tax:** As this is a county tax, all distributions are made to the counties only. All 29 counties have adopted this tax. It applies to the rental charge for any suite, room, or rooms in a motel, hotel, motel court, inn or similar public accommodation for fewer than 30 consecutive days. This tax is over and above the applicable sales tax. At present, the room tax rate is 3 percent in Salt Lake, Davis, Weber, Box Elder, Wasatch, Utah, Summit and Morgan counties;  $2\frac{1}{4}$  in Grand county; 2 percent in Sevier, Wayne Piute, and Sanpete counties; and  $1\frac{1}{2}$  percent in all other counties. Room Tax is remitted on a quarterly return eparate from sales tax.

**Mass Transit Tax:** This tax can be adopted by county or municipality after proper procedures are followed including voter acceptance. The rate is  $\frac{1}{4}$  percent of 1 percent of net taxable sales and is remitted on the regular quarterly sales tax return. At present only three counties; Salt Lake, Davis and Weber and one city; Park City have adopted this tax. In the case of Salt Lake, Davis and Weber counties, the distribution is made by the Tax Commission direct to the county which in turn distributes the money to the Utah Transit Authority.

**TABLE 7**  
**TOTAL ASSESSED VALUE OF ALL PROPERTY FOR THE CALENDAR YEARS**  
**1977 & 1978**

Assessed by County Assessor	Calendar Years		Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
	1977	1978		
Residential Real Estate	\$ 330,659,387	\$ 548,576,438	\$ 217,917,051	65.90
Commercial and Industrial Real Estate	137,669,563	242,991,295	105,321,732	76.50
Agricultural Real Estate	138,104,202	192,058,942	53,954,740	39.07
Residential Buildings	966,401,473	1,595,739,414	629,337,941	65.12
Commercial and Industrial Buildings	375,531,315	545,461,423	169,930,108	45.25
Agricultural Buildings	20,956,353	21,666,303	709,950	3.39
Motor Vehicles	241,090,787	293,235,572	52,144,785	21.63
Commercial and Industrial Machinery	136,516,768	168,634,859	32,118,091	23.53
Agricultural Machinery	14,960,689	15,882,725	922,036	6.16
Other Personal Property	118,505,836	136,817,901	18,312,065	15.45
Range Cattle	10,517,971	9,192,811	(1,325,160)	(12.60)
Other Cattle	3,277,589	2,904,198	(373,391)	(11.39)
Horses and Mules	912,831	1,497,841	585,010	64.09
Sheep	1,249,216	1,137,023	(112,193)	(8.98)
Other Animals	444,885	483,642	38,757	8.71
Poultry	108,552	141,067	32,515	29.95
<b>TOTAL</b>	<b>\$2,496,907,417</b>	<b>\$3,776,421,454</b>	<b>\$1,279,514,037</b>	<b>51.24</b>
<b>Assessed by State Tax Commission</b>				
Airlines	\$ 5,642,168	\$ 6,151,491	\$ 509,323	9.03
Automobile, Passenger and Freight Companies	10,199,864	13,140,022	2,940,158	28.83
Gas, Pipeline and Water Companies	49,288,099	59,099,320	9,811,221	19.91
Power Companies	184,561,030	212,069,060	27,508,030	14.90
Railroad, Terminal and Car Companies	72,681,940	73,425,114	743,174	1.02
Telephone and Telegraph Companies	119,513,211	127,562,966	8,049,755	6.74
Metalliferous Mining Companies	175,591,470	170,550,841	(5,040,629)	(2.87)
Non-Metalliferous	41,335,033	56,675,385	15,340,352	37.11
Oil and Gas	215,245,334	232,906,535	17,661,201	8.21
<b>TOTAL</b>	<b>\$ 874,058,149</b>	<b>\$ 951,580,734</b>	<b>\$ 77,522,585</b>	<b>8.87</b>
<b>GRAND TOTAL</b>	<b>\$3,370,965,566</b>	<b>\$4,728,002,188</b>	<b>\$1,357,036,622</b>	<b>40.26</b>



**TABLE 8**  
**TOTAL PROPERTY TAXES FOR ALL PURPOSES CHARGED EACH CLASS OF PROPERTY**  
**FOR THE CALENDAR YEARS 1977 & 1978**

Assessed by County Assessor	Calendar Years		Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
	1977	1978		
Residential Real Estate	\$ 27,075,484	\$ 36,430,817	\$ 9,355,333	34.55
Commercial and Industrial Real Estate	11,906,030	16,201,187	4,295,157	36.08
Agricultural Real Estate	8,980,990	11,772,484	2,791,494	31.08
Residential Buildings	79,379,165	107,379,028	27,999,863	35.27
Commercial and Industrial Buildings	31,707,422	36,476,854	4,769,432	15.04
Agricultural Buildings	1,410,183	1,445,594	35,411	2.51
Motor Vehicles	20,263,537	19,413,488	(850,049)	(4.20)
Commercial and Industrial Machinery	10,375,388	10,860,068	484,680	4.67
Agricultural Machinery	905,248	948,106	42,858	4.73
Other Personal Property	10,202,594	9,287,390	(915,204)	(8.97)
Range Cattle	677,893	587,510	(90,383)	(13.33)
Other Cattle	209,504	184,937	(24,567)	(11.73)
Horses and Mules	58,731	93,700	34,969	59.54
Sheep	168,827	153,002	(15,825)	(9.37)
Other Animals	31,123	30,959	(164)	(.53)
Poultry	8,800	8,468	(332)	(3.77)
<b>TOTAL</b>	<b>\$ 203,360,919</b>	<b>\$ 251,273,592</b>	<b>\$ 47,912,673</b>	<b>23.56</b>
<b>Assessed by State Tax Commission</b>				
Airlines	\$ 369,484	\$ 362,771	\$ (6,713)	(1.82)
Automobile, Passenger and Freight Companies	743,154	822,852	79,698	10.72
Gas, Pipeline and Water Companies	3,566,940	3,732,024	165,084	4.63
Power Companies	13,273,733	13,534,344	260,611	1.96
Railroad, Terminal and Car Companies	4,976,366	4,640,718	(335,648)	(6.74)
Telephone and Telegraph Companies	9,798,235	8,557,102	(1,241,133)	(12.67)
Metalliferous Mining Companies	14,184,174	9,839,841	(4,344,333)	(30.63)
Non-Metalliferous	2,785,922	3,699,567	913,645	32.80
Oil and Gas	12,035,916	13,206,115	1,170,199	9.72
<b>TOTAL</b>	<b>\$ 61,733,924</b>	<b>\$ 58,395,334</b>	<b>\$ (3,338,590)</b>	<b>(5.41)</b>
<b>GRAND TOTAL</b>	<b>\$ 265,094,843</b>	<b>\$ 309,668,926</b>	<b>\$ 44,574,083</b>	<b>16.81</b>



**TABLE 9**  
**DISTRIBUTION OF PROPERTY TAXES ACCORDING TO PURPOSE**

	Calendar Years		Increase or (Decrease)	Percent Change
	1977	1978		
<b>Totals for State</b>				
District Schools	\$156,663,440	\$190,652,348	\$ 33,988,908	21.70
Cities and Towns	32,207,777	35,956,590	3,748,813	11.64
County	54,694,010	58,449,592	3,755,582	6.87
Special Taxing Districts	21,372,780	24,469,789	3,097,009	14.49
Special Livestock Taxes	156,836	140,607	(16,229)	(10.35)
<b>TOTALS</b>	<u>\$265,094,843</u>	<u>\$309,668,926</u>	<u>\$ 44,574,083</u>	<u>16.81</u>
 <b>Totals for each County</b>				
<b>BEAVER COUNTY</b>				
Beaver County School District	\$ 655,225	\$ 690,744	\$ 35,519	5.42
Cities and Towns	77,234	81,921	4,687	6.07
County	129,284	159,492	30,208	23.37
Special Taxing Districts	32,547	33,881	1,334	4.10
Special Livestock Taxes	7,829	7,546	(283)	(3.61)
<b>TOTALS</b>	<u>\$ 902,119</u>	<u>\$ 973,584</u>	<u>\$ 71,465</u>	<u>7.92</u>
 <b>BOX ELDER COUNTY</b>				
Box Elder County School District	\$ 4,562,000	\$ 4,919,185	\$ 357,185	7.83
Cities and Towns	561,198	636,304	75,106	13.38
County	933,375	952,173	18,798	2.01
Special Taxing Districts	195,398	209,773	14,375	7.36
Special Livestock Taxes	17,078	15,585	(1,493)	(8.74)
<b>TOTALS</b>	<u>\$ 6,269,049</u>	<u>\$ 6,733,020</u>	<u>\$ 463,971</u>	<u>7.40</u>
 <b>CACHE COUNTY</b>				
Logan City School District	\$ 2,113,296	\$ 2,324,170	\$ 210,874	9.98
Cache County School District	2,728,176	3,006,238	278,062	10.19
Total District	\$ 4,841,472	\$ 5,330,408	\$ 488,936	10.10
Cities and Towns	626,096	882,249	256,153	40.91
County	1,357,198	1,434,451	77,253	5.69
Special Taxing Districts	19,497	22,604	3,107	15.94
Special Livestock Taxes	4,811	3,783	(1,028)	(21.37)
<b>TOTALS</b>	<u>\$ 6,849,074</u>	<u>\$ 7,673,495</u>	<u>\$ 824,421</u>	<u>12.04</u>
 <b>CARBON COUNTY</b>				
Carbon County School District	\$ 2,895,270	\$ 3,201,873	\$ 306,603	10.59
Cities and Towns	209,694	278,013	68,319	32.58
County	928,007	993,214	65,207	7.03
Special Taxing Districts	431,268	482,206	50,938	11.81
Special Livestock Taxes	1,954	1,502	(452)	(23.13)
<b>TOTALS</b>	<u>\$ 4,466,193</u>	<u>\$ 4,956,808</u>	<u>\$ 490,615</u>	<u>10.99</u>

TABLE 9 (continued)

**DAGGETT COUNTY**

Daggett County School District  
 Cities and Towns  
 County  
 Special Taxing Districts  
 Special Livestock Taxes

\$ 197,408	\$ 396,650	\$ 199,242	100.93
12,233	17,527	5,294	43.28
54,836	89,246	34,410	62.75
-0-	-0-	-0-	-0-
1,070	874	(196)	(18.32)

**TOTALS**

\$ 265,547	\$ 504,297	\$ 238,750	89.91
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**DAVIS COUNTY**

Davis County School District  
 Cities and Towns  
 County  
 Special Taxing Districts  
 Special Livestock Taxes

\$ 11,013,405	\$ 13,463,645	\$ 2,450,240	22.25
2,798,391	3,045,505	247,114	8.83
3,145,548	4,295,966	1,150,418	36.57
1,343,421	1,998,473	655,052	48.76
1,228	1,125	(103)	(8.39)

**TOTALS**

\$ 18,301,993	\$ 22,804,714	\$ 4,502,721	24.60
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**DUCHESNE COUNTY**

Duchesne County School District  
 Cities and Towns  
 County  
 Special Taxing Districts  
 Special Livestock Taxes

\$ 6,801,414	\$ 5,739,519	\$ (1,061,895)	(15.61)
213,944	218,078	4,134	1.93
1,461,032	1,232,924	(228,108)	(15.61)
404,942	325,316	(79,626)	(19.66)
9,050	8,293	(757)	(8.36)

**TOTALS**

\$ 8,890,382	\$ 7,524,130	\$ (1,366,252)	(15.37)
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**EMERY COUNTY**

Emery County School District  
 Cities and Towns  
 County  
 Special Taxing Districts  
 Special Livestock Taxes

\$ 3,987,929	\$ 5,263,018	\$ 1,275,089	31.97
146,335	166,069	19,734	13.49
1,213,006	1,557,214	344,208	28.38
628,554	684,361	55,807	8.88
3,823	3,398	(425)	(11.12)

**TOTALS**

\$ 5,979,647	\$ 7,674,060	\$ 1,694,413	28.34
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**GARFIELD COUNTY**

Garfield County School District  
 Cities and Towns  
 County  
 Special Taxing Districts  
 Special Livestock Taxes

\$ 541,347	\$ 580,517	\$ 39,170	7.24
69,231	72,781	3,550	5.13
173,509	181,411	7,902	4.55
20,936	18,970	(1,966)	(9.39)
2,689	1,868	(821)	(30.53)

**TOTALS**

\$ 807,712	\$ 855,547	\$ 47,835	5.92
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**GRAND COUNTY**

Grand County School District  
 Cities and Towns  
 County  
 Special Taxing Districts  
 Special Livestock Taxes

\$ 1,181,350	\$ 1,255,682	\$ 74,332	6.29
180,425	190,943	10,518	5.83
428,129	416,039	(12,090)	(2.82)
146,580	177,461	30,881	21.07
5,002	1,462	(3,540)	(70.77)

**TOTALS**

\$ 1,941,486	\$ 2,041,587	\$ 100,101	5.16
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TABLE 9 (continued)

**IRON COUNTY**

Iron County School District	\$ 2,306,682	\$ 2,872,587	\$ 565,905	24.53
Cities and Towns	375,548	472,035	96,487	25.69
County	598,069	403,313	(194,756)	(32.56)
Special Taxing Districts	-0-	-0-	-0-	-0-
Special Livestock Taxes	4,609	5,972	1,363	29.57
<b>TOTALS</b>	<b>\$ 3,284,908</b>	<b>\$ 3,753,907</b>	<b>\$ 468,999</b>	<b>14.28</b>

**JUAB COUNTY**

Juab County School District	\$ 662,660	\$ 730,357	\$ 67,697	10.22
Tintic School District	131,984	130,411	(1,573)	(1.19)
Total District Schools	\$ 794,644	\$ 860,768	\$ 66,124	8.32
Cities and Towns	79,200	102,637	23,437	29.59
County	241,526	263,198	21,672	8.97
Special Taxing Districts	34,550	28,960	(5,590)	(16.18)
Special Livestock Taxes	9,930	9,222	(708)	(7.13)
<b>TOTALS</b>	<b>\$ 1,159,850</b>	<b>\$ 1,264,785</b>	<b>\$ 104,935</b>	<b>9.05</b>

**KANE COUNTY**

Kane County School District	\$ 432,997	\$ 487,890	\$ 54,893	12.68
Cities and Towns	62,356	66,959	4,603	7.38
County	170,790	192,442	21,652	12.68
Special Taxing Districts	-0-	-0-	-0-	-0-
Special Livestock Taxes	690	716	26	3.77
<b>TOTALS</b>	<b>\$ 666,833</b>	<b>\$ 748,007</b>	<b>\$ 81,174</b>	<b>12.17</b>

**MILLARD COUNTY**

Millard County School District	\$ 1,443,081	\$ 1,448,648	\$ 5,567	.39
Cities and Towns	107,474	114,043	6,569	6.11
County	362,832	298,008	(64,824)	(17.87)
Special Taxing Districts	234,843	260,743	25,900	11.03
Special Livestock Taxes	8,289	12,154	3,865	46.63
<b>TOTALS</b>	<b>\$ 2,156,519</b>	<b>\$ 2,133,596</b>	<b>\$ (22,923)</b>	<b>(1.06)</b>

**MORGAN COUNTY**

Morgan County School District	\$ 648,563	\$ 669,002	\$ 20,439	3.15
Cities and Towns	29,983	31,416	1,433	4.78
County	211,420	217,135	5,715	2.70
Special Taxing Districts	21,343	19,590	(1,753)	(8.21)
Special Livestock Taxes	1,120	1,106	(14)	(1.25)
<b>TOTALS</b>	<b>\$ 912,429</b>	<b>\$ 938,249</b>	<b>\$ 25,820</b>	<b>2.83</b>

**PIUTE COUNTY**

Piute County School District	\$ 177,719	\$ 195,610	\$ 17,891	10.07
Cities and Towns	15,323	17,891	2,568	16.76
County	64,151	46,817	(17,334)	(27.02)
Special Taxing Districts	8,848	7,628	(1,220)	(13.79)
Special Livestock Taxes	1,926	1,744	(182)	(9.45)
<b>TOTALS</b>	<b>\$ 267,967</b>	<b>\$ 269,690</b>	<b>\$ 1,723</b>	<b>.64</b>



TABLE 9 (continued)

**RICH COUNTY**

Rich County School District	\$ 379,888	\$ 505,021	\$ 25,840	5.39
Cities and Towns	14,141	19,151	5,010	35.43
County	157,548	166,044	8,496	5.39
Special Taxing Districts	32,153	31,474	(679)	(2.11)
Special Livestock Taxes	5,767	7,026	1,259	21.83
<b>TOTALS</b>	<b>\$ 688,790</b>	<b>\$ 728,716</b>	<b>\$ 39,926</b>	<b>5.80</b>

**SALT LAKE COUNTY**

Murray City School District	\$ 2,826,840	\$ 3,696,964	\$ 870,124	30.78
Salt Lake City School	22,349,081	27,632,788	5,283,707	23.64
Granite School District	25,560,428	36,119,453	10,559,025	41.31
Jordan School District	16,775,941	21,672,208	4,896,267	29.19
Total District Schools	\$ 67,512,290	\$ 89,121,413	\$ 21,609,123	32.01
Cities and Towns	15,409,721	17,390,927	1,981,206	12.86
County	28,485,405	30,003,966	1,518,561	5.33
Special Taxing Districts	14,386,146	16,043,254	1,657,108	11.52
Special Livestock Taxes	2,081	1,790	(291)	(13.98)
<b>TOTALS</b>	<b>\$125,795,643</b>	<b>\$152,561,350</b>	<b>\$ 26,765,707</b>	<b>21.28</b>

**SAN JUAN COUNTY**

San Juan County School District	\$ 3,474,993	\$ 4,061,828	\$ 586,835	16.89
Cities and Towns	91,335	110,864	19,529	21.38
County	1,389,997	1,624,731	234,734	16.89
Special Taxing Districts	190,596	223,339	32,743	17.18
Special Livestock Taxes	1,971	1,585	(386)	(19.58)
<b>TOTALS</b>	<b>\$ 5,148,892</b>	<b>\$ 6,022,347</b>	<b>\$ 873,455</b>	<b>16.96</b>

**SANPETE COUNTY**

North Sanpete School District	\$ 449,964	\$ 479,556	\$ 29,592	6.58
South Sanpete School District	442,319	476,847	34,528	7.81
Total District Schools	\$ 892,283	\$ 956,403	\$ 64,120	7.19
Cities and Towns	153,457	184,574	31,117	20.28
County	200,002	112,286	(87,716)	(43.86)
Special Taxing Districts	76,192	73,496	(2,696)	(3.54)
Special Livestock Taxes	11,460	9,566	(1,894)	(16.53)
<b>TOTALS</b>	<b>\$ 1,333,394</b>	<b>\$ 1,336,325</b>	<b>\$ 2,931</b>	<b>.22</b>

**SEVIER COUNTY**

Sevier County School District	\$ 1,194,694	\$ 1,260,453	\$ 65,759	5.50
Cities and Towns	202,994	215,867	12,873	6.34
County	331,060	273,351	(57,709)	(17.43)
Special Taxing Districts	57,576	48,596	(8,980)	(15.60)
Special Livestock Taxes	5,822	5,015	(807)	(13.86)
<b>TOTALS</b>	<b>\$ 1,792,146</b>	<b>\$ 1,803,282</b>	<b>\$ 11,136</b>	<b>.62</b>

TABLE 9 (continued)

**SUMMIT COUNTY**

Park City School District	\$ 635,436	\$ 706,803	\$ 71,367	11.23
North Summit School District	923,230	2,240,140	1,316,910	142.64
South Summit School District	632,610	1,084,571	451,961	71.44
Total District Schools	\$ 2,191,276	\$ 4,031,514	\$ 1,840,238	83.98
Cities and Towns	397,712	467,222	69,510	17.48
County	559,766	852,881	293,115	52.36
Special Taxing Districts	153,757	245,212	91,455	59.48
Special Livestock Taxes	3,397	2,881	(516)	(15.19)
TOTALS	\$ 3,305,908	\$ 5,599,710	\$ 2,293,802	69.38

**TOOELE COUNTY**

Tooele County School District	\$ 2,565,636	\$ 2,756,409	\$ 190,773	7.44
Cities and Towns	634,598	733,357	98,759	15.56
County	905,518	940,422	34,904	3.85
Special Taxing Districts	61,779	63,512	1,733	2.81
Special Livestock Taxes	16,819	11,901	(4,918)	(29.24)
TOTALS	\$ 4,184,350	\$ 4,505,601	\$ 321,251	7.68

**UINTAH COUNTY**

Uintah County School District	\$ 2,848,959	\$ 3,438,654	\$ 589,695	20.70
Cities and Towns	38,008	53,165	15,157	39.88
County	770,816	1,174,031	403,215	52.31
Special Taxing Districts	337,316	344,214	6,898	2.04
Special Livestock Taxes	11,086	9,230	(1,856)	(16.74)
TOTALS	\$ 4,006,185	\$ 5,019,294	\$ 1,013,109	25.29

**UTAH COUNTY**

Provo School District	\$ 5,145,360	\$ 5,855,601	\$ 710,241	13.80
Alpine School District	9,038,890	10,646,177	1,607,287	17.78
Nebo School District	4,135,867	4,714,107	578,240	13.98
Total District Schools	\$ 18,320,117	\$ 21,215,885	\$ 2,895,768	15.81
Cities and Towns	4,482,515	4,844,892	362,377	8.08
County	3,767,336	3,535,718	(231,618)	(6.15)
Special Taxing Districts	961,812	1,461,141	499,329	51.92
Special Livestock Taxes	8,647	7,331	(1,316)	(15.22)
TOTALS	\$ 27,540,427	\$ 31,064,967	\$ 3,524,540	12.80

**WASATCH COUNTY**

Wasatch County School District	\$ 996,027	\$ 1,009,447	\$ 13,420	1.35
Cities and Towns	92,290	101,139	8,849	9.59
County	428,589	375,759	(52,830)	(12.33)
Special Taxing Districts	48,242	41,710	(6,532)	(13.54)
Special Livestock Taxes	1,577	1,661	84	5.33
TOTALS	\$ 1,566,725	\$ 1,529,716	\$ (37,009)	(2.36)



TABLE 9 (continued)

**WASHINGTON COUNTY**

Washington County School District	\$ 2,153,536	\$ 2,396,090	\$ 242,554	11.26
Cities and Towns	530,829	624,197	93,368	17.59
County	639,549	815,085	175,536	27.45
Special Taxing Districts	65,040	76,572	11,532	17.73
Special Livestock Taxes	1,214	993	(221)	(18.20)
<b>TOTALS</b>	<b>\$ 3,390,168</b>	<b>\$ 3,912,937</b>	<b>\$ 522,769</b>	<b>15.42</b>

**WAYNE COUNTY**

Wayne County School District	\$ 150,680	\$ 163,991	\$ 13,311	8.83
Cities and Towns	5,072	5,665	593	11.69
County	52,320	52,991	671	1.28
Special Taxing Districts	1,815	1,976	161	8.87
Special Livestock Taxes	3,672	3,434	(238)	(6.48)
<b>TOTALS</b>	<b>\$ 213,559</b>	<b>\$ 228,057</b>	<b>\$ 14,498</b>	<b>6.79</b>

**WEBER COUNTY**

Ogden City School District	\$ 5,457,352	\$ 5,682,504	\$ 225,152	4.13
Weber County School District	5,945,910	6,676,990	731,080	12.30
Total District School	\$ 11,403,262	\$ 12,359,494	\$ 956,232	8.39
Cities and Towns	4,590,440	4,811,199	220,759	4.81
County	5,533,392	5,789,284	255,892	4.62
Special Taxing Districts	1,477,629	1,545,327	67,698	4.58
Special Livestock Taxes	2,225	1,844	(381)	(17.12)
<b>TOTALS</b>	<b>\$ 23,006,948</b>	<b>\$ 24,507,148</b>	<b>\$ 1,500,200</b>	<b>6.52</b>



**TABLE 10**  
**AUDIT OF EXCISE TAX RETURNS**  
**TEN YEAR COMPARATIVE REPORT OF DEFICIENCY ASSESSMENTS FOR FISCAL YEARS**  
**1970-1979**

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Beer	\$ -	\$ 1,511	\$ 2,459	\$ 3,457	\$ 13,838	\$ 5,604	\$ 3,449	\$ 2,633	\$ 10,252	\$ 26,450
Cigarette and Tobacco	338	4,703	1,140	3,672	1,145	1,077	3,731	3,666	7,323	-0-
Corporation Franchise	613,723	795,815	1,134,081	13,438,291	2,309,301	2,133,160	3,389,509	2,575,176	2,072,130	3,181,165
Individual Income	1,483,056	1,789,922	2,008,733	2,190,010	2,055,458	2,106,843	2,294,525	2,751,439	4,262,935	3,834,000
Inheritance	475,309	241,634	206,253	401,948	366,124	324,178	539,755	669,987	527,509	531,090
Insurance	-	14,107	2,236	1,191	9,998	9,745	30,423	57,738	21,035	26,446
Mileage Fee	43,318	41,854	41,847	56,762	49,102	20,639	*	-	-	-
Motor Fuel	30,169	49,960	93,837	102,043	17,740	139,513	223,632	204,976	151,771	88,858
Oleomargarine	6,686	7,482	11,485	208	*	-	-	-	-	-
Sales and Use Tax—										
State Tax	976,741	1,426,256	1,719,521	2,079,106	2,119,695	2,867,329	3,623,443	4,114,688	3,588,426	4,116,420
Sales and Use Tax—										
Local	151,074	202,317	254,749	273,243	306,162	399,167	541,419	660,857	672,830	771,830
Sales and Use Tax—										
Transit	-	-	-	-	-	4,075	149,327	175,624	106,075	172,510
Special Fuel	41,573	42,038	69,988	65,177	66,304	131,223	61,941	150,689	184,379	337,665
Transient Room	-	2,236	2,121	4,759	1,650	3,253	8,892	10,583	14,013	1,239
<b>TOTAL</b>	<b>\$ 3,821,987</b>	<b>\$ 4,619,835</b>	<b>\$ 5,548,450</b>	<b>\$18,619,867</b>	<b>\$ 7,316,517</b>	<b>\$ 8,145,806</b>	<b>\$10,870,046</b>	<b>\$11,378,056</b>	<b>\$11,618,678</b>	<b>\$13,107,673</b>

\*Mileage Fee and Oleomargarine Tax repealed.  
Inheritance Tax Law amended to provide that the Utah tax is equal to the federal tax credit only.



## **Appendix B**



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

## **AUTOMOBILE DRIVER EDUCATION TAX**

Rate of tax: \$2.00 upon first registration by the owner of each motor vehicle each year.

Applicable to: Owner or operator.

Disposition of Revenue: Automobile driver education account within uniform school fund.

Citations: Section 41-1-144 through 41-1-146. U.C.A. 1953.

## **BEER TAX**

Rate of tax: \$3.10 per bbl. on all beer; 31 gallon barrel standard measure; licensing under jurisdiction of Utah Liquor Control Commission.

Applicable to: All beer imported or manufactured for sale, use or distribution in Utah. Monthly reports required of every brewer, wholesaler or distributor manufacturing or importing beer.

Disposition of Revenue: State general fund.

Citations: Section 32-6-1 to 32-6-19, U.C.A., 1953.

## **CIGARETTE AND TOBACCO PRODUCTS TAXES**

Rate of tax: Ten cents per pack of cigarettes; \$10.00 license for retailers and dealers; tobacco products other than cigarettes are taxed at the rate of 25% of manufacturer's sale price. 4% discount allowed on stamp purchases in excess of \$25.

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

Disposition of Revenue: State general fund.

Citations: Section 59-18-1 to 59-18-19, U.C.A., 1953.

## **CORPORATION FRANCHISE TAX**

Rate of tax: Four percent of net income allocated to Utah; \$25.00 minimum tax.

Applicable to: Corporations having income allocable to Utah or exercising corporate franchise in state. Tax is imposed for privilege of doing business in Utah.. Special provisions for agricultural cooperatives and small business corporations.

Disposition of Revenue: Uniform school fund.

Citations: Sections 59-13-1 to 59-13-64, and Sections 59-13-78 to 59-13-97, U.C.A. 1953.

## **CORPORATION INCOME TAX**

Rate of tax: Four percent of net income allocated to Utah.

Applicable to: Corporations deriving income from sources within Utah and not subject to the corporation franchise tax.

Disposition of Revenue: Uniform school fund.

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

## **INDIVIDUAL INCOME TAX**

Rate of tax: Graduated rate for single taxpayers 2¼ % on first \$750. to 7¼ % on \$4,500. Income over \$4,500. at 7¾ %. Married filing separate 2¾ % on first \$750. to 7¾ % on income over \$3,750. Married filing jointly 2¾ % on first \$1,500. to 7¾ % on income over \$7,500. Federal provisions applicable.

Applicable to: Resident individuals and fiduciaries having gross income exceeding statutory amounts; nonresident individuals and fiduciaries having defined earnings within Utah; employers liable for employees withholding tax at a percentage (fixed by Tax Commission) of federal withholding requirement or according to Commission optional tables; monthly withholding tax prepayments required upon Commission order.

Disposition of Revenue: Uniform school fund.

Citations: Sections 59-14A-1 to 59-14A-96, U.C.A., 1953.

## **INHERITANCE TAX**

Rate of tax: Utah inheritance tax is the amount of the state death tax credit claimed on the Federal estate tax return. Safe deposit box inventories, waivers of lien, and inheritance tax appraisals not required.

Applicable to: Estates required to file a federal estate tax return; non-resident estate must prorate the death tax credit.

Disposition of Revenue: State general fund.

Citations: Sections 59-12A-1 to 59-12A-14, U.C.A., 1953.

## **INSURANCE PREMIUM TAX**

Rate of tax: Two and one-fourth percent of net premiums upon property and risks located in Utah subject to retaliatory provisions, plus an additional 1 % of total premiums on Workman's Compensation and occupational disease insurance.

Applicable to: Every insurance company doing business in Utah.

Disposition of Revenue: State general fund, fireman's pension fund and combined injury and benefit fund.

Citations: Sections 31-14-4 to 31-14-9, 31-21-2 to 31-21-19 and 35-1-68.

## **LOCAL OPTION SALES AND USE TAX**

Rate of tax: Three-fourths of 1 % of purchase price on same transactions as the state sales and use tax laws; Tax Commission acts as agent for local governmental units.

Applicable to: Same base as state sales and use tax. Retailers liable for tax collections. Purchasers liable for payment of tax on private sales of motor vehicles at time of registration.



Disposition of Revenue: To the county, city or town which levies the tax.

Citations: Sections 11-1-1 to 11-9-11, U.C.A., 1953.

#### **LOCAL TRANSIT AUTHORITY TAX**

Rate of tax: One-fourth of 1% of purchase price on same transactions as the state sales and use tax laws apply; Tax Commission acts as agent for local governmental units.

Applicable to: Transactions in counties and municipalities where voters have approved imposition of tax to finance local bus service. Retailers and purchasers liable under same conditions as applicable for sales and use taxes.

Disposition of Revenue: Utah Transit Authority or local transit district.

Citations: Section 11-9-4.

#### **MINE OCCUPATION TAX**

Rate of tax: One percent of gross value of products of metalliferous mines and metalliferous claims; 2% applicable to products of oil and gas wells; value fixed at place produced; \$50,000 annual exemption.

Applicable to: Occupation of mining ore or metals or producing oil or gas.

Disposition of Revenue: State general fund.

Citations: Sections 59-5-66 through 59-5-85, U.C.A., 1953.

#### **MOTOR FUEL TAX**

Rate of tax: Nine cents per gallon (gasoline); 4 cents per gallon (aviation fuel); limited governmental exemption; \$1.00 annual license fee for distributors; 2% evaporation allowance; refunds for off-highway agricultural use.

Applicable to: Sale or use of motor fuels. Importers, refiners and distributors liable for reporting and paying tax to State Tax Commission.

Disposition of Revenue: Transportation fund, motor boat fuel fund and aeronautical fund.

Citations: Sections 41-11-1 through 41-11-47, U.C.A., 1953.

#### **MOTOR VEHICLE BUSINESS ADMINISTRATION**

Rate of tax: Annual license fees: motor vehicle dealers, distributors, factory branches, distributor branches, trailer dealers, \$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; automobile dealer plates, \$5.50 each; one-half year price \$3.50 each; wrecker, transporter and manufacturer plates, \$3.50 each. (All special plate fees include \$0.50 reflectorization fee.) Permits pending registration, no fee unless delinquent; temporary in-transit permits, \$2.50 per vehicle.

Applicable to: Persons, businesses or conditions stated above.

Disposition of Revenue: State general fund.

Citations: Sections 41-3-2 through 41-3-27, U.C.A., 1953.



## **MOTOR VEHICLE CONTROL FUND**

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

Applicable to: Owners or operators.

Disposition of Revenue: Transportation fund.

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

## **MOTOR VEHICLE REGISTRATION**

Rate of tax: Fees including reflectorized plate charges are six dollars for ordinary passenger cars; \$3.00 for motorcycles, commercial vehicles on gross laden weight schedules, ranging from \$8.50 to \$551.00 for combinations of weight from 6,000 lbs. to 80,000 lbs. farm trucks ranging from \$8.50 to \$111.00 for combinations of 6,000 lbs. to 42,000 lbs.; trailers over 750 lbs. \$5.50 trailers 750 lbs. or less \$3.50 (optional); some reduced fees for less than one year operation; special identifications may be arranged for members of National Guard, radio amateur citizens band station operators, horseless carriage operators and handicapped persons; see also mileage fees, 96 hour temporary permits and automobile driver's education.

Applicable to: Owner or operator.

Disposition of Revenue: Transportation fund.

Citations: Sections 41-1-1 to 41-1-141, U.C.A., 1953.

## **NINETY-SIX HOUR TEMPORARY PERMITS**

Rate of tax: \$5.00 for single units and \$10.00 for multiple units.

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

Disposition of Revenue: Transportation fund.

Citations: Sections 41-1-88, U.C.A., 1953.

## **PUBLIC SERVICE REGULATION FEE**

Rate of tax: 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 min., max., one-quarter per cent of revenue.

Applicable to: All utilities subject to the jurisdiction of the public service commission of Utah. Utility furnishes report of revenue; Tax Commission determines fees.

Disposition of Revenue: State general fund.

Citations: Sections 55-1-1.5 through 55-5-5, U.C.A., 1953.

## **SALES TAX**

Rate of tax: Four percent of retail sales and rentals of tangible personal property; 4% of retail sales of 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; extensive exemption provisions, retailer license issued without fee.

Applicable to: Retail sale of tangible personal property and services listed above. Vendor collects the tax except that purchaser of a motor vehicle from a person other than a licensed dealer is liable for the payment of the tax at the time of registrations.

Disposition of Revenue: State general fund.

Citations: Sections 59-15-1 through 59-15-22, U.C.A., 1953.

### **SCHOOL LUNCH TAX**

Rate of tax: Eight percent of retail sales price of wines and distilled liquors sold by liquor control commission.

Applicable to: Sales of wines and liquors. Collected at time of sale.

Disposition of Revenue: Uniform school fund to be apportioned to local board of education for school lunches.

Citations: Sections 53-8-1 through 53-8-5, U.C.A., 1953.

### **SPECIAL FUEL TAX**

Rate of tax: Nine cents per gallon for fuel (other than gasoline) used in propelling motor vehicles upon highways in Utah; governmental exemption; 4 cents per gallon for aircraft fuel.

Applicable to: Sale or use of special (diesel) fuel. Dealers required to collect tax on fuel placed in service tanks of motor vehicles. Returns are required of all users and user-dealers.

Disposition of Revenue: Transportation fund.

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

### **STUDDERED TIRE AND TIRE STUD FEE**

Rate of tax: One cent stud in bulk or optional \$1.00 per studded tire.

Applicable to: Wholesalers, distributors making sales to Utah outlets or any person purchasing bulk studs or studded tires for sale in Utah if no fee paid at time of purchase.

Disposition of Revenue: Transportation fund.

Citations: Section 41-6-150.

Enacted by chapter 87, Laws of Utah 1973. Effective June 30, 1973.

### **TRANSIENT ROOM TAX**

Rate of tax: Up to 3% as fixed by county ordinance, of defined accommodation charges; Tax Commission acts as agent for counties.

Applicable to: Persons doing business as motor courts, motels and hotels.

Disposition of Revenue: Counties which impose this tax to establish, promote and finance recreational tourist and convention promotion bureaus.

Citations: Section 17-31-7, U.C.A., 1953.

As enacted by Chapter 35, Laws of Utah, 1965.

## **USE TAX**

**Rate of tax:**

Four percent of amount paid for tangible personal property purchased for use, consumption or storage in Utah; includes rentals in lieu of purchase and services of repair, renovation and certain installations of tangible personal property.

**Applicable to:**

Transactions indicated above. Licensed vendors liable for collection of tax; purchasers liable if not taxed by vendor.

**Disposition of Revenue:** State general fund.

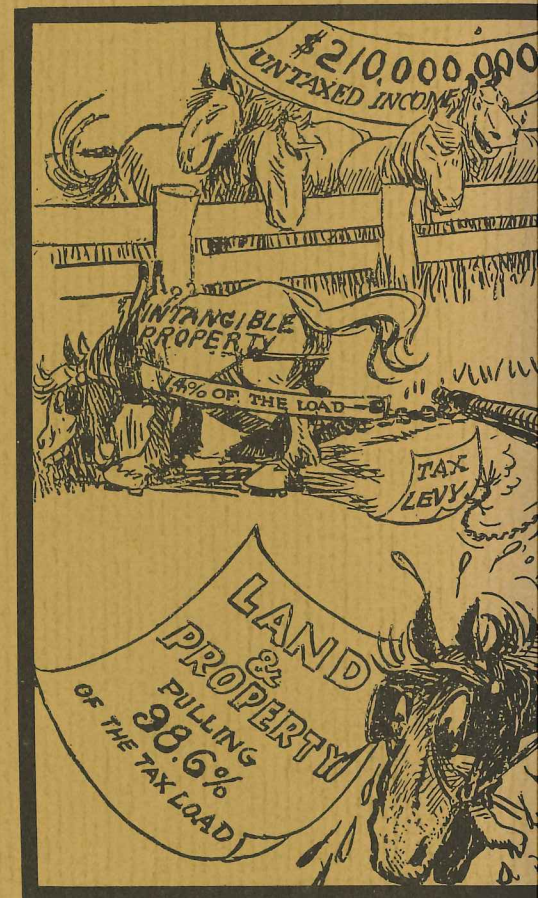
**Citations:**

Sections 59-16-1 through 59-16-25, U.C.A., 1953.

As amended by Chapter 163, Laws of Utah, 1967; Chapter 14, First Special Session, Laws of Utah, 1969. Effective July 1, 1969.







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