

TITLE 3

CHAPTER 2

TAXES

ARTICLE D. TRANSIT SALES TAX

SECTION:

- 3-2D-1: Purpose
- 3-2D-2: Ordinance Repealed
- 3-2D-3: Establishment of Transit Sales Tax
- 3-2D-4: Effective Date

3-2D-1: PURPOSE

- A. Authorization of Tax: The City Council has the power to establish a sales tax on retail sales for the purposes of funding a public transportation system pursuant to UCA Section 59-12-1001.
- B. Tax Established: River Heights City enacted a municipal highway or transit sales tax in 2001.
- C. Tax Altered: During the 2007 General Legislative Session the Utah State Legislature altered the State Tax Code to remove unprepared foods from the sales tax base of the transit sales tax. The State Legislature anticipated that the removal of unprepared food from the sales tax base would negatively affect sales tax collections by municipalities which have imposed the transit sales tax. Therefore, the State of Utah provided for cities to increase the transit sales tax pursuant to UCA Section 59-12-1001 with the intent to reclaim a portion of said forfeited tax collections, and a city may increase the municipal highway tax rate to up to 0.30% on or after January 1, 2008, without being subject to the voter approval requirements enumerated in State Code.

3-2D-2: ORDINANCE REPEALED

The ordinance levying a one-quarter of one percent transit sales tax hereby is repealed.

3-2D-3: ESTABLISHMENT OF TRANSIT SALES TAX

In addition to any other tax authorized by the laws of the State of Utah and/or of this municipality, there hereby is established, approved, and levied a sales and use tax upon the retail sales, as defined and included in UCA Subsection 59-12-103(1) and as restricted in UCA Subsection 59-12-1001 (1) (b), as amended, at a rate adopted by ordinance, the same to be used in connection with the financing of a public transportation for the city of River Heights. The tax rate is available for review at the City Office.

3-2D-4: EFFECTIVE DATE

This Ordinance shall become effective on January 1, 2008.