

RESOLUTION 2024-01

A RESOLUTION LEVYING A TELECOMMUNICATIONS TAX IN THE AMOUNT OF 3.5% ON THE GROSS RECEIPTS FROM TELECOMMUNICATIONS SERVICES PROVIDED WITHIN THE UTAH FAIRPARK AREA INVESTMENT AND RESTORATION DISTRICT SALES TAX AREA.

WHEREAS, the Municipal Telephone and Business License Tax Act (“Act”) was passed by the 2003 Utah Legislative Session and was effective July, 2004; and

WHEREAS, the Act permits the Utah Fairpark Area Investment and Restoration District (“UFAIR”), created by the legislature in Utah Code § 11-70-201, to levy and collect a telecommunications license tax (“teleco tax”) from a telecommunications provider beginning on October 1, 2024; and

WHEREAS, the tax base for the telco tax is the gross receipts from a transaction for telecommunications service that is provided within the UFAIR sales tax area as defined in Utah Code §11-70-101; and

WHEREAS, upon the passage of this Resolution by the UFAIR board, UFAIR may levy a telecommunications tax in the amount of 3.5% of gross receipts from telecommunications service within the UFAIR sales tax area.

NOW, THEREFORE, BE IT RESOLVED BY THE UFAIR BOARD as follows:

SECTION I: **Approval.** The UFAIR Board does hereby approve the levy of a telecommunications license tax not to exceed 3.5% of the gross receipts from telecommunications service in accord with Utah Code §§10-1-403(1)(a)(iii) and 10-1-403.

SECTION II: **Notification.** Upon passage of this Resolution, the Utah State Tax Commission shall be notified by the UFAIR Executive Director pursuant to Utah Code § 10-1- 403(3)(b)(i).

SECTION II: **Procedure for Taxes Erroneously Recovered from Customers:** A customer, as defined in Utah Code § 10-1-402(2)(b), may not bring a cause of action against a telecommunications provider on the basis that the telecommunications provider erroneously recovered from the customer municipal telecommunications license taxes authorized by this part unless the customer meets the same requirements that a purchaser is required to meet to bring a cause of action against a seller for a refund or credit as provided in Utah Code § 59-12-110.1(3).

SECTION IV: **Severability.** If any section, subsection, sentence, clause or

phrase of this Resolution is declared invalid or unconstitutional by a court of competent jurisdiction, said portion shall be severed and such declaration shall not affect the validity of the remainder of this Resolution.

SECTION V: **Effective Date.** The Telecommunications Tax shall take effect on April 1, 2025

PASSED AND ADOPTED by the Utah Fairpark Area Investment and Restoration District Board on this 17 day of October 2024.

Utah Fairpark Area Investment and
Restoration District

Chair

Attest:

UFAIR Staff