

**FORTY-EIGHTH LEGISLATURE  
FIRST SESSION, 2007**

February 16, 2007

Mr. Speaker:

Your **TAXATION AND REVENUE COMMITTEE**, to whom has been referred

**HOUSE BILL 1032**

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 1, line 11, after the semicolon strike the remainder of the line, strike lines 12 and 13 in their entirety, strike line 14 through the semicolon and insert in lieu thereof "CREATING A WATER AND SANITATION GROSS RECEIPTS TAX;".

2. On pages 2 through 10, strike Sections 1 through 6 in their entirety and insert in lieu thereof the following new section:

"Section 1. A new section of the County Gross Receipts Taxes Act is enacted to read:

"[NEW MATERIAL] WATER AND SANITATION GROSS RECEIPTS TAX--  
AUTHORITY TO IMPOSE--RATE--ELECTION--USE OF REVENUE.--

A. Upon submission of a resolution adopted by the board of directors of a water and sanitation district to the governing body pursuant to Subsection C of this section, the governing body shall enact an ordinance imposing an excise tax in a water and sanitation district at a rate of one-fourth percent on a person engaging in business within the area of the county located within the water and sanitation district for the privilege of engaging in business in that area of the county, contingent upon a majority of the voters voting in an election on the question of whether to impose the excise tax authorized by this section, voting in favor of the imposition. The tax imposed pursuant to this subsection may be referred to as the "water and sanitation gross receipts tax".

B. The governing body, at the time of enacting an ordinance imposing a water and sanitation gross receipts tax authorized pursuant to Subsection A of this section, shall dedicate the revenue only for the operation of the water and sanitation district for which the tax is imposed. The tax shall be imposed for six years from the date on which the water and sanitation gross receipts tax goes into effect.

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C. A water and sanitation district created pursuant to the Water and Sanitation District Act in a class B county, the population of which pursuant to the most recent federal decennial census was greater than twenty-nine thousand but less than thirty-three thousand, with a net taxable value for rate-setting purposes for the 2006 property tax year or a subsequent property tax year of more than eight hundred fifty million dollars (\$850,000,000) but less than one billion dollars (\$1,000,000,000) as determined by the local government division of the department of finance and administration, shall, upon a finding of need, adopt a resolution requesting the county in which the water and sanitation district is located to impose a water and sanitation gross receipts tax, and to call an election on the question within the water and sanitation district of whether the water and sanitation gross receipts tax shall be imposed.

D. Within sixty days of the date the ordinance is adopted by the governing body, the governing body shall adopt a resolution calling for an election on the question of whether to impose a water and sanitation gross receipts tax. The question shall be submitted to the voters of the water and sanitation district requesting the county to impose the tax. A special election shall be called, conducted and canvassed in substantially the same manner as provided by law for general elections. If a majority of the voters voting on the question approves the ordinance imposing the water and sanitation gross receipts tax, then the ordinance shall become effective in accordance with the provisions of the County Local Option Gross Receipts Taxes Act on either January 1 or July 1 following the election approving the imposition of the tax. If the question of imposing the water and sanitation gross receipts tax fails, a resolution from the board of directors of the water and sanitation district initiating the request to the county to impose a water and sanitation gross receipts tax may not again be submitted to the governing body for a period of one year from the date of the election.

E. The proceeds from the water and sanitation gross receipts tax shall be administered by the governing body and disbursed by the county treasurer to the appropriate water and sanitation district in amounts and for the purposes authorized in this section and as set out in the resolution submitted by the board of directors to the governing body. An agreement shall be entered into between the water and sanitation district and the governing

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body that sets out the responsibilities of both parties regarding administration, distribution and use of the revenue from the water and sanitation gross receipts tax."".

3. Renumber the succeeding sections accordingly.,  
and thence referred to the **JUDICIARY COMMITTEE**.

Respectfully submitted,

\_\_\_\_\_  
**Edward C. Sandoval, Chairman**

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 13 For 0 Against

Yes: 13

No: 0

Excused: Crook, Harrison, Taylor

Absent: None

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