

AN ORDINANCE OF THE VERNAL CITY COUNCIL IMPOSING A MUNICIPAL SALES AND USE TAX.

WHEREAS, In 2006, the Utah Legislature changed the sales tax distribution formula, as a result, 14 cities statewide were significantly hurt financially including Vernal City; and

WHEREAS, In 2008, the Utah Legislature recognized the financial harm that was incurred by the 14 cities including Vernal City and authorized these cities to levy a sales tax of not to exceed .20 percent pursuant to Title 59 Chapter 12 Part 21 of the Utah Code Annotated. This .20 percent (.20%) would not make Vernal City whole from the negative effect of the 2006 change in sales tax distribution, but would provide some relief; and

WHEREAS, The Vernal City Council supports an increase effective April 1, 2016 in the sales tax levy of .20 percent (.20%) pursuant to Title 59 Chapter 21 Part 21 of the Utah Code Annotated. It is the intent of Vernal City Council that funds from the sales tax levy would be used to provide essential municipal services to the City.

NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF VERNAL, UTAH AS FOLLOWS:

SECTION 1. *Purpose.* Pursuant to the laws of the State of Utah, in accordance with Utah Code Annotated 59-12-21, the purpose of this Ordinance is to enact a Municipal Sales and Use Tax of .20%.

A. Municipal Sales and Use Tax: Vernal City hereby imposes a municipal sales and use tax of .20% on the transactions described in Title 59, Chapter 12, Part 21 of the Utah Code within the boundaries of Vernal City. The sales and use tax of .20% shall not apply to those sales and uses described as exempt under Title 59, Chapter 12, Part 21 of the Utah Code.

B. Vernal City shall provide proper notice to the Utah State Tax Commission on or before January 1, 2016, of the .20% sales and use tax as required under Title 59, Chapter 12, Part 21 of the Utah Code.

C. Effective Date of the Sales and Use Tax: The municipal sales and use tax of .20% imposed herein shall be effective on April 1, 2016. The sales and use tax imposed herein shall continue until no later than June 30, 2030.

SECTION 2. *Repealer.* All former ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance or of the code are hereby repealed.

SECTION 3. *Severability.* The provisions of this ordinance shall be severable and if any provision thereof or the application of such provision under any circumstances is held invalid and it shall not affect the validity of any other provision of this ordinance or the application in a different circumstance.

SECTION 4. *Effective Date.* This ordinance shall become effective the 1st day of April, 2016.

PASSED, ADOPTED AND ORDERED published this 18th day of November, 2015.



Mayor Sonja Norton

ATTEST:



Kenneth L. Bassett, City Recorder



Date of Publication: November 24, 2015