

“5th 5th” Local Option Sales Tax – Salt Lake County

Legislative Background: The 0.20% county-imposed local option transportation sales tax, also known as the “5th5th” was authorized by [SB136](#) (2018 Legislative Session) specifically for public transit capital expenses and service delivery. With the authorization set to expire and few counties having imposed, [SB 260](#) (2023 Legislative Session) eliminated the imposition deadline, allowing (but not requiring) any county legislative body to impose the 0.20% local option sales tax, and divided the 0.20% between transit, cities, and counties. The 0.20% authorization was further amended in [HB488](#) (2024 Legislative Session) which, among other changes, gave additional flexibility to Salt Lake County for uses of the county portion for public safety. Further changes were authorized by [HB502](#) (2025 Legislative Session), and [SB242](#) (2026 legislative session), which amended the distribution of some of the funds. This is codified in [59-12-2220](#) unless otherwise specified.

County action: Salt Lake County [authorized](#) the 5th5th, and imposition began on July 1, 2025. The 0.20% is projected to generate \$81M per year. Within Salt Lake County, the distribution will be:

1. 0.05% to cities/towns/unincorporated county for transportation purposes (\$20M per year)
2. 0.05% to the county for transportation or public safety purposes (\$20M per year)
3. 0.10% for transit/transportation and infrastructure purposes (\$41M per year)

All values are estimates, in 2026 dollars.

Details of distribution and uses:

1. 0.05% to the cities/towns/unincorporated county for transportation (broadly defined in [59-12-2212.2](#)) (\$19M per year)
 - a. Funds are distributed by standard 50/50 sales tax formula:
 - i. 50% based on the percentage that the population each city/town/unincorporated area bears to the total population of all counties that have imposed this local option
 - ii. 50% based on the location of the transaction
 - b. Eligibility for a city/town/unincorporated area to receive their 0.05% funds depends on their compliance with moderate income housing planning (MIHP) requirements ([10-9a-408](#)).
 - c. Funds from the 5th5th cannot be used to supplant existing general funds that are budgeted for transportation.
2. 0.05% to county for transportation and/or public safety (\$19M per year)
3. 0.10% for statutorily directed uses (\$38M per year):

The distribution of the 0.10% is a rather convoluted structure that changes over the first few years of imposition, based on timelines established in statute. ***For the first three years after imposition by Salt Lake County (July 1, 2025 - June 30, 2028), and for a three-year period after three Wasatch Front counties imposed the 5th 5th – Weber County imposed effective October 1, 2026, which started a three-year period until September 30, 2029 – the 0.10% is transferred into the County of the First Class Highway Projects Fund (CFCHPF) ([59-12-2220](#)(11)(b)(i)(A)).***

- a. For the period **July 1, 2025 - June 30, 2028**, the 0.10% in the CFCHPF is then divided ([72-2-121](#)(11)):
 - i. 0.01% to construct or operate an express bus for 5600 West (three-year total ~\$11M)
 - ii. 0.09% to the *new* County of the First Class Infrastructure Bank Fund (CFCIBF) ([72-2-302](#)) (three-year total ~\$103M).
 1. The funding in the CFCIBF is used for particular purposes in the following order of priority:
 - a. \$20M loan - Draper for the renovation of existing water pipelines and the expansion of drinking water infrastructure
 - b. \$5M loan - Herriman for the mitigation and replacement of impacted soils
 - c. \$9M grant into the CFCHPF
 - d. \$4M grant - Metropolitan Water District of Salt Lake and Sandy for Little Cottonwood Creek conduit connecting to the water treatment plant
 - e. \$2M grant - Draper for construction, expansion, and renovation of new and existing drinking water infrastructure
 - f. \$2M grant - West Jordan for improvements to 6700 W between 9000 S and New Bingham Highway
 - g. \$2.54M grant - Riverton for improvements to 2700 W between 13400 S and Bangerter
 - h. \$30M grant - Bluffdale for construction of a multiple lane, grade-separated rail crossing at 1000 W and 14600 S (note under current law this project would have been funded through CFCIBF loan repayments)
 2. After these specified projects are funded, revenues in the CFCIBF would be available for public infrastructure loans as under current law.
 3. Loan repayments would be used ([72-2-306](#), as amended by [HB502](#))

- a. 95% of loan repayments - Sandy City bridge connecting a commuter rail station to Monroe Street in Sandy (estimated \$50M) (note under current law this project would have been funded through CFCIB loan repayments, albeit a different percentage of those repayments)
 - b. 5% of loan repayments - UDOT for improvements to 12600 S in Riverton to facilitate a jurisdictional transfer of the road from Riverton to the state.
 4. Funds would be administered by UDOT (akin to UDOT's administration of the existing County of the First Class Highway Projects Fund and the State Infrastructure Bank). The Transportation Commission would adopt rules governing the fund.
 5. Loans would be available to "provide financial assistance for transportation projects or publicly owned infrastructure projects" to public entities. Same structure and terms as current State Infrastructure Bank loans, but with a 20-year repayment term, rather than 15.
- b. For the period **July 1, 2028 - September 30, 2029**: the 0.10% is transferred into the County of the First Class Highway Projects Fund (CFCHPF) ([59-12-2220\(11\)\(b\)\(i\)\(A\)](#)).
- i. The funds "shall be used to provide funding or loans for public transit projects, operations, and supporting infrastructure" in Salt Lake County ([72-2-121\(10\)](#)) (\$38M per year).
 - ii. Up to \$3M of these funds may be used for the "public transit innovation grants" program (([59-12-2220\(11\)\(b\)\(i\)\(B\)](#)), ([72-2-121\(7\)](#))).
- c. Beginning **October 1, 2029**, the 0.10% is divided ([59-12-2220\(11\)\(b\)\(ii\)](#)):
- i. 0.05% to the CFCHPF, for public transit "capital expenses and service delivery expenses" (59-12-220(11)) which "shall be used to provide funding or loans for public transit projects, operations, and supporting infrastructure" in Salt Lake County ([72-2-121\(10\)](#)) (\$19M per year)
 - ii. 0.05% to the state Transit Transportation Investment Fund (TTIF) Commuter Rail Subaccount for "public transit projects, operations, or maintenance" in Salt Lake County, "for projects that improve the state's commuter rail infrastructure, including the building or improvement of grade-separated crossings between commuter rail lines and public highways." No local match is required. ([72-2-124\(10\)\(g\)](#), (13)(e)) (\$19M per year)

59-12-2220 Revenue Estimations: Salt Lake County

First Three Years (7/1/25-6/30/28): Annual		
Not adjusted for inflation or growth in taxable sales or population		
	FY26 Estimated	FY26 Estimated Total Distribution
Total	0.20%	\$81,200,000
County	0.05%	\$20,300,000
City	0.05%	\$20,300,000
UDOT: 5600 West Express Bus	0.01%	\$4,100,000
CFCIBF	0.09%	\$36,500,000

City (0.05%) Distribution Estimates

Salt Lake County (Unincorporated)	\$265,000
Alta	\$28,000
Bluffdale	\$263,000
Brighton	\$37,000
Copperton	\$10,000
Cottonwood Heights	\$467,000
Draper	\$1,094,000
Emigration Canyon	\$19,000
Herriman	\$674,000
Holladay	\$382,000
Kearns	\$383,000
Magna	\$255,000
Midvale	\$591,000
Millcreek	\$819,000
Murray	\$1,128,000
Riverton	\$656,000
Salt Lake City	\$4,999,000
Sandy	\$1,574,000
South Jordan	\$1,284,000
South Salt Lake	\$872,000
Taylorsville	\$692,000
West Jordan	\$1,656,000
West Valley City	\$2,094,000
White City	\$56,000

First Three Years (7/1/25-6/30/28): Total		
Not adjusted for inflation or growth in taxable sales or population		
	FY26 Estimated Total Distribution	
Total	0.20%	\$243,600,000
County	0.05%	\$60,900,000
City	0.05%	\$60,900,000
UDOT: 5600 West Express Bus	0.01%	\$12,300,000
CFCIBF	0.09%	\$109,500,000

City (0.05%) Distribution Estimates

Salt Lake County (Unincorporated)	\$795,000
Alta	\$84,000
Bluffdale	\$789,000
Brighton	\$111,000
Copperton	\$30,000
Cottonwood Heights	\$1,401,000
Draper	\$3,282,000
Emigration Canyon	\$57,000
Herriman	\$2,022,000
Holladay	\$1,146,000
Kearns	\$1,149,000
Magna	\$765,000
Midvale	\$1,773,000
Millcreek	\$2,457,000
Murray	\$3,384,000
Riverton	\$1,968,000
Salt Lake City	\$14,997,000
Sandy	\$4,722,000
South Jordan	\$3,852,000
South Salt Lake	\$2,616,000
Taylorsville	\$2,076,000
West Jordan	\$4,968,000
West Valley City	\$6,282,000
White City	\$168,000

7/1/28 - 9/30/29: Annual		
Not adjusted for inflation or growth in taxable sales or population		
	FY26 Estimated Total Distribution	
Total	0.20%	\$81,200,000
County	0.05%	\$20,300,000
City	0.05%	\$20,300,000
CFCHPF Transit	0.10%	\$40,600,000

City (0.05%) Distribution Estimates

Salt Lake County (Unincorporated)	\$265,000
Alta	\$28,000
Bluffdale	\$263,000
Brighton	\$37,000
Copperton	\$10,000
Cottonwood Heights	\$467,000
Draper	\$1,094,000
Emigration Canyon	\$19,000
Herriman	\$674,000
Holladay	\$382,000
Kearns	\$383,000
Magna	\$255,000
Midvale	\$591,000
Millcreek	\$819,000
Murray	\$1,128,000
Riverton	\$656,000
Salt Lake City	\$4,999,000
Sandy	\$1,574,000
South Jordan	\$1,284,000
South Salt Lake	\$872,000
Taylorsville	\$692,000
West Jordan	\$1,656,000
West Valley City	\$2,094,000
White City	\$56,000

Beginning 10/1/29: Annual		
Not adjusted for inflation or growth in taxable sales or population		
	FY26 Estimated Total Distribution	
Total	0.20%	\$81,200,000
County	0.05%	\$20,300,000
City	0.05%	\$20,300,000
CFCHPF Transit	0.05%	\$20,300,000
UDOT TTIF Commuter Rail Subaccount	0.05%	\$20,300,000

City (0.05%) Distribution Estimates

Salt Lake County (Unincorporated)	\$265,000
Alta	\$28,000
Bluffdale	\$263,000
Brighton	\$37,000
Copperton	\$10,000
Cottonwood Heights	\$467,000
Draper	\$1,094,000
Emigration Canyon	\$19,000
Herriman	\$674,000
Holladay	\$382,000
Kearns	\$383,000
Magna	\$255,000
Midvale	\$591,000
Millcreek	\$819,000
Murray	\$1,128,000
Riverton	\$656,000
Salt Lake City	\$4,999,000
Sandy	\$1,574,000
South Jordan	\$1,284,000
South Salt Lake	\$872,000
Taylorsville	\$692,000
West Jordan	\$1,656,000
West Valley City	\$2,094,000
White City	\$56,000

Notes: No adjustment has been made for inflation, growth in taxable sales, or growth in population beyond 2026.

Sources: Utah State Tax Commisison [Taxable sales](#), [population](#)

Prepared by WFRC, 9/23/26

(July 1, 2025 - June 30, 2028)

County (.20%)

.05% Cities
(transportation)

.09% County of the
First Class
Infrastructure Bank
.01% to 5600 W
Express Bus

.05% County
(transportation and
public safety)

(July 1, 2028 –
September 30, 2029)

.10% County of the
First Class Highway
Projects Fund
(transit projects or
operations)
May use up to \$3M for
Transit Innovation
Grants

Beginning
October 1, 2029

.05%
County of the First
Class Highway
Projects Fund
(for transit)

.05%
TTIF Commuter Rail
Subaccount