

# Proposition 8 (Recreation Arts & Parks tax)

## Frequently Asked Questions

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### What is the RAP Tax?

The Recreation, Arts & Parks (RAP) tax is a one-tenth (1/10) of 1% (0.1%) sales tax that would be included on sales and uses within Moab City limits. It is 1 cent for every \$10 spent. It is not a property tax. It is not levied on unprepared food items or gasoline.

### What is the process to enact the tax?

This sales and use tax must be approved by a majority of the City's registered voters in either a general election or a municipal general election.

### Who pays the RAP Tax?

The tax is collected on sales and uses within the City of Moab, therefore, it is not a tax solely on Moab residents. Because it is a tax on purchases of goods or services (except groceries and gasoline) within Moab City boundaries, a visitor or tourist who shops in Moab stores, attends events, stays in overnight lodging, or eats in a restaurant in Moab will also contribute to the RAP tax. **Based on 2019 tax revenues, at least 79 % of the tax revenues will come from visitors.**

### Why would the City ask voters to approve another tax when COVID-19 has impacted our community so much this year?

Investing in the arts, recreation, parks, and trails has been found to improve the quality of life in Utah communities that have a RAP tax. This very small tax will primarily be generated through tourism spending (at least 79%).

These tax revenues will help the City sustain funding for community programs and facilities – such as parks, the Moab Recreation and Aquatic Center (MRAC), and Moab Arts Center as well as arts, sports, and recreation programs for local youth – and can also be used to provide funding to local qualifying nonprofit groups. So while locals who shop in the City will pay a portion of the tax, it is one way that visitors to our community will help pay for amenities/programs that benefit local residents.

### Is this a property tax?

No, it is not a property tax. The City of Moab is the only city in Utah that does not charge residents a property tax. This is a sales and use tax. It is not automatically assessed on each resident - it is only charged at the point of sale.

### How would the RAP Tax revenues be allocated?

According to State Code, the Recreation, Arts & Parks tax revenues can only be used for recreational, cultural, arts and parks facilities and programs provided by the city or qualifying nonprofit groups. ***State law prohibits the use of RAP Tax revenue for any other purpose, including general administrative expenses.***

**Who determines how the RAP tax will be used?**

If Proposition 8 is approved, Moab City residents will have the opportunity to give input into how the funds are distributed. The City will suggest potential amenities/programs during each budget year and that information will be available to the community so residents can make their views known during a public meeting. The City Council will take community feedback into consideration and make the final decision.

**What other cities have a RAP Tax?**

As of 2020, seven counties and 33 cities in Utah have enacted a RAP Tax. Those include Green River, Ivins, Washington City, Cedar City, Vineyard, Bountiful, Payson, Fairview City, Park City, Spanish Fork, St. George, Lehi, Provo, Lindon, and Toole.

**What are the City's spending priorities for the RAP tax revenue?**

In the first two years or so, most of the revenue would be used for City of Moab recreation, arts, and parks programs and facilities. Some funding would also be set aside for programs developed by qualifying nonprofit organizations.

**Have projects or priorities already been identified?**

Specific projects have not been identified at this time. Residents will have an opportunity to make suggestions, share ideas, and otherwise provide input on how the funding will be used. Some communities have created a committee that considers qualified recreation, arts, and parks projects/programs, including those managed by community nonprofit groups. If the City Council chooses to create such a group, the committee would review applications and make recommendations to the Moab City Council for how the funds will be allocated and the Council would make the final decision.

**Where can I find more information?**

Additional details and voter information are available online at [moabcity.org/Proposition8](https://moabcity.org/Proposition8).