

**TAX CHANGES**

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Daniel McCay**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill addresses property taxes and related provisions.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ modifies the calculation of certain property tax rates;
- ▶ repeals obsolete language; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

**20A-7-613**, as enacted by Laws of Utah 2014, Chapter 395

**53A-16-106**, as last amended by Laws of Utah 2008, Chapters 61, 231, and 236

**53A-16-113**, as last amended by Laws of Utah 2013, Chapter 287

**53A-17a-103**, as last amended by Laws of Utah 2014, Chapter 389

**53A-17a-133**, as last amended by Laws of Utah 2014, Chapter 189

**53A-17a-164**, as last amended by Laws of Utah 2013, Chapters 178 and 313



28 **53A-19-105**, as last amended by Laws of Utah 2009, Chapter 204  
 29 **59-2-102**, as last amended by Laws of Utah 2014, Chapters 65 and 411  
 30 **59-2-913**, as last amended by Laws of Utah 2014, Chapter 279  
 31 **59-2-919**, as and further amended by Revisor Instructions, Laws of Utah 2014, Chapter  
 32 256 and last amended by Laws of Utah 2014, Chapter 256  
 33 **59-2-924**, as last amended by Laws of Utah 2014, Chapter 270  
 34 **59-2-924.2**, as and further amended by Revisor Instructions, Laws of Utah 2014,  
 35 Chapter 270 and last amended by Laws of Utah 2014, Chapter 270  
 36 **59-2-924.3**, as last amended by Laws of Utah 2011, Chapter 371  
 37 **59-2-926**, as last amended by Laws of Utah 2009, Chapter 388  
 38 **59-2-1330**, as last amended by Laws of Utah 2008, Chapters 61, 231, 236, and 301  
 39 **63I-1-259**, as last amended by Laws of Utah 2014, Chapter 54

41 *Be it enacted by the Legislature of the state of Utah:*

42 Section 1. Section **20A-7-613** is amended to read:

43 **20A-7-613. Property tax referendum petition.**

44 (1) As used in this section:

45 (a) "Certified tax rate" [~~is as defined in Subsection~~] means the same as that term is  
 46 defined in Section 59-2-924[(3)(a)].

47 (b) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year  
 48 that begins on July 1 and ends on June 30.

49 (2) Except as provided in this section, the requirements of this part apply to a  
 50 referendum petition challenging a fiscal year taxing entity's legislative body's vote to impose a  
 51 tax rate that exceeds the certified tax rate.

52 (3) Notwithstanding Subsection **20A-7-604(5)**, the local clerk shall number each of the  
 53 referendum packets and return them to the sponsors within two working days.

54 (4) Notwithstanding Subsection **20A-7-606(1)**, the sponsors shall deliver each signed  
 55 and verified referendum packet to the county clerk of the county in which the packet was  
 56 circulated no later than 40 days after the day on which the local clerk complies with Subsection  
 57 (3).

58 (5) Notwithstanding Subsections **20A-7-606(2)** and (3), the county clerk shall take the

59 actions required in Subsections 20A-7-606(2) and (3) within 10 working days after the day on  
60 which the county clerk receives the signed and verified referendum packet as described in  
61 Subsection (4).

62 (6) The local clerk shall take the actions required by Section 20A-7-607 within two  
63 working days after the day on which the local clerk receives the referendum packets from the  
64 county clerk.

65 (7) Notwithstanding Subsection 20A-7-608(2), the local attorney shall prepare the  
66 ballot title within two working days after the day on which the referendum petition is declared  
67 sufficient for submission to a vote of the people.

68 (8) Notwithstanding Subsection 20A-7-609(2)(d), a referendum that qualifies for the  
69 ballot under this section shall appear on the ballot for the earlier of the next regular general  
70 election or the next municipal general election unless a special election is called.

71 (9) Notwithstanding the requirements related to absentee ballots under this title:

72 (a) the election officer shall prepare absentee ballots for those voters who have  
73 requested an absentee ballot as soon as possible after the ballot title is prepared as described in  
74 Subsection (7); and

75 (b) the election officer shall mail absentee ballots on a referendum under this section  
76 the later of:

77 (i) the time provided in Section 20A-3-305 or 20A-16-403; or

78 (ii) the time that absentee ballots are prepared for mailing under this section.

79 (10) Section 20A-7-402 does not apply to a referendum described in this section.

80 (11) (a) If a majority of voters does not vote against imposing the tax at a rate  
81 calculated to generate the increased revenue budgeted, adopted, and approved by the fiscal year  
82 taxing entity's legislative body:

83 (i) the certified tax rate for the fiscal year during which the referendum petition is filed  
84 is its most recent certified tax rate; and

85 (ii) the proposed increased revenues for purposes of establishing the certified tax rate  
86 for the fiscal year after the fiscal year described in Subsection (11)(a)(i) are the proposed  
87 increased revenues budgeted, adopted, and approved by the fiscal year taxing entity's legislative  
88 body before the filing of the referendum petition.

89 (b) If a majority of voters votes against imposing a tax at the rate established by the

90 vote of the fiscal year taxing entity's legislative body, the certified tax rate for the fiscal year  
91 taxing entity is its most recent certified tax rate.

92 (c) If the tax rate is set in accordance with Subsection (11)(a)(ii), a fiscal year taxing  
93 entity is not required to comply with the notice and public hearing requirements of Section  
94 59-2-919 if the fiscal year taxing entity complies with those notice and public hearing  
95 requirements before the referendum petition is filed.

96 (12) The ballot title shall, at a minimum, include in substantially this form the  
97 following: "Shall the [name of the taxing entity] be authorized to levy a tax rate in the amount  
98 sufficient to generate an increased property tax revenue of [amount] for fiscal year [year] as  
99 budgeted, adopted, and approved by the [name of the taxing entity]".

100 (13) A fiscal year taxing entity shall pay the county the costs incurred by the county  
101 that are directly related to meeting the requirements of this section and that the county would  
102 not have incurred but for compliance with this section.

103 (14) (a) An election officer shall include on a ballot a referendum that has not yet  
104 qualified for placement on the ballot, if:

105 (i) sponsors file an application for a referendum described in this section;

106 (ii) the ballot will be used for the election for which the sponsors are attempting to  
107 qualify the referendum; and

108 (iii) the deadline for qualifying the referendum for placement on the ballot occurs after  
109 the day on which the ballot will be printed.

110 (b) If an election officer includes on a ballot a referendum described in Subsection  
111 (14)(a), the ballot title shall comply with Subsection (12).

112 (c) If an election officer includes on a ballot a referendum described in Subsection  
113 (14)(a) that does not qualify for placement on the ballot, the election officer shall inform the  
114 voters by any practicable method that the referendum has not qualified for the ballot and that  
115 votes cast in relation to the referendum will not be counted.

116 Section 2. Section 53A-16-106 is amended to read:

117 **53A-16-106. Annual certification of tax rate proposed by local school board --**  
118 **Inclusion of school district budget -- Modified filing date.**

119 (1) Prior to June 22 of each year, each local school board shall certify to the county  
120 legislative body in which the district is located, on forms prescribed by the State Tax

121 Commission, the proposed tax rate approved by the local school board.

122 (2) A copy of the district's budget, including items under Section 53A-19-101, and a  
123 certified copy of the local school board's resolution which approved the budget and set the tax  
124 rate for the subsequent school year beginning July 1 shall accompany the tax rate.

125 (3) If the tax rate approved by the board is in excess of the ["]certified tax rate["], as  
126 defined [~~under Subsection~~] in Section 59-2-924[(3)(a)], the date for filing the tax rate and  
127 budget adopted by the board shall be that established under Section 59-2-919.

128 Section 3. Section 53A-16-113 is amended to read:

129 **53A-16-113. Capital local levy -- First class county required levy -- Allowable**  
130 **uses of collected revenue.**

131 (1) (a) Subject to the other requirements of this section, a local school board may levy a  
132 tax to fund the school district's capital projects.

133 (b) A tax rate imposed by a school district pursuant to this section may not exceed  
134 .0030 per dollar of taxable value in any calendar year.

135 (2) A school district that imposes a capital local levy in the calendar year beginning on  
136 January 1, 2012, is exempt from the public notice and hearing requirements of Section  
137 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to  
138 or less than the sum of the following amounts:

139 (a) the amount of revenue generated during the calendar year beginning on January 1,  
140 2011, from the sum of the following levies of a school district:

141 (i) a capital outlay levy imposed under Section 53A-16-107; and

142 (ii) the portion of the 10% of basic levy described in Section 53A-17a-145 that is  
143 budgeted for debt service or capital outlay; and

144 (b) revenue from eligible new growth as defined in [~~Subsection~~] Section  
145 59-2-924[(4)(c)].

146 (3) Beginning January 1, 2012, in order to qualify for receipt of the state contribution  
147 toward the minimum school program described in Section 53A-17a-103, a local school board  
148 in a county of the first class shall impose a capital local levy of at least .0006 per dollar of  
149 taxable value.

150 (4) (a) The county treasurer of a county of the first class shall distribute revenues  
151 generated by the .0006 portion of the capital local levy required in Subsection (2) to school

152 districts within the county in accordance with Section 53A-16-114.

153 (b) If a school district in a county of the first class imposes a capital local levy pursuant  
154 to this section that exceeds .0006 per dollar of taxable value, the county treasurer shall  
155 distribute revenues generated by the portion of the capital local levy that exceeds .0006 to the  
156 school district imposing the levy.

157 (5) (a) Subject to Subsections (5)(b), (c), and (d), for fiscal year 2013-14, a local school  
158 board may utilize the proceeds of a maximum of .0024 per dollar of taxable value of the local  
159 school board's annual capital local levy for general fund purposes if the proceeds are not  
160 committed or dedicated to pay debt service or bond payments.

161 (b) If a local school board uses the proceeds described in Subsection (5)(a) for general  
162 fund purposes, the local school board shall notify the public of the local school board's use of  
163 the capital local levy proceeds for general fund purposes:

164 (i) prior to the local school board's budget hearing in accordance with the notification  
165 requirements described in Section 53A-19-102; and

166 (ii) at a budget hearing required in Section 53A-19-102.

167 (c) A local school board may not use the proceeds described in Subsection (5)(a) to  
168 fund the following accounting function classifications as provided in the Financial Accounting  
169 for Local and State School Systems guidelines developed by the National Center for Education  
170 Statistics:

171 (i) 2300 Support Services - General District Administration; or

172 (ii) 2500 Support Services - Central Services.

173 (d) A local school board may not use the proceeds from a distribution described in  
174 Subsection (4) for general fund purposes.

175 Section 4. Section 53A-17a-103 is amended to read:

176 **53A-17a-103. Definitions.**

177 As used in this chapter:

178 (1) "Basic state-supported school program" or "basic program" means public education  
179 programs for kindergarten, elementary, and secondary school students that are operated and  
180 maintained for the amount derived by multiplying the number of weighted pupil units for each  
181 school district or charter school by the value established each year in statute, except as  
182 otherwise provided in this chapter.

183 (2) (a) "Certified revenue levy" means a property tax levy that provides an amount of  
184 ad valorem property tax revenue equal to the sum of:

185 (i) the amount of ad valorem property tax revenue to be generated statewide in the  
186 previous year from imposing a minimum basic tax rate, as specified in Subsection

187 53A-17a-135(1)(a); and

188 (ii) the product of:

189 (A) eligible new growth, as defined in:

190 (I) Section 59-2-924; and

191 (II) rules of the State Tax Commission; and

192 (B) the minimum basic tax rate certified by the State Tax Commission for the previous  
193 year.

194 (b) For purposes of this Subsection (2), "ad valorem property tax revenue" does not  
195 include property tax revenue received statewide from personal property that is:

196 (i) assessed by a county assessor in accordance with Title 59, Chapter 2, Part 3, County  
197 Assessment; and

198 (ii) semiconductor manufacturing equipment.

199 (c) For purposes of calculating the certified revenue levy described in this Subsection  
200 (2), the State Tax Commission shall use:

201 (i) the taxable value of real property assessed by a county assessor contained on the  
202 assessment roll;

203 (ii) the taxable value of real and personal property assessed by the State Tax  
204 Commission; and

205 (iii) the taxable year end value of personal property assessed by a county assessor  
206 contained on the prior year's assessment roll.

207 (3) "Pupil in average daily membership (ADM)" means a full-day equivalent pupil.

208 (4) (a) "State-supported minimum school program" or "Minimum School Program"  
209 means public school programs for kindergarten, elementary, and secondary schools as  
210 described in this Subsection (4).

211 (b) The minimum school program established in school districts and charter schools  
212 shall include the equivalent of a school term of nine months as determined by the State Board  
213 of Education.

214 (c) (i) The board shall establish the number of days or equivalent instructional hours  
215 that school is held for an academic school year.

216 (ii) Education, enhanced by utilization of technologically enriched delivery systems,  
217 when approved by local school boards or charter school governing boards, shall receive full  
218 support by the State Board of Education as it pertains to fulfilling the attendance requirements,  
219 excluding time spent viewing commercial advertising.

220 (d) (i) A local school board or charter school governing board may reallocate up to 32  
221 instructional hours or 4 school days established under Subsection (4)(c) for teacher preparation  
222 time or teacher professional development.

223 (ii) A reallocation of instructional hours or school days under Subsection (4)(d)(i) is  
224 subject to the approval of two-thirds of the members of a local school board or charter school  
225 governing board voting in a regularly scheduled meeting:

226 (A) at which a quorum of the local school board or charter school governing board is  
227 present; and

228 (B) held in compliance with Title 52, Chapter 4, Open and Public Meetings Act.

229 (iii) If a local school board or charter school governing board reallocates instructional  
230 hours or school days as provided by this Subsection (4)(d), the school district or charter school  
231 shall notify students' parents and guardians of the school calendar at least 90 days before the  
232 beginning of the school year.

233 (iv) Instructional hours or school days reallocated for teacher preparation time or  
234 teacher professional development pursuant to this Subsection (4)(d) is considered part of a  
235 school term referred to in Subsection (4)(b).

236 (e) The Minimum School Program includes a program or allocation funded by a line  
237 item appropriation or other appropriation designated as follows:

238 (i) Basic School Program;

239 (ii) Related to Basic Programs;

240 (iii) Voted and Board Levy Programs; or

241 (iv) Minimum School Program.

242 (5) "Weighted pupil unit or units or WPU or WPUs" means the unit of measure of  
243 factors that is computed in accordance with this chapter for the purpose of determining the  
244 costs of a program on a uniform basis for each district.



245 Section 5. Section 53A-17a-133 is amended to read:

246 **53A-17a-133. State-supported voted local levy authorized -- Election**  
247 **requirements -- State guarantee -- Reconsideration of the program.**

248 (1) As used in this section, "voted and board local levy funding balance" means the  
249 difference between:

250 (a) the amount appropriated for the voted and board local levy program in a fiscal year;

251 and

252 (b) the amount necessary to provide the state guarantee per weighted pupil unit as  
253 determined under this section and Section 53A-17a-164 in the same fiscal year.

254 (2) An election to consider adoption or modification of a voted local levy is required if  
255 initiative petitions signed by 10% of the number of electors who voted at the last preceding  
256 general election are presented to the local school board or by action of the board.

257 (3) (a) (i) To impose a voted local levy, a majority of the electors of a district voting at  
258 an election in the manner set forth in Subsections (9) and (10) must vote in favor of a special  
259 tax.

260 (ii) The tax rate may not exceed .002 per dollar of taxable value.

261 (b) Except as provided in Subsection (3)(c), in order to receive state support the first  
262 year, a district must receive voter approval no later than December 1 of the year prior to  
263 implementation.

264 (c) Beginning on or after January 1, 2012, a school district may receive state support in  
265 accordance with Subsection (4) without complying with the requirements of Subsection (3)(b)  
266 if the local school board imposed a tax in accordance with this section during the taxable year  
267 beginning on January 1, 2011 and ending on December 31, 2011.

268 (4) (a) In addition to the revenue a school district collects from the imposition of a levy  
269 pursuant to this section, the state shall contribute an amount sufficient to guarantee \$27.36 per  
270 weighted pupil unit for each .0001 of the first .0016 per dollar of taxable value.

271 (b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar  
272 of taxable value under Subsection (4)(a) shall apply to the portion of the board local levy  
273 authorized in Section 53A-17a-164, so that the guarantee shall apply up to a total of .002 per  
274 dollar of taxable value if a school district levies a tax rate under both programs.

275 (c) (i) Beginning July 1, 2014, the \$27.36 guarantee under Subsections (4)(a) and (b)

276 shall be indexed each year to the value of the weighted pupil unit for the grades 1 through 12  
277 program by making the value of the guarantee equal to .00963 times the value of the prior  
278 year's weighted pupil unit for the grades 1 through 12 program.

279 (ii) The guarantee shall increase by .0005 times the value of the prior year's weighted  
280 pupil unit for the grades 1 through 12 program for each succeeding year subject to the  
281 Legislature appropriating funds for an increase in the guarantee.

282 (d) (i) The amount of state guarantee money to which a school district would otherwise  
283 be entitled to receive under this Subsection (4) may not be reduced for the sole reason that the  
284 district's levy is reduced as a consequence of changes in the certified tax rate under Section  
285 [59-2-924](#) pursuant to changes in property valuation.

286 (ii) Subsection (4)(d)(i) applies for a period of five years following any such change in  
287 the certified tax rate.

288 (e) The guarantee provided under this section does not apply to the portion of a voted  
289 local levy rate that exceeds the voted local levy rate that was in effect for the previous fiscal  
290 year, unless an increase in the voted local levy rate was authorized in an election conducted on  
291 or after July 1 of the previous fiscal year and before December 2 of the previous fiscal year.

292 (f) (i) If a voted and board local levy funding balance exists for the prior fiscal year, the  
293 State Board of Education shall:

294 (A) use the voted and board local levy funding balance to increase the value of the state  
295 guarantee per weighted pupil unit described in Subsection (4)(c) in the current fiscal year; and

296 (B) distribute the state contribution to the voted and board local levy programs to  
297 school districts based on the increased value of the state guarantee per weighted pupil unit  
298 described in Subsection (4)(f)(i)(A).

299 (ii) The State Board of Education shall report action taken under this Subsection (4)(f)  
300 to the Office of the Legislative Fiscal Analyst and the Governor's Office of Planning and  
301 Budget.

302 (5) (a) An election to modify an existing voted local levy is not a reconsideration of the  
303 existing authority unless the proposition submitted to the electors expressly so states.

304 (b) A majority vote opposing a modification does not deprive the district of authority to  
305 continue the levy.

306 (c) If adoption of a voted local levy is contingent upon an offset reducing other local

307 school board levies, the board must allow the electors, in an election, to consider modifying or  
308 discontinuing the imposition of the levy prior to a subsequent increase in other levies that  
309 would increase the total local school board levy.

310 (d) Nothing contained in this section terminates, without an election, the authority of a  
311 school district to continue imposing an existing voted local levy previously authorized by the  
312 voters as a voted leeway program.

313 (6) Notwithstanding Section 59-2-919, a school district may budget an increased  
314 amount of ad valorem property tax revenue derived from a voted local levy imposed under this  
315 section in addition to revenue from eligible new growth as defined in [~~Subsection~~] Section  
316 59-2-924~~(4)~~, without having to comply with the notice requirements of Section 59-2-919, if:

317 (a) the voted local levy is approved:

318 (i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

319 (ii) within the four-year period immediately preceding the year in which the school  
320 district seeks to budget an increased amount of ad valorem property tax revenue derived from  
321 the voted local levy; and

322 (b) for a voted local levy approved or modified in accordance with this section on or  
323 after January 1, 2009, the school district complies with the requirements of Subsection (8).

324 (7) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this  
325 section that exceeds the certified tax rate without having to comply with the notice  
326 requirements of Section 59-2-919 if:

327 (a) the levy exceeds the certified tax rate as the result of a school district budgeting an  
328 increased amount of ad valorem property tax revenue derived from a voted local levy imposed  
329 under this section;

330 (b) the voted local levy was approved:

331 (i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

332 (ii) within the four-year period immediately preceding the year in which the school  
333 district seeks to budget an increased amount of ad valorem property tax revenue derived from  
334 the voted local levy; and

335 (c) for a voted local levy approved or modified in accordance with this section on or  
336 after January 1, 2009, the school district complies with requirements of Subsection (8).

337 (8) For purposes of Subsection (6)(b) or (7)(c), the proposition submitted to the

338 electors regarding the adoption or modification of a voted local levy shall contain the following  
339 statement:

340 "A vote in favor of this tax means that (name of the school district) may increase  
341 revenue from this property tax without advertising the increase for the next five years."

342 (9) (a) Before imposing a property tax levy pursuant to this section, a school district  
343 shall submit an opinion question to the school district's registered voters voting on the  
344 imposition of the tax rate so that each registered voter has the opportunity to express the  
345 registered voter's opinion on whether the tax rate should be imposed.

346 (b) The election required by this Subsection (9) shall be held:

347 (i) at a regular general election conducted in accordance with the procedures and  
348 requirements of Title 20A, Election Code, governing regular elections;

349 (ii) at a municipal general election conducted in accordance with the procedures and  
350 requirements of Section 20A-1-202; or

351 (iii) at a local special election conducted in accordance with the procedures and  
352 requirements of Section 20A-1-203.

353 (c) Notwithstanding the requirements of Subsections (9)(a) and (b), beginning on or  
354 after January 1, 2012, a school district may levy a tax rate in accordance with this section  
355 without complying with the requirements of Subsections (9)(a) and (b) if the school district  
356 imposed a tax in accordance with this section at any time during the taxable year beginning on  
357 January 1, 2011, and ending on December 31, 2011.

358 (10) If a school district determines that a majority of the school district's registered  
359 voters voting on the imposition of the tax rate have voted in favor of the imposition of the tax  
360 rate in accordance with Subsection (9), the school district may impose the tax rate.

361 Section 6. Section 53A-17a-164 is amended to read:

362 **53A-17a-164. Board local levy -- State guarantee.**

363 (1) Subject to the other requirements of this section, for a calendar year beginning on  
364 or after January 1, 2012, a local school board may levy a tax to fund the school district's  
365 general fund.

366 (2) (a) Except as provided in Subsection (2)(b), a tax rate imposed by a school district  
367 pursuant to this section may not exceed .0018 per dollar of taxable value in any calendar year.

368 (b) A tax rate imposed by a school district pursuant to this section may not exceed

369 .0025 per dollar of taxable value in any calendar year if, during the calendar year beginning on  
370 January 1, 2011, the school district's combined tax rate for the following levies was greater  
371 than .0018 per dollar of taxable value:

- 372 (i) a recreation levy imposed under Section 11-2-7;
- 373 (ii) a transportation levy imposed under Section 53A-17a-127;
- 374 (iii) a board-authorized levy imposed under Section 53A-17a-134;
- 375 (iv) an impact aid levy imposed under Section 53A-17a-143;
- 376 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is  
377 budgeted for purposes other than capital outlay or debt service;
- 378 (vi) a reading levy imposed under Section 53A-17a-151; and
- 379 (vii) a tort liability levy imposed under Section 63G-7-704.

380 (3) (a) In addition to the revenue a school district collects from the imposition of a levy  
381 pursuant to this section, the state shall contribute an amount sufficient to guarantee that each  
382 .0001 of the first .0004 per dollar of taxable value generates an amount equal to the state  
383 guarantee per weighted pupil unit described in Subsection 53A-17a-133(4).

384 (b) (i) The amount of state guarantee money to which a school district would otherwise  
385 be entitled to under this Subsection (3) may not be reduced for the sole reason that the district's  
386 levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924  
387 pursuant to changes in property valuation.

388 (ii) Subsection (3)(b)(i) applies for a period of five years following any changes in the  
389 certified tax rate.

390 (4) A school district that imposes a board local levy in the calendar year beginning on  
391 January 1, 2012, is exempt from the public notice and hearing requirements of Section  
392 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to  
393 or less than the sum of the following amounts:

- 394 (a) the amount of revenue generated during the calendar year beginning on January 1,  
395 2011, from the sum of the following levies of a school district:
  - 396 (i) a recreation levy imposed under Section 11-2-7;
  - 397 (ii) a transportation levy imposed under Section 53A-17a-127;
  - 398 (iii) a board-authorized levy imposed under Section 53A-17a-134;
  - 399 (iv) an impact aid levy imposed under Section 53A-17a-143;

400 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is  
401 budgeted for purposes other than capital outlay or debt service;

402 (vi) a reading levy imposed under Section 53A-17a-151; and

403 (vii) a tort liability levy imposed under Section 63G-7-704; and

404 (b) revenue from eligible new growth as defined in [~~Subsection~~] Section  
405 59-2-924[(4)(c)].

406 Section 7. Section 53A-19-105 is amended to read:

407 **53A-19-105. School district interfund transfers.**

408 (1) A school district shall spend revenues only within the fund for which they were  
409 originally authorized, levied, collected, or appropriated.

410 (2) Except as otherwise provided in this section, school district interfund transfers of  
411 residual equity are prohibited.

412 (3) The State Board of Education may authorize school district interfund transfers of  
413 residual equity when a district states its intent to create a new fund or expand, contract, or  
414 liquidate an existing fund.

415 (4) The State Board of Education may also authorize school district interfund transfers  
416 of residual equity for a financially distressed district if the board determines the following:

417 (a) the district has a significant deficit in its maintenance and operations fund caused  
418 by circumstances not subject to the administrative decisions of the district;

419 (b) the deficit cannot be reasonably reduced under Section 53A-19-104; and

420 (c) without the transfer, the school district will not be capable of meeting statewide  
421 educational standards adopted by the State Board of Education.

422 (5) The board shall develop standards for defining and aiding financially distressed  
423 school districts under this section in accordance with Title 63G, Chapter 3, Utah  
424 Administrative Rulemaking Act.

425 (6) (a) All debt service levies not subject to certified tax rate hearings shall be recorded  
426 and reported in the debt service fund.

427 (b) Debt service levies under Subsection 59-2-924[(3)(e)(iii)](5)(c) that are not subject  
428 to the public hearing provisions of Section 59-2-919 may not be used for any purpose other  
429 than retiring general obligation debt.

430 (c) Amounts from these levies remaining in the debt service fund at the end of a fiscal

431 year shall be used in subsequent years for general obligation debt retirement.

432 (d) Any amounts left in the debt service fund after all general obligation debt has been  
433 retired may be transferred to the capital projects fund upon completion of the budgetary hearing  
434 process required under Section 53A-19-102.

435 Section 8. Section 59-2-102 is amended to read:

436 **59-2-102. Definitions.**

437 As used in this chapter and title:

438 (1) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of  
439 engaging in dispensing activities directly affecting agriculture or horticulture with an  
440 airworthiness certificate from the Federal Aviation Administration certifying the aircraft or  
441 rotorcraft's use for agricultural and pest control purposes.

442 (2) "Air charter service" means an air carrier operation which requires the customer to  
443 hire an entire aircraft rather than book passage in whatever capacity is available on a scheduled  
444 trip.

445 (3) "Air contract service" means an air carrier operation available only to customers  
446 who engage the services of the carrier through a contractual agreement and excess capacity on  
447 any trip and is not available to the public at large.

448 (4) "Aircraft" is as defined in Section 72-10-102.

449 (5) (a) Except as provided in Subsection (5)(b), "airline" means an air carrier that:

450 (i) operates:

451 (A) on an interstate route; and

452 (B) on a scheduled basis; and

453 (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a  
454 regularly scheduled route.

455 (b) "Airline" does not include an:

456 (i) air charter service; or

457 (ii) air contract service.

458 (6) "Assessment roll" means a permanent record of the assessment of property as  
459 assessed by the county assessor and the commission and may be maintained manually or as a  
460 computerized file as a consolidated record or as multiple records by type, classification, or  
461 categories.

462 (7) (a) "Certified revenue levy" means a property tax levy that provides an amount of  
463 ad valorem property tax revenue equal to the sum of:

464 (i) the amount of ad valorem property tax revenue to be generated statewide in the  
465 previous year from imposing a school minimum basic tax rate, as specified in Subsection  
466 53A-17a-135(1)(a), or multicounty assessing and collecting levy, as specified in Section  
467 59-2-1602; and

468 (ii) the product of:

469 (A) eligible new growth, as defined in:

470 (I) Section 59-2-924; and

471 (II) rules of the commission; and

472 (B) the school minimum basic tax rate or multicounty assessing and collecting levy  
473 certified by the commission for the previous year.

474 (b) For purposes of this Subsection (7), "ad valorem property tax revenue" does not  
475 include property tax revenue received by a taxing entity from personal property that is:

476 (i) assessed by a county assessor in accordance with Part 3, County Assessment; and

477 (ii) semiconductor manufacturing equipment.

478 (c) For purposes of calculating the certified revenue levy described in this Subsection  
479 (7), the commission shall use:

480 (i) the taxable value of real property assessed by a county assessor contained on the  
481 assessment roll;

482 (ii) the taxable value of real and personal property assessed by the commission; and

483 (iii) the taxable year end value of personal property assessed by a county assessor  
484 contained on the prior year's assessment roll.

485 (8) "County-assessed commercial vehicle" means:

486 (a) any commercial vehicle, trailer, or semitrailer which is not apportioned under  
487 Section 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or  
488 property in furtherance of the owner's commercial enterprise;

489 (b) any passenger vehicle owned by a business and used by its employees for  
490 transportation as a company car or vanpool vehicle; and

491 (c) vehicles that are:

492 (i) especially constructed for towing or wrecking, and that are not otherwise used to



493 transport goods, merchandise, or people for compensation;

494 (ii) used or licensed as taxicabs or limousines;

495 (iii) used as rental passenger cars, travel trailers, or motor homes;

496 (iv) used or licensed in this state for use as ambulances or hearses;

497 (v) especially designed and used for garbage and rubbish collection; or

498 (vi) used exclusively to transport students or their instructors to or from any private,  
499 public, or religious school or school activities.

500 (9) (a) Except as provided in Subsection (9)(b), for purposes of Section 59-2-801,  
501 "designated tax area" means a tax area created by the overlapping boundaries of only the  
502 following taxing entities:

503 (i) a county; and

504 (ii) a school district.

505 (b) Notwithstanding Subsection (9)(a), "designated tax area" includes a tax area created  
506 by the overlapping boundaries of:

507 (i) the taxing entities described in Subsection (9)(a); and

508 (ii) (A) a city or town if the boundaries of the school district under Subsection (9)(a)  
509 and the boundaries of the city or town are identical; or

510 (B) a special service district if the boundaries of the school district under Subsection  
511 (9)(a) are located entirely within the special service district.

512 (10) "Eligible judgment" means a final and unappealable judgment or order under  
513 Section 59-2-1330:

514 (a) that became a final and unappealable judgment or order no more than 14 months  
515 prior to the day on which the notice required by Section 59-2-919.1 is required to be mailed;  
516 and

517 (b) for which a taxing entity's share of the final and unappealable judgment or order is  
518 greater than or equal to the lesser of:

519 (i) \$5,000; or

520 (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the  
521 previous fiscal year.

522 (11) (a) "Escaped property" means any property, whether personal, land, or any  
523 improvements to the property, subject to taxation and is:

524 (i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed  
525 to the wrong taxpayer by the assessing authority;

526 (ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to  
527 comply with the reporting requirements of this chapter; or

528 (iii) undervalued because of errors made by the assessing authority based upon  
529 incomplete or erroneous information furnished by the taxpayer.

530 (b) Property that is undervalued because of the use of a different valuation  
531 methodology or because of a different application of the same valuation methodology is not  
532 "escaped property."

533 (12) "Fair market value" means the amount at which property would change hands  
534 between a willing buyer and a willing seller, neither being under any compulsion to buy or sell  
535 and both having reasonable knowledge of the relevant facts. For purposes of taxation, "fair  
536 market value" shall be determined using the current zoning laws applicable to the property in  
537 question, except in cases where there is a reasonable probability of a change in the zoning laws  
538 affecting that property in the tax year in question and the change would have an appreciable  
539 influence upon the value.

540 (13) "Farm machinery and equipment," for purposes of the exemption provided under  
541 Section [59-2-1101](#), means tractors, milking equipment and storage and cooling facilities, feed  
542 handling equipment, irrigation equipment, harvesters, choppers, grain drills and planters, tillage  
543 tools, scales, combines, spreaders, sprayers, haying equipment, including balers and cubers,  
544 and any other machinery or equipment used primarily for agricultural purposes; but does not  
545 include vehicles required to be registered with the Motor Vehicle Division or vehicles or other  
546 equipment used for business purposes other than farming.

547 (14) "Geothermal fluid" means water in any form at temperatures greater than 120  
548 degrees centigrade naturally present in a geothermal system.

549 (15) "Geothermal resource" means:

550 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade;  
551 and

552 (b) the energy, in whatever form, including pressure, present in, resulting from, created  
553 by, or which may be extracted from that natural heat, directly or through a material medium.

554 (16) (a) "Goodwill" means:

- 555 (i) acquired goodwill that is reported as goodwill on the books and records:
- 556 (A) of a taxpayer; and
- 557 (B) that are maintained for financial reporting purposes; or
- 558 (ii) the ability of a business to:
- 559 (A) generate income:
- 560 (I) that exceeds a normal rate of return on assets; and
- 561 (II) resulting from a factor described in Subsection (16)(b); or
- 562 (B) obtain an economic or competitive advantage resulting from a factor described in
- 563 Subsection (16)(b).
- 564 (b) The following factors apply to Subsection (16)(a)(ii):
- 565 (i) superior management skills;
- 566 (ii) reputation;
- 567 (iii) customer relationships;
- 568 (iv) patronage; or
- 569 (v) a factor similar to Subsections (16)(b)(i) through (iv).
- 570 (c) "Goodwill" does not include:
- 571 (i) the intangible property described in Subsection (20)(a) or (b);
- 572 (ii) locational attributes of real property, including:
- 573 (A) zoning;
- 574 (B) location;
- 575 (C) view;
- 576 (D) a geographic feature;
- 577 (E) an easement;
- 578 (F) a covenant;
- 579 (G) proximity to raw materials;
- 580 (H) the condition of surrounding property; or
- 581 (I) proximity to markets;
- 582 (iii) value attributable to the identification of an improvement to real property,
- 583 including:
- 584 (A) reputation of the designer, builder, or architect of the improvement;
- 585 (B) a name given to, or associated with, the improvement; or

586 (C) the historic significance of an improvement; or  
587 (iv) the enhancement or assemblage value specifically attributable to the interrelation  
588 of the existing tangible property in place working together as a unit.

589 (17) "Governing body" means:

590 (a) for a county, city, or town, the legislative body of the county, city, or town;  
591 (b) for a local district under Title 17B, Limited Purpose Local Government Entities -  
592 Local Districts, the local district's board of trustees;

593 (c) for a school district, the local board of education; or

594 (d) for a special service district under Title 17D, Chapter 1, Special Service District  
595 Act:

596 (i) the legislative body of the county or municipality that created the special service  
597 district, to the extent that the county or municipal legislative body has not delegated authority  
598 to an administrative control board established under Section 17D-1-301; or

599 (ii) the administrative control board, to the extent that the county or municipal  
600 legislative body has delegated authority to an administrative control board established under  
601 Section 17D-1-301.

602 (18) (a) For purposes of Section 59-2-103:

603 (i) "household" means the association of persons who live in the same dwelling,  
604 sharing its furnishings, facilities, accommodations, and expenses; and

605 (ii) "household" includes married individuals, who are not legally separated, that have  
606 established domiciles at separate locations within the state.

607 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
608 commission may make rules defining the term "domicile."

609 (19) (a) Except as provided in Subsection (19)(c), "improvement" means a building,  
610 structure, fixture, fence, or other item that is permanently attached to land, regardless of  
611 whether the title has been acquired to the land, if:

612 (i) (A) attachment to land is essential to the operation or use of the item; and

613 (B) the manner of attachment to land suggests that the item will remain attached to the  
614 land in the same place over the useful life of the item; or

615 (ii) removal of the item would:

616 (A) cause substantial damage to the item; or

617 (B) require substantial alteration or repair of a structure to which the item is attached.

618 (b) "Improvement" includes:

619 (i) an accessory to an item described in Subsection (19)(a) if the accessory is:

620 (A) essential to the operation of the item described in Subsection (19)(a); and

621 (B) installed solely to serve the operation of the item described in Subsection (19)(a);

622 and

623 (ii) an item described in Subsection (19)(a) that:

624 (A) is temporarily detached from the land for repairs; and

625 (B) remains located on the land.

626 (c) Notwithstanding Subsections (19)(a) and (b), "improvement" does not include:

627 (i) an item considered to be personal property pursuant to rules made in accordance

628 with Section [59-2-107](#);

629 (ii) a moveable item that is attached to land:

630 (A) for stability only; or

631 (B) for an obvious temporary purpose;

632 (iii) (A) manufacturing equipment and machinery; or

633 (B) essential accessories to manufacturing equipment and machinery;

634 (iv) an item attached to the land in a manner that facilitates removal without substantial

635 damage to:

636 (A) the land; or

637 (B) the item; or

638 (v) a transportable factory-built housing unit as defined in Section [59-2-1502](#) if that

639 transportable factory-built housing unit is considered to be personal property under Section

640 [59-2-1503](#).

641 (20) "Intangible property" means:

642 (a) property that is capable of private ownership separate from tangible property,

643 including:

644 (i) money;

645 (ii) credits;

646 (iii) bonds;

647 (iv) stocks;

- 648 (v) representative property;
- 649 (vi) franchises;
- 650 (vii) licenses;
- 651 (viii) trade names;
- 652 (ix) copyrights; and
- 653 (x) patents;
- 654 (b) a low-income housing tax credit;
- 655 (c) goodwill; or
- 656 (d) a renewable energy tax credit or incentive, including:
  - 657 (i) a federal renewable energy production tax credit under Section 45, Internal Revenue
  - 658 Code;
  - 659 (ii) a federal energy credit for qualified renewable electricity production facilities under
  - 660 Section 48, Internal Revenue Code;
  - 661 (iii) a federal grant for a renewable energy property under American Recovery and
  - 662 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and
  - 663 (iv) a tax credit under Subsection 59-7-614(2)(c).
- 664 (21) "Livestock" means:
  - 665 (a) a domestic animal;
  - 666 (b) a fur-bearing animal;
  - 667 (c) a honeybee; or
  - 668 (d) poultry.
- 669 (22) "Low-income housing tax credit" means:
  - 670 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;
  - 671 or
  - 672 (b) a low-income housing tax credit under:
    - 673 (i) Section 59-7-607; or
    - 674 (ii) Section 59-10-1010.
- 675 (23) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.
- 676 (24) "Mine" means a natural deposit of either metalliferous or nonmetalliferous
- 677 valuable mineral.
- 678 (25) "Mining" means the process of producing, extracting, leaching, evaporating, or

679 otherwise removing a mineral from a mine.

680 (26) (a) "Mobile flight equipment" means tangible personal property that is:

681 (i) owned or operated by an:

682 (A) air charter service;

683 (B) air contract service; or

684 (C) airline; and

685 (ii) (A) capable of flight;

686 (B) attached to an aircraft that is capable of flight; or

687 (C) contained in an aircraft that is capable of flight if the tangible personal property is  
688 intended to be used:

689 (I) during multiple flights;

690 (II) during a takeoff, flight, or landing; and

691 (III) as a service provided by an air charter service, air contract service, or airline.

692 (b) (i) "Mobile flight equipment" does not include a spare part other than a spare  
693 engine that is rotated:

694 (A) at regular intervals; and

695 (B) with an engine that is attached to the aircraft.

696 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
697 commission may make rules defining the term "regular intervals."

698 (27) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,  
699 sand, rock, gravel, and all carboniferous materials.

700 (28) "Part-year residential property" means property that is not residential property on  
701 January 1 of a calendar year but becomes residential property after January 1 of the calendar  
702 year.

703 (29) "Personal property" includes:

704 (a) every class of property as defined in Subsection (30) that is the subject of

705 ownership and not included within the meaning of the terms "real estate" and "improvements";

706 (b) gas and water mains and pipes laid in roads, streets, or alleys;

707 (c) bridges and ferries;

708 (d) livestock; and

709 (e) outdoor advertising structures as defined in Section [72-7-502](#).

710 (30) (a) "Property" means property that is subject to assessment and taxation according  
711 to its value.

712 (b) "Property" does not include intangible property as defined in this section.

713 (31) "Public utility," for purposes of this chapter, means the operating property of a  
714 railroad, gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline  
715 company, electrical corporation, telephone corporation, sewerage corporation, or heat  
716 corporation where the company performs the service for, or delivers the commodity to, the  
717 public generally or companies serving the public generally, or in the case of a gas corporation  
718 or an electrical corporation, where the gas or electricity is sold or furnished to any member or  
719 consumers within the state for domestic, commercial, or industrial use. Public utility also  
720 means the operating property of any entity or person defined under Section 54-2-1 except water  
721 corporations.

722 (32) (a) Subject to Subsection (32)(b), "qualifying exempt primary residential rental  
723 personal property" means household furnishings, furniture, and equipment that:

724 (i) are used exclusively within a dwelling unit that is the primary residence of a tenant;

725 (ii) are owned by the owner of the dwelling unit that is the primary residence of a  
726 tenant; and

727 (iii) after applying the residential exemption described in Section 59-2-103, are exempt  
728 from taxation under this chapter in accordance with Subsection 59-2-1115(2).

729 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
730 commission may by rule define the term "dwelling unit" for purposes of this Subsection (32)  
731 and Subsection (35).

732 (33) "Real estate" or "real property" includes:

733 (a) the possession of, claim to, ownership of, or right to the possession of land;

734 (b) all mines, minerals, and quarries in and under the land, all timber belonging to  
735 individuals or corporations growing or being on the lands of this state or the United States, and  
736 all rights and privileges appertaining to these; and

737 (c) improvements.

738 (34) "Relationship with an owner of the property's land surface rights" means a  
739 relationship described in Subsection 267(b), Internal Revenue Code:

740 (a) except that notwithstanding Subsection 267(b), Internal Revenue Code, the term



741 25% shall be substituted for the term 50% in Subsection 267(b), Internal Revenue Code; and

742 (b) using the ownership rules of Subsection 267(c), Internal Revenue Code, for  
743 determining the ownership of stock.

744 (35) (a) Subject to Subsection (35)(b), "residential property," for the purposes of the  
745 reductions and adjustments under this chapter, means any property used for residential  
746 purposes as a primary residence.

747 (b) Subject to Subsection (35)(c), "residential property":

748 (i) except as provided in Subsection (35)(b)(ii), includes household furnishings,  
749 furniture, and equipment if the household furnishings, furniture, and equipment are:

750 (A) used exclusively within a dwelling unit that is the primary residence of a tenant;

751 and

752 (B) owned by the owner of the dwelling unit that is the primary residence of a tenant;

753 and

754 (ii) does not include property used for transient residential use.

755 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
756 commission may by rule define the term "dwelling unit" for purposes of Subsection (32) and  
757 this Subsection (35).

758 (36) "Split estate mineral rights owner" means a person who:

759 (a) has a legal right to extract a mineral from property;

760 (b) does not hold more than a 25% interest in:

761 (i) the land surface rights of the property where the wellhead is located; or

762 (ii) an entity with an ownership interest in the land surface rights of the property where  
763 the wellhead is located;

764 (c) is not an entity in which the owner of the land surface rights of the property where  
765 the wellhead is located holds more than a 25% interest; and

766 (d) does not have a relationship with an owner of the land surface rights of the property  
767 where the wellhead is located.

768 (37) (a) "State-assessed commercial vehicle" means:

769 (i) any commercial vehicle, trailer, or semitrailer which operates interstate or intrastate  
770 to transport passengers, freight, merchandise, or other property for hire; or

771 (ii) any commercial vehicle, trailer, or semitrailer which operates interstate and

772 transports the vehicle owner's goods or property in furtherance of the owner's commercial  
773 enterprise.

774 (b) "State-assessed commercial vehicle" does not include vehicles used for hire which  
775 are specified in Subsection (8)(c) as county-assessed commercial vehicles.

776 (38) "Taxable value" means fair market value less any applicable reduction allowed for  
777 residential property under Section 59-2-103.

778 (39) "Tax area" means a geographic area created by the overlapping boundaries of one  
779 or more taxing entities.

780 (40) "Taxing entity" means any county, city, town, school district, special taxing  
781 district, local district under Title 17B, Limited Purpose Local Government Entities - Local  
782 Districts, or other political subdivision of the state with the authority to levy a tax on property.

783 (41) "Tax roll" means a permanent record of the taxes charged on property, as extended  
784 on the assessment roll and may be maintained on the same record or records as the assessment  
785 roll or may be maintained on a separate record properly indexed to the assessment roll. It  
786 includes tax books, tax lists, and other similar materials.

787 Section 9. Section 59-2-913 is amended to read:

788 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**  
789 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**  
790 **establishing tax levies -- Format of statement.**

791 (1) As used in this section, "budgeted property tax revenues" does not include property  
792 tax revenue received by a taxing entity from personal property that is:

- 793 (a) assessed by a county assessor in accordance with Part 3, County Assessment; and
- 794 (b) semiconductor manufacturing equipment.

795 (2) (a) The legislative body of each taxing entity shall file a statement as provided in  
796 this section with the county auditor of the county in which the taxing entity is located.

797 (b) The auditor shall annually transmit the statement to the commission:

798 (i) before June 22; or

799 (ii) with the approval of the commission, on a subsequent date prior to the date  
800 required by Section 59-2-1317 for the county treasurer to provide the notice under Section  
801 59-2-1317.

802 (c) The statement shall contain the amount and purpose of each levy fixed by the

803 legislative body of the taxing entity.

804 (3) For purposes of establishing the levy set for each of a taxing entity's applicable  
805 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing  
806 the budgeted property tax revenues, specified in a budget which has been adopted and  
807 approved prior to setting the levy, by the amount calculated under Subsections  
808 ~~59-2-924(3)(c)(ii)(A) through (C)~~(4)(b)(i) through (iii).

809 (4) The format of the statement under this section shall:

- 810 (a) be determined by the commission; and
- 811 (b) cite any applicable statutory provisions that:
  - 812 (i) require a specific levy; or
  - 813 (ii) limit the property tax levy for any taxing entity.

814 (5) The commission may require certification that the information submitted on a  
815 statement under this section is true and correct.

816 Section 10. Section **59-2-919** is amended to read:

817 **59-2-919. Notice and public hearing requirements for certain tax increases --**  
818 **Exceptions.**

819 (1) As used in this section:

820 (a) "Ad valorem tax revenue" means ad valorem property tax revenue not including  
821 revenue from eligible new growth as defined in Section ~~59-2-924~~.

822 (b) "Additional ad valorem tax revenue" means ad valorem property tax revenue  
823 generated by the portion of the tax rate that exceeds the taxing entity's certified tax rate.

824 (c) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year  
825 that begins on January 1 and ends on December 31.

826 (d) "County executive calendar year taxing entity" means a calendar year taxing entity  
827 that operates under the county executive-council form of government described in Section  
828 ~~17-52-504~~.

829 (e) "Current calendar year" means the calendar year immediately preceding the  
830 calendar year for which a calendar year taxing entity seeks to levy a tax rate that exceeds the  
831 calendar year taxing entity's certified tax rate.

832 (f) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that  
833 begins on July 1 and ends on June 30.

834 (2) A taxing entity may not levy a tax rate that exceeds the taxing entity's certified tax  
835 rate unless the taxing entity meets:

836 (a) the requirements of this section that apply to the taxing entity; and

837 (b) all other requirements as may be required by law.

838 (3) (a) Subject to Subsection (3)(b) and except as provided in Subsection (5), a calendar  
839 year taxing entity may levy a tax rate that exceeds the calendar year taxing entity's certified tax  
840 rate if the calendar year taxing entity:

841 (i) 14 or more days before the date of the regular general election or municipal general  
842 election held in the current calendar year, states at a public meeting:

843 (A) that the calendar year taxing entity intends to levy a tax rate that exceeds the  
844 calendar year taxing entity's certified tax rate;

845 (B) the dollar amount of and purpose for additional ad valorem tax revenue that would  
846 be generated by the proposed increase in the certified tax rate; and

847 (C) the approximate percentage increase in ad valorem tax revenue for the taxing entity  
848 based on the proposed increase described in Subsection (3)(a)(i)(B);

849 (ii) provides notice for the public meeting described in Subsection (3)(a)(i) in  
850 accordance with Title 52, Chapter 4, Open and Public Meetings Act, including providing a  
851 separate item on the meeting agenda that notifies the public that the calendar year taxing entity  
852 intends to make the statement described in Subsection (3)(a)(i);

853 (iii) meets the advertisement requirements of Subsections (6) and (7) before the  
854 calendar year taxing entity conducts the public hearing required by Subsection (3)(a)(v);

855 (iv) provides notice by mail:

856 (A) seven or more days before the regular general election or municipal general  
857 election held in the current calendar year; and

858 (B) as provided in Subsection (3)(c); and

859 (v) conducts a public hearing that is held:

860 (A) in accordance with Subsections (8) and (9); and

861 (B) in conjunction with the public hearing required by Section [17-36-13](#) or [17B-1-610](#).

862 (b) (i) For a county executive calendar year taxing entity, the statement described in  
863 Subsection (3)(a)(i) shall be made by the:

864 (A) county council;

865 (B) county executive; or

866 (C) both the county council and county executive.

867 (ii) If the county council makes the statement described in Subsection (3)(a)(i) or the  
868 county council states a dollar amount of additional ad valorem tax revenue that is greater than  
869 the amount of additional ad valorem tax revenue previously stated by the county executive in  
870 accordance with Subsection (3)(a)(i), the county executive calendar year taxing entity shall:

871 (A) make the statement described in Subsection (3)(a)(i) 14 or more days before the  
872 county executive calendar year taxing entity conducts the public hearing under Subsection  
873 (3)(a)(v); and

874 (B) provide the notice required by Subsection (3)(a)(iv) 14 or more days before the  
875 county executive calendar year taxing entity conducts the public hearing required by  
876 Subsection (3)(a)(v).

877 (c) The notice described in Subsection (3)(a)(iv):

878 (i) shall be mailed to each owner of property:

879 (A) within the calendar year taxing entity; and

880 (B) listed on the assessment roll;

881 (ii) shall be printed on a separate form that:

882 (A) is developed by the commission;

883 (B) states at the top of the form, in bold upper-case type no smaller than 18 point  
884 "NOTICE OF PROPOSED TAX INCREASE"; and

885 (C) may be mailed with the notice required by Section [59-2-1317](#);

886 (iii) shall contain for each property described in Subsection (3)(c)(i):

887 (A) the value of the property for the current calendar year;

888 (B) the tax on the property for the current calendar year; and

889 (C) subject to Subsection (3)(d), for the calendar year for which the calendar year  
890 taxing entity seeks to levy a tax rate that exceeds the calendar year taxing entity's certified tax  
891 rate, the estimated tax on the property;

892 (iv) shall contain the following statement:

893 "[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar  
894 year]. This notice contains estimates of the tax on your property and the proposed tax increase  
895 on your property as a result of this tax increase. These estimates are calculated on the basis of

896 [insert previous applicable calendar year] data. The actual tax on your property and proposed  
897 tax increase on your property may vary from this estimate.";

898 (v) shall state the date, time, and place of the public hearing described in Subsection  
899 (3)(a)(v); and

900 (vi) may contain other property tax information approved by the commission.

901 (d) For purposes of Subsection (3)(c)(iii)(C), a calendar year taxing entity shall  
902 calculate the estimated tax on property on the basis of:

903 (i) data for the current calendar year; and

904 (ii) the amount of additional ad valorem tax revenue stated in accordance with this  
905 section.

906 (4) Except as provided in Subsection (5), a fiscal year taxing entity may levy a tax rate  
907 that exceeds the fiscal year taxing entity's certified tax rate if the fiscal year taxing entity:

908 (a) provides notice by meeting the advertisement requirements of Subsections (6) and  
909 (7) before the fiscal year taxing entity conducts the public meeting at which the fiscal year  
910 taxing entity's annual budget is adopted; and

911 (b) conducts a public hearing in accordance with Subsections (8) and (9) before the  
912 fiscal year taxing entity's annual budget is adopted.

913 (5) (a) A taxing entity is not required to meet the notice or public hearing requirements  
914 of Subsection (3) or (4) if the taxing entity is expressly exempted by law from complying with  
915 the requirements of this section.

916 (b) A taxing entity is not required to meet the notice requirements of Subsection (3) or  
917 (4) if:

918 (i) Section [53A-17a-133](#) allows the taxing entity to levy a tax rate that exceeds that  
919 certified tax rate without having to comply with the notice provisions of this section; or

920 (ii) the taxing entity:

921 (A) budgeted less than \$20,000 in ad valorem tax revenues for the previous fiscal year;  
922 and

923 (B) sets a budget during the current fiscal year of less than \$20,000 of ad valorem tax  
924 revenues.

925 (6) (a) Subject to Subsections (6)(d) and (7)(b), the advertisement described in this  
926 section shall be published:

- 927 (i) subject to Section 45-1-101, in a newspaper or combination of newspapers of  
928 general circulation in the taxing entity;
- 929 (ii) electronically in accordance with Section 45-1-101; and  
930 (iii) on the Utah Public Notice Website created in Section 63F-1-701.
- 931 (b) The advertisement described in Subsection (6)(a)(i) shall:
- 932 (i) be no less than 1/4 page in size;  
933 (ii) use type no smaller than 18 point; and  
934 (iii) be surrounded by a 1/4-inch border.
- 935 (c) The advertisement described in Subsection (6)(a)(i) may not be placed in that  
936 portion of the newspaper where legal notices and classified advertisements appear.
- 937 (d) It is the intent of the Legislature that:
- 938 (i) whenever possible, the advertisement described in Subsection (6)(a)(i) appear in a  
939 newspaper that is published at least one day per week; and  
940 (ii) the newspaper or combination of newspapers selected:
- 941 (A) be of general interest and readership in the taxing entity; and  
942 (B) not be of limited subject matter.
- 943 (e) (i) The advertisement described in Subsection (6)(a)(i) shall:
- 944 (A) except as provided in Subsection (6)(f), be run once each week for the two weeks  
945 before a taxing entity conducts a public hearing described under Subsection (3)(a)(v) or (4)(b);  
946 and  
947 (B) state that the taxing entity will meet on a certain day, time, and place fixed in the  
948 advertisement, which shall be seven or more days after the day the first advertisement is  
949 published, for the purpose of hearing comments regarding any proposed increase and to explain  
950 the reasons for the proposed increase.
- 951 (ii) The advertisement described in Subsection (6)(a)(ii) shall:
- 952 (A) be published two weeks before a taxing entity conducts a public hearing described  
953 in Subsection (3)(a)(v) or (4)(b); and  
954 (B) state that the taxing entity will meet on a certain day, time, and place fixed in the  
955 advertisement, which shall be seven or more days after the day the first advertisement is  
956 published, for the purpose of hearing comments regarding any proposed increase and to explain  
957 the reasons for the proposed increase.

958 (f) If a fiscal year taxing entity's public hearing information is published by the county  
959 auditor in accordance with Section 59-2-919.2, the fiscal year taxing entity is not subject to the  
960 requirement to run the advertisement twice, as required by Subsection (6)(e)(i), but shall run  
961 the advertisement once during the week before the fiscal year taxing entity conducts a public  
962 hearing at which the taxing entity's annual budget is discussed.

963 (g) For purposes of Subsection (3)(a)(iii) or (4)(a), the form and content of an  
964 advertisement shall be substantially as follows:

965 "NOTICE OF PROPOSED TAX INCREASE

966 (NAME OF TAXING ENTITY)

967 The (name of the taxing entity) is proposing to increase its property tax revenue.

968 ● The (name of the taxing entity) tax on a (insert the average value of a residence  
969 in the taxing entity rounded to the nearest thousand dollars) residence would  
970 increase from \$\_\_\_\_\_ to \$\_\_\_\_\_, which is \$\_\_\_\_\_ per year.

971 ● The (name of the taxing entity) tax on a (insert the value of a business having  
972 the same value as the average value of a residence in the taxing entity) business  
973 would increase from \$\_\_\_\_\_ to \$\_\_\_\_\_, which is \$\_\_\_\_\_ per year.

974 ● If the proposed budget is approved, (name of the taxing entity) would increase  
975 its property tax budgeted revenue by \_\_\_% above last year's property tax  
976 budgeted revenue excluding new growth.

977 All concerned citizens are invited to a public hearing on the tax increase.

978 PUBLIC HEARING

979 Date/Time: (date) (time)

980 Location: (name of meeting place and address of meeting place)

981 To obtain more information regarding the tax increase, citizens may contact the (name  
982 of the taxing entity) at (phone number of taxing entity)."

983 (7) The commission:

984 (a) shall adopt rules in accordance with Title 63G, Chapter 3, Utah Administrative  
985 Rulemaking Act, governing the joint use of one advertisement described in Subsection (6) by  
986 two or more taxing entities; and

987 (b) subject to Section 45-1-101, may authorize:

988 (i) the use of a weekly newspaper:



989 (A) in a county having both daily and weekly newspapers if the weekly newspaper  
990 would provide equal or greater notice to the taxpayer; and

991 (B) if the county petitions the commission for the use of the weekly newspaper; or

992 (ii) the use by a taxing entity of a commission approved direct notice to each taxpayer

993 if:

994 (A) the cost of the advertisement would cause undue hardship;

995 (B) the direct notice is different and separate from that provided for in Section

996 [59-2-919.1](#); and

997 (C) the taxing entity petitions the commission for the use of a commission approved  
998 direct notice.

999 (8) (a) (i) (A) A fiscal year taxing entity shall, on or before March 1, notify the county  
1000 legislative body in which the fiscal year taxing entity is located of the date, time, and place of  
1001 the first public hearing at which the fiscal year taxing entity's annual budget will be discussed.

1002 (B) A county that receives notice from a fiscal year taxing entity under Subsection  
1003 (8)(a)(i)(A) shall include on the notice required by Section [59-2-919.1](#) the date, time, and place  
1004 of the public hearing described in Subsection (8)(a)(i)(A).

1005 (ii) A calendar year taxing entity shall, on or before October 1 of the current calendar  
1006 year, notify the county legislative body in which the calendar year taxing entity is located of the  
1007 date, time, and place of the first public hearing at which the calendar year taxing entity's annual  
1008 budget will be discussed.

1009 (b) (i) A public hearing described in Subsection (3)(a)(v) or (4)(b) shall be open to the  
1010 public.

1011 (ii) The governing body of a taxing entity conducting a public hearing described in  
1012 Subsection (3)(a)(v) or (4)(b) shall provide an interested party desiring to be heard an  
1013 opportunity to present oral testimony within reasonable time limits.

1014 (c) (i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a  
1015 public hearing described in Subsection (3)(a)(v) or (4)(b) at the same time as the public hearing  
1016 of another overlapping taxing entity in the same county.

1017 (ii) The taxing entities in which the power to set tax levies is vested in the same  
1018 governing board or authority may consolidate the public hearings described in Subsection  
1019 (3)(a)(v) or (4)(b) into one public hearing.

1020 (d) A county legislative body shall resolve any conflict in public hearing dates and  
1021 times after consultation with each affected taxing entity.

1022 (e) A taxing entity shall hold a public hearing described in Subsection (3)(a)(v) or  
1023 (4)(b) beginning at or after 6 p.m.

1024 (9) (a) If a taxing entity does not make a final decision on budgeting additional ad  
1025 valorem tax revenue at a public hearing described in Subsection (3)(a)(v) or (4)(b), the taxing  
1026 entity shall announce at that public hearing the scheduled time and place of the next public  
1027 meeting at which the taxing entity will consider budgeting the additional ad valorem tax  
1028 revenue.

1029 (b) A calendar year taxing entity may not adopt a final budget that budgets an amount  
1030 of additional ad valorem tax revenue that exceeds the largest amount of additional ad valorem  
1031 tax revenue stated at a public meeting under Subsection (3)(a)(i).

1032 (c) A public hearing on levying a tax rate that exceeds a fiscal year taxing entity's  
1033 certified tax rate may coincide with a public hearing on the fiscal year taxing entity's proposed  
1034 annual budget.

1035 (10) Notwithstanding any other provision of this section, the amendments to this  
1036 section in Laws of Utah 2014, Chapter 256, Section 2, apply to:

1037 (a) actions a fiscal year taxing entity is required to take with respect to the fiscal year  
1038 taxing entity's budgetary process for a fiscal year that begins on or after July 1, 2014; or

1039 (b) actions a calendar year taxing entity is required to take with respect to the calendar  
1040 year taxing entity's budgetary process for a fiscal year that begins on or after January 1, 2015.

1041 Section 11. Section **59-2-924** is amended to read:

1042 **59-2-924. Definitions -- Report of valuation of property to county auditor and**  
1043 **commission -- Transmittal by auditor to governing bodies -- Certified tax rate --**  
1044 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget.**

1045 (1) As used in this section:

1046 (a) (i) "Ad valorem property tax revenue" means revenue collected in accordance with  
1047 this chapter.

1048 (ii) "Ad valorem property tax revenue" does not include:

1049 (A) interest;

1050 (B) a penalty;

- 1051 (C) collections from redemptions; or
- 1052 (D) revenue received by a taxing entity from personal property that is semiconductor
- 1053 manufacturing equipment assessed by a county assessor in accordance with Part 3, County
- 1054 Assessment.
- 1055 (b) (i) "Aggregate taxable value of all property taxed" means:
- 1056 (A) the aggregate taxable value of all real property a county assessor assesses in
- 1057 accordance with Part 3, County Assessment, for the current year;
- 1058 (B) the aggregate year end taxable value of all personal property a county assessor
- 1059 assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls
- 1060 of the taxing entity; and
- 1061 (C) the aggregate taxable value of all real and personal property the commission
- 1062 assesses in accordance with Part 2, Assessment of Property, for the current year.
- 1063 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year
- 1064 end taxable value of personal property that is:
- 1065 (A) semiconductor manufacturing equipment assessed by a county assessor in
- 1066 accordance with Part 3, County Assessment; and
- 1067 (B) contained on the prior year's tax rolls of the taxing entity.
- 1068 (c) (i) "Annual growth for commission assessed real and personal property" means the
- 1069 difference between:
- 1070 (A) the taxable value of all real and personal property the commission assesses in
- 1071 accordance with Part 2, Assessment of Property, for a calendar year; and
- 1072 (B) the year end taxable value of all real and personal property the commission
- 1073 assesses in accordance with Part 2, Assessment of Property, for the calendar year prior to the
- 1074 calendar year described in Subsection (1)(c)(i)(A).
- 1075 (ii) "Annual growth for commission assessed real and personal property" does not
- 1076 include a change in value as a result of a change in the method of apportioning the value
- 1077 prescribed by the Legislature, a court, or the commission in an administrative rule or
- 1078 administrative order.
- 1079 (d) (i) "Annual growth for locally assessed personal property" means the difference
- 1080 between:
- 1081 (A) the year end taxable value of all personal property a county assessor assesses in

- 1082 accordance with Part 3, County Assessment, for the prior calendar year; and
- 1083 (B) the year end taxable value of all personal property a county assessor assesses in
- 1084 accordance with Part 3, County Assessment, for the calendar year prior to the calendar year
- 1085 described in Subsection (1)(d)(i).
- 1086 (ii) "Annual growth for locally assessed personal property" does not include the
- 1087 aggregate year end taxable value of personal property that is:
- 1088 (A) semiconductor manufacturing equipment assessed by a county assessor in
- 1089 accordance with Part 3, County Assessment; and
- 1090 (B) contained on the prior year's tax rolls of the taxing entity.
- 1091 (e) "Certified tax rate" means a tax rate that will provide the same ad valorem property
- 1092 tax revenue for a taxing entity as the taxing entity budgeted for the prior year.
- 1093 (f) (i) "Eligible new growth" means the sum of:
- 1094 (A) new growth for commission assessed real and personal property;
- 1095 (B) new growth for locally assessed personal property; and
- 1096 (C) new growth for locally assessed real property.
- 1097 (ii) "Eligible new growth" includes revenue that a taxing entity receives as a result of
- 1098 an agency, as defined in Section [17C-1-102](#), no longer receiving tax increment as defined in
- 1099 Section [17C-1-102](#).
- 1100 (g) (i) "New growth for commission assessed real and personal property" means an
- 1101 amount equal to the 10-year average of the most recent 10 years of annual growth for
- 1102 commission assessed real and personal property, adjusted for redevelopment.
- 1103 (ii) "New growth for commission assessed real and personal property" does not include
- 1104 a change in value as a result of a change in the method of apportioning the value prescribed by
- 1105 the Legislature, a court, or the commission in an administrative rule or administrative order.
- 1106 (h) "New growth for locally assessed personal property" means an amount equal to the
- 1107 10-year average of the most recent 10 years of annual growth for locally assessed personal
- 1108 property, adjusted for redevelopment.
- 1109 (i) (i) "New growth for locally assessed real property" means the difference between:
- 1110 (A) the taxable value of all real property the county assessor assesses in accordance
- 1111 with Part 3, County Assessment, for the current year, adjusted for redevelopment; and
- 1112 (B) the year end taxable value of all real property the county assessor assesses in

1113 accordance with Part 3, County Assessment, for the prior year, adjusted for redevelopment.

1114 (ii) "New growth for locally assessed real property" does not include a change in value  
 1115 as a result of factoring in accordance with Section 59-2-704, reappraisal, or another adjustment.

1116 ~~[(1)]~~ (2) Before June 1 of each year, the county assessor of each county shall deliver to  
 1117 the county auditor and the commission the following statements:

1118 (a) a statement containing the aggregate valuation of all taxable real property [~~assessed~~  
 1119 ~~by~~] a county assessor assesses in accordance with Part 3, County Assessment, for each taxing  
 1120 entity; and

1121 (b) a statement containing the taxable value of all personal property [~~assessed by~~] a  
 1122 county assessor assesses in accordance with Part 3, County Assessment, from the prior year  
 1123 end values.

1124 ~~[(2)]~~ (3) The county auditor shall, on or before June 8, transmit to the governing body  
 1125 of each taxing entity:

1126 (a) the statements described in Subsections ~~[(1)]~~ (2)(a) and (b);

1127 (b) an estimate of the revenue from personal property;

1128 (c) the certified tax rate calculated in accordance with this section; and

1129 (d) all forms necessary to submit a tax levy request.

1130 ~~[(3)(a) The "certified tax rate" means a tax rate that will provide the same ad valorem~~  
 1131 ~~property tax revenues for a taxing entity as were budgeted by that taxing entity for the prior~~  
 1132 ~~year.]~~

1133 ~~[(b) For purposes of this Subsection (3):]~~

1134 ~~[(i) "Ad valorem property tax revenues" do not include:]~~

1135 ~~[(A) interest;]~~

1136 ~~[(B) penalties; and]~~

1137 ~~[(C) revenue received by a taxing entity from personal property that is:]~~

1138 ~~[(f) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

1139 ~~[(H) semiconductor manufacturing equipment.]~~

1140 ~~[(ii) "Aggregate taxable value of all property taxed" means:]~~

1141 ~~[(A) the aggregate taxable value of all real property assessed by a county assessor in~~  
 1142 ~~accordance with Part 3, County Assessment, for the current year;]~~

1143 ~~[(B) the aggregate taxable year-end value of all personal property assessed by a county~~

1144 assessor in accordance with Part 3, County Assessment, for the prior year; and]

1145 [~~(C)~~ the aggregate taxable value of all real and personal property assessed by the

1146 commission in accordance with Part 2, Assessment of Property, for the current year.]

1147 [~~(c)~~(i)] (4) (a) Except as otherwise provided in this section, the certified tax rate shall

1148 be calculated by dividing the ad valorem property tax revenues budgeted for the prior year by

1149 ~~the~~ a taxing entity by the amount calculated under Subsection [~~(3)~~(c)(ii)] (4)(b).

1150 [(ii)] (b) For purposes of Subsection [~~(3)~~(c)(i)] (4)(a), the legislative body of a taxing

1151 entity shall calculate an amount as follows:

1152 [(A)] (i) calculate for the taxing entity the difference between:

1153 [(F)] (A) the aggregate taxable value of all property taxed; and

1154 [(H)] (B) any redevelopment adjustments for the current calendar year;

1155 [(B)] (ii) after making the calculation required by Subsection [~~(3)~~(c)(ii)(A)] (4)(b)(i),

1156 calculate an amount determined by increasing or decreasing the amount calculated under

1157 Subsection [~~(3)~~(c)(ii)(A)] (4)(b)(i) by the average of the percentage net change in the value of

1158 taxable property for the equalization period for the three calendar years immediately preceding

1159 the current calendar year;

1160 [(C)] (iii) after making the calculation required by Subsection [~~(3)~~(c)(ii)(B)] (4)(b)(ii),

1161 calculate the product of:

1162 [(F)] (A) the amount calculated under Subsection [~~(3)~~(c)(ii)(B)] (4)(b)(ii); and

1163 [(H)] (B) the percentage average of the percentages of property taxes collected for the

1164 five calendar years immediately preceding the current calendar year; and

1165 [(D)] (iv) after making the calculation required by Subsection [~~(3)~~(c)(ii)(C)] (4)(b)(iii),

1166 calculate an amount determined by subtracting eligible new growth from the amount calculated

1167 under [~~Subsection (3)(c)(ii)(C) any new growth as defined in this section:~~] Subsection

1168 (4)(b)(iii).

1169 [(F) within the taxing entity; and]

1170 [(H) for the following calendar year:]

1171 [(Aa) for new growth from real property assessed by a county assessor in accordance

1172 with Part 3, County Assessment and all property assessed by the commission in accordance

1173 with Section 59-2-201, the current calendar year; and]

1174 [(Bb) for new growth from personal property assessed by a county assessor in

1175 ~~accordance with Part 3, County Assessment, the prior calendar year.]~~  
1176 ~~[(iii) For purposes of Subsection (3)(c)(ii)(A), the aggregate taxable value of all~~  
1177 ~~property taxed:]~~  
1178 ~~[(A) except as provided in Subsection (3)(c)(iii)(B) or (3)(c)(ii)(C), is as defined in~~  
1179 ~~Subsection (3)(b)(ii);]~~  
1180 ~~[(B) does not include the total taxable value of personal property contained on the tax~~  
1181 ~~rolls of the taxing entity that is:]~~  
1182 ~~[(I) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~  
1183 ~~[(H) semiconductor manufacturing equipment; and]~~  
1184 ~~[(C) for personal property assessed by a county assessor in accordance with Part 3,~~  
1185 ~~County Assessment, the taxable value of personal property is the year end value of the personal~~  
1186 ~~property contained on the prior year's tax rolls of the entity.]~~  
1187 ~~[(iv) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or after~~  
1188 ~~January 1, 2007, the value of taxable property does not include the value of personal property~~  
1189 ~~that is:]~~  
1190 ~~[(A) within the taxing entity assessed by a county assessor in accordance with Part 3,~~  
1191 ~~County Assessment; and]~~  
1192 ~~[(B) semiconductor manufacturing equipment.]~~  
1193 ~~[(v) For purposes of Subsection (3)(c)(ii)(C)(H), for calendar years beginning on or~~  
1194 ~~after January 1, 2007, the percentage of property taxes collected does not include property taxes~~  
1195 ~~collected from personal property that is:]~~  
1196 ~~[(A) within the taxing entity assessed by a county assessor in accordance with Part 3,~~  
1197 ~~County Assessment; and]~~  
1198 ~~[(B) semiconductor manufacturing equipment.]~~  
1199 ~~[(vi) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or after~~  
1200 ~~January 1, 2009, the value of taxable property does not include the value of personal property~~  
1201 ~~that is within the taxing entity assessed by a county assessor in accordance with Part 3, County~~  
1202 ~~Assessment.]~~  
1203 ~~[(vii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,~~  
1204 ~~the commission may prescribe rules for calculating redevelopment adjustments for a calendar~~  
1205 ~~year.]~~

1206           ~~[(viii) (A) Except as provided in Subsections (3)(c)(ix) and (x), for purposes of~~  
1207           ~~Subsection (3)(c)(i), a taxing entity's ad valorem property tax revenues budgeted for the prior~~  
1208           ~~year shall be decreased by an amount of revenue equal to the five-year average of the most~~  
1209           ~~recent prior five years of redemptions adjusted by the five-year average redemption calculated~~  
1210           ~~for the prior year as reported on the county treasurer's final annual settlement required under~~  
1211           ~~Subsection 59-2-1365(2).]~~

1212           ~~[(B) A decrease under Subsection (3)(c)(viii)(A) does not apply to the multicounty~~  
1213           ~~assessing and collecting levy authorized in Subsection 59-2-1602(2)(a), the certified revenue~~  
1214           ~~levy, or the minimum basic tax rate established in Section 53A-17a-135.]~~

1215           ~~[(ix) As used in Subsection (3)(c)(x):]~~

1216           ~~[(A) "One-fourth of qualifying redemptions excess amount" means a qualifying~~  
1217           ~~redemptions excess amount divided by four.]~~

1218           ~~[(B) "Qualifying redemptions" means that, for a calendar year, a taxing entity's total~~  
1219           ~~amount of redemptions is greater than three times the five-year average of the most recent prior~~  
1220           ~~five years of redemptions calculated for the prior year under Subsection (3)(c)(viii)(A).]~~

1221           ~~[(C) "Qualifying redemptions base amount" means an amount equal to three times the~~  
1222           ~~five-year average of the most recent prior five years of redemptions for a taxing entity, as~~  
1223           ~~reported on the county treasurer's final annual settlement required under Subsection~~  
1224           ~~59-2-1365(2).]~~

1225           ~~[(D) "Qualifying redemptions excess amount" means the amount by which a taxing~~  
1226           ~~entity's qualifying redemptions for a calendar year exceed the qualifying redemptions base~~  
1227           ~~amount for that calendar year.]~~

1228           ~~[(x) (A) If, for a calendar year, a taxing entity has qualifying redemptions, the~~  
1229           ~~redemption amount for purposes of calculating the five-year redemption average required by~~  
1230           ~~Subsection (3)(c)(viii)(A) is as provided in Subsections (3)(c)(x)(B) and (C).]~~

1231           ~~[(B) For the initial calendar year a taxing entity has qualifying redemptions, the taxing~~  
1232           ~~entity's redemption amount for that calendar year is the qualifying redemptions base amount.]~~

1233           ~~[(C) For each of the four calendar years after the calendar year described in Subsection~~  
1234           ~~(3)(c)(x)(B), one-fourth of the qualifying redemptions excess amount shall be added to the~~  
1235           ~~redemption amount.]~~

1236           ~~[(d) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,~~



1237 ~~the commission shall make rules determining the calculation of ad valorem property tax~~  
 1238 ~~revenues budgeted by a taxing entity.]~~

1239 ~~[(ii) For purposes of Subsection (3)(d)(i), ad valorem property tax revenues budgeted~~  
 1240 ~~by a taxing entity shall be calculated in the same manner as budgeted property tax revenues are~~  
 1241 ~~calculated for purposes of Section 59-2-913.]~~

1242 ~~[(e)]~~ (5) The certified tax rates for the taxing entities described in this Subsection  
 1243 ~~[(3)(e)]~~ (5) shall be calculated as follows:

1244 ~~[(i)]~~ (a) except as provided in Subsection ~~[(3)(e)(ii)]~~ (5)(b), for a new taxing ~~[entities]~~  
 1245 ~~entity~~ the certified tax rate is zero;

1246 ~~[(ii)]~~ (b) for ~~[each]~~ a municipality incorporated on or after July 1, 1996, the certified  
 1247 tax rate is:

1248 ~~[(A)]~~ (i) in a county of the first, second, or third class, the levy imposed for  
 1249 municipal-type services under Sections 17-34-1 and 17-36-9; and

1250 ~~[(B)]~~ (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general  
 1251 county purposes and such other levies imposed solely for the municipal-type services identified  
 1252 in Section 17-34-1 and Subsection 17-36-3(22); and

1253 ~~[(iii)]~~ (c) for debt service voted on by the public, the certified tax rate shall be the  
 1254 actual levy imposed by that section, except that the certified tax rates for the following levies  
 1255 shall be calculated in accordance with Section 59-2-913 and this section:

1256 ~~[(A)]~~ (i) a school ~~[levies]~~ levy provided for under ~~[Sections]~~ Section 53A-16-113,  
 1257 53A-17a-133, ~~[and]~~ or 53A-17a-164; ~~[and]~~ or

1258 ~~[(B) levies]~~ (ii) a levy to pay for the costs of state legislative mandates or judicial or  
 1259 administrative orders under Section 59-2-1602.

1260 ~~[(f)(i)]~~ (6) (a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 shall  
 1261 be ~~[established at that]~~ imposed at a rate ~~[which]~~ that is sufficient to generate only the revenue  
 1262 required to satisfy one or more eligible judgments~~[, as defined in Section 59-2-102].~~

1263 ~~[(ii)]~~ (b) The ad valorem property tax revenue generated by ~~[the]~~ a judgment levy  
 1264 ~~[shall]~~ described in Subsection (6)(a) may not be considered in establishing ~~[the]~~ a taxing  
 1265 entity's aggregate certified tax rate.

1266 ~~[(g)]~~ (7) The ad valorem property tax revenue generated by the capital local levy  
 1267 described in Section 53A-16-113 within a taxing entity in a county of the first class:

1268            [(i)] (a) may not be considered in establishing the school district's aggregate certified  
1269 tax rate; and

1270            [(ii)] (b) shall be included by the commission in establishing a certified tax rate for that  
1271 capital ~~[outlay]~~ local levy determined in accordance with the calculation described in  
1272 Subsection 59-2-913(3).

1273            ~~[(4)]~~ (8) (a) For the purpose of calculating the certified tax rate, the county auditor shall  
1274 use:

1275            (i) the taxable value of real property ~~[assessed by a county assessor contained on the~~  
1276 ~~assessment roll];~~

1277            (A) a county assessor assesses in accordance with Part 3, County Assessment; and

1278            (B) contained on the assessment roll;

1279            (ii) the year end taxable value of personal property:

1280            (A) a county assessor assesses in accordance with Part 3, County Assessment; and

1281            (B) contained on the prior year's assessment roll; and

1282            ~~[(ii)]~~ (iii) the taxable value of real and personal property ~~[assessed by]~~ the  
1283 commission~~[-and]~~ assesses in accordance with Section 59-2-201.

1284            ~~[(iii)] the taxable year end value of personal property assessed by a county assessor~~  
1285 ~~contained on the prior year's assessment roll.]~~

1286            (b) For purposes of Subsection ~~[(4)(a)(i)]~~ (8)(a), the taxable value of real property on  
1287 the assessment roll does not include eligible new growth ~~[as defined in Subsection (4)(c)].~~

1288            ~~[(c) "New growth" means:]~~

1289            ~~[(i) the difference between the increase in taxable value of the following property of~~  
1290 ~~the taxing entity from the previous calendar year to the current year:]~~

1291            ~~[(A) real property assessed by a county assessor in accordance with Part 3, County~~  
1292 ~~Assessment; and]~~

1293            ~~[(B) property assessed by the commission under Section 59-2-201; plus]~~

1294            ~~[(ii) the difference between the increase in taxable year end value of personal property~~  
1295 ~~of the taxing entity from the year prior to the previous calendar year to the previous calendar~~  
1296 ~~year; minus]~~

1297            ~~[(iii) the amount of an increase in taxable value described in Subsection (4)(c).]~~

1298            ~~[(d) For purposes of Subsection (4)(c)(ii), the taxable value of personal property of the~~

1299 ~~taxing entity does not include the taxable value of personal property that is:]~~  
1300 ~~[(i) contained on the tax rolls of the taxing entity if that property is assessed by a~~  
1301 ~~county assessor in accordance with Part 3, County Assessment; and]~~  
1302 ~~[(ii) semiconductor manufacturing equipment.]~~  
1303 ~~[(e) Subsection (4)(c)(iii) applies to the following increases in taxable value:]~~  
1304 ~~[(i) the amount of increase to locally assessed real property taxable values resulting~~  
1305 ~~from factoring, reappraisal, or any other adjustments; or]~~  
1306 ~~[(ii) the amount of an increase in the taxable value of property assessed by the~~  
1307 ~~commission under Section 59-2-201 resulting from a change in the method of apportioning the~~  
1308 ~~taxable value prescribed by:]~~  
1309 ~~[(A) the Legislature;]~~  
1310 ~~[(B) a court;]~~  
1311 ~~[(C) the commission in an administrative rule; or]~~  
1312 ~~[(D) the commission in an administrative order.]~~  
1313 ~~[(f) For purposes of Subsection (4)(a)(ii), the taxable year end value of personal~~  
1314 ~~property on the prior year's assessment roll does not include:]~~  
1315 ~~[(i) new growth as defined in Subsection (4)(c); or]~~  
1316 ~~[(ii) the total taxable year end value of personal property contained on the prior year's~~  
1317 ~~tax rolls of the taxing entity that is:]~~  
1318 ~~[(A) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~  
1319 ~~[(B) semiconductor manufacturing equipment.]~~  
1320 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1321 commission may make rules for calculating redevelopment adjustments for a calendar year.  
1322 ~~[(5)] (10) (a) On or before June 22, [each] a taxing entity shall annually adopt a~~  
1323 ~~tentative budget.~~  
1324 (b) If the taxing entity intends to exceed the certified tax rate, [it] the taxing entity shall  
1325 notify the county auditor of:  
1326 (i) its intent to exceed the certified tax rate; and  
1327 (ii) the amount by which it proposes to exceed the certified tax rate.  
1328 (c) The county auditor shall notify property owners of any intent to levy a tax rate that  
1329 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

1330 Section 12. Section 59-2-924.2 is amended to read:

1331 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

1332 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated  
1333 in accordance with Section 59-2-924.

1334 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from  
1335 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,  
1336 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter  
1337 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax  
1338 rate to offset the increased revenues.

1339 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under  
1340 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

1341 (i) decreased on a one-time basis by the amount of the estimated sales and use tax  
1342 revenue to be distributed to the county under Subsection 59-12-1102(3); and

1343 (ii) increased by the amount necessary to offset the county's reduction in revenue from  
1344 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,  
1345 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection  
1346 (3)(a)(i).

1347 (b) The commission shall determine estimates of sales and use tax distributions for  
1348 purposes of Subsection (3)(a).

1349 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort  
1350 communities sales and use tax under Section 59-12-402, the municipality's certified tax rate  
1351 shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of  
1352 estimated revenue from the additional resort communities sales and use tax imposed under  
1353 Section 59-12-402.

1354 (5) (a) This Subsection (5) applies to each county that:

1355 (i) establishes a countywide special service district under Title 17D, Chapter 1, Special  
1356 Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and

1357 (ii) levies a property tax on behalf of the special service district under Section  
1358 17D-1-105.

1359 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be  
1360 decreased by the amount necessary to reduce county revenues by the same amount of revenues

1361 that will be generated by the property tax imposed on behalf of the special service district.

1362 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the  
1363 levy on behalf of the special service district under Section 17D-1-105.

1364 (6) (a) As used in this Subsection (6):

1365 (i) "Annexing county" means a county whose unincorporated area is included within a  
1366 public safety district by annexation.

1367 (ii) "Annexing municipality" means a municipality whose area is included within a  
1368 public safety district by annexation.

1369 (iii) "Equalized public safety protection tax rate" means the tax rate that results from:

1370 (A) calculating, for each participating county and each participating municipality, the  
1371 property tax revenue necessary:

1372 (I) in the case of a fire district, to cover all of the costs associated with providing fire  
1373 protection, paramedic, and emergency services:

1374 (Aa) for a participating county, in the unincorporated area of the county; and

1375 (Bb) for a participating municipality, in the municipality; or

1376 (II) in the case of a police district, to cover all the costs:

1377 (Aa) associated with providing law enforcement service:

1378 (Ii) for a participating county, in the unincorporated area of the county; and

1379 (Iiii) for a participating municipality, in the municipality; and

1380 (Bb) that the police district board designates as the costs to be funded by a property  
1381 tax; and

1382 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all  
1383 participating counties and all participating municipalities and then dividing that sum by the  
1384 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

1385 (I) for participating counties, in the unincorporated area of all participating counties;  
1386 and

1387 (II) for participating municipalities, in all the participating municipalities.

1388 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service  
1389 Area Act:

1390 (A) created to provide fire protection, paramedic, and emergency services; and

1391 (B) in the creation of which an election was not required under Subsection

1392 17B-1-214(3)(c).

1393 (v) "Participating county" means a county whose unincorporated area is included  
1394 within a public safety district at the time of the creation of the public safety district.

1395 (vi) "Participating municipality" means a municipality whose area is included within a  
1396 public safety district at the time of the creation of the public safety district.

1397 (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service  
1398 Area Act, within a county of the first class:

1399 (A) created to provide law enforcement service; and

1400 (B) in the creation of which an election was not required under Subsection

1401 17B-1-214(3)(c).

1402 (viii) "Public safety district" means a fire district or a police district.

1403 (ix) "Public safety service" means:

1404 (A) in the case of a public safety district that is a fire district, fire protection,  
1405 paramedic, and emergency services; and

1406 (B) in the case of a public safety district that is a police district, law enforcement  
1407 service.

1408 (b) In the first year following creation of a public safety district, the certified tax rate of  
1409 each participating county and each participating municipality shall be decreased by the amount  
1410 of the equalized public safety tax rate.

1411 (c) In the first budget year following annexation to a public safety district, the certified  
1412 tax rate of each annexing county and each annexing municipality shall be decreased by an  
1413 amount equal to the amount of revenue budgeted by the annexing county or annexing  
1414 municipality:

1415 (i) for public safety service; and

1416 (ii) in:

1417 (A) for a taxing entity operating under a January 1 through December 31 fiscal year,  
1418 the prior calendar year; or

1419 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior  
1420 fiscal year.

1421 (d) Each tax levied under this section by a public safety district shall be considered to  
1422 be levied by:

1423 (i) each participating county and each annexing county for purposes of the county's tax  
1424 limitation under Section 59-2-908; and

1425 (ii) each participating municipality and each annexing municipality for purposes of the  
1426 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a  
1427 city.

1428 (e) The calculation of a public safety district's certified tax rate for the year of  
1429 annexation shall be adjusted to include an amount of revenue equal to one half of the amount  
1430 of revenue budgeted by the annexing entity for public safety service in the annexing entity's  
1431 prior fiscal year if:

1432 (i) the public safety district operates on a January 1 through December 31 fiscal year;

1433 (ii) the public safety district approves an annexation of an entity operating on a July 1  
1434 through June 30 fiscal year; and

1435 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

1436 ~~[(7) For the calendar year beginning on January 1, 2007, the calculation of a taxing~~  
1437 ~~entity's certified tax rate, calculated in accordance with Section 59-2-924, shall be adjusted by~~  
1438 ~~the amount necessary to offset any change in the certified tax rate that may result from~~  
1439 ~~excluding the following from the certified tax rate under Subsection 59-2-924(3) enacted by the~~  
1440 ~~Legislature during the 2007 General Session:]~~

1441 ~~[(a) personal property tax revenue:]~~

1442 ~~[(i) received by a taxing entity;]~~

1443 ~~[(ii) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

1444 ~~[(iii) for personal property that is semiconductor manufacturing equipment; or]~~

1445 ~~[(b) the taxable value of personal property:]~~

1446 ~~[(i) contained on the tax rolls of a taxing entity;]~~

1447 ~~[(ii) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

1448 ~~[(iii) that is semiconductor manufacturing equipment.]~~

1449 ~~[(8)]~~ (7) (a) The base taxable value ~~[for the base year]~~ under Subsection 17C-1-102(6)  
1450 shall be reduced for any year to the extent necessary to provide a community development and  
1451 renewal agency established under Title 17C, Limited Purpose Local Government Entities -  
1452 Community Development and Renewal Agencies Act, with approximately the same amount of  
1453 money the agency would have received without a reduction in the county's certified tax rate,

1454 calculated in accordance with Section 59-2-924, if:

1455 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

1456 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the  
1457 previous year; and

1458 (iii) the decrease results in a reduction of the amount to be paid to the agency under  
1459 Section 17C-1-403 or 17C-1-404.

1460 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any  
1461 year to the extent necessary to provide a community development and renewal agency with  
1462 approximately the same amount of money as the agency would have received without an  
1463 increase in the certified tax rate that year if:

1464 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to  
1465 a decrease in the certified tax rate under Subsection (2) or (3)(a); and

1466 (ii) the certified tax rate of a city, school district, local district, or special service  
1467 district increases independent of the adjustment to the taxable value of the base year.

1468 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),  
1469 the amount of money allocated and, when collected, paid each year to a community  
1470 development and renewal agency established under Title 17C, Limited Purpose Local  
1471 Government Entities - Community Development and Renewal Agencies Act, for the payment  
1472 of bonds or other contract indebtedness, but not for administrative costs, may not be less than  
1473 that amount would have been without a decrease in the certified tax rate under Subsection (2)  
1474 or (3)(a).

1475 ~~[(9)]~~ (8) (a) For the calendar year beginning on January 1, 2014, the calculation of a  
1476 county assessing and collecting levy shall be adjusted by the amount necessary to offset:

1477 (i) any change in the certified tax rate that may result from amendments to Part 16,  
1478 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3;  
1479 and

1480 (ii) the difference in the amount of revenue a taxing entity receives from or contributes  
1481 to the Property Tax Valuation Agency Fund, created in Section 59-2-1602, that may result from  
1482 amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014,  
1483 Chapter 270, Section 3.

1484 (b) A taxing entity is not required to comply with the notice and public hearing



1485 requirements in Section 59-2-919 for an adjustment to the county assessing and collecting levy  
1486 described in Subsection ~~[(9)]~~ (8)(a).

1487 Section 13. Section 59-2-924.3 is amended to read:

1488 **59-2-924.3. Adjustment of the calculation of the certified tax rate for a school**  
1489 **district imposing a capital local levy in a county of the first class.**

1490 (1) As used in this section:

1491 (a) "Capital local levy increment" means the amount of revenue equal to the difference  
1492 between:

1493 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value  
1494 within a school district during a fiscal year; and

1495 (ii) the amount of revenue the school district received during the same fiscal year from  
1496 the distribution described in Section 53A-16-114.

1497 (b) "Contributing school district" means a school district in a county of the first class  
1498 that in a fiscal year receives less revenue from the distribution described in Section  
1499 53A-16-114 than it would have received during the same fiscal year from a levy imposed  
1500 within the school district of .0006 per dollar of taxable value.

1501 (c) "Receiving school district" means a school district in a county of the first class that  
1502 in a fiscal year receives more revenue from the distribution described in Section 53A-16-114  
1503 than it would have received during the same fiscal year from a levy imposed within the school  
1504 district of .0006 per dollar of taxable value.

1505 (2) A receiving school district shall decrease its capital local levy certified tax rate  
1506 under Subsection 59-2-924~~[(3)(g)(ii)]~~(7)(b) by the amount required to offset the receiving  
1507 school district's estimated capital local levy increment for the prior fiscal year.

1508 (3) A contributing school district is exempt from the notice and public hearing  
1509 provisions of Section 59-2-919 for the school district's capital local levy certified tax rate  
1510 calculated pursuant to Subsection 59-2-924~~[(3)(g)(ii)]~~(7)(b) if:

1511 (a) the contributing school district budgets an increased amount of ad valorem property  
1512 tax revenue exclusive of eligible new growth as defined in ~~[Subsection]~~ Section 59-2-924~~[(4)]~~  
1513 for the capital local levy described in Section 53A-16-113; and

1514 (b) the increased amount of ad valorem property tax revenue described in Subsection  
1515 (3)(a) is less than or equal to the difference between:

1516 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value  
1517 imposed within the contributing school district during the current taxable year; and

1518 (ii) the amount of revenue generated by a levy of .0006 per dollar of taxable value  
1519 imposed within the contributing school district during the prior taxable year.

1520 (4) Regardless of the amount a school district receives from the revenue collected from  
1521 the .0006 portion of the capital local levy required in Section 53A-16-113, the revenue  
1522 generated within the school district from the .0006 portion of the capital local levy required in  
1523 Section 53A-16-113 shall be considered to be budgeted ad valorem property tax revenues of  
1524 the school district that levies the .0006 portion of the capital local levy for purposes of  
1525 calculating the school district's certified tax rate in accordance with Subsection  
1526 59-2-924[(3)(g)(ii)](7)(b).

1527 Section 14. Section 59-2-926 is amended to read:

1528 **59-2-926. Proposed tax increase by state -- Notice -- Contents -- Dates.**

1529 If the state authorizes a levy pursuant to Section 53A-17a-135 that exceeds the certified  
1530 revenue levy as defined in Section 53A-17a-103 or authorizes a levy pursuant to Section  
1531 59-2-1602 that exceeds the certified revenue levy as defined in Section 59-2-102, the state shall  
1532 publish a notice no later than 10 days after the last day of the annual legislative general session  
1533 that meets the following requirements:

1534 (1) (a) The Office of the Legislative Fiscal Analyst shall advertise that the state  
1535 authorized a levy that generates revenue in excess of the previous year's ad valorem tax  
1536 revenue, plus eligible new growth as defined in Section 59-2-924, but exclusive of revenue  
1537 from collections from redemptions, interest, and penalties:

- 1538 (i) in a newspaper of general circulation in the state; and
- 1539 (ii) as required in Section 45-1-101.

1540 (b) Except an advertisement published on a website, the advertisement described in  
1541 Subsection (1)(a):

1542 (i) shall be no less than 1/4 page in size and the type used shall be no smaller than 18  
1543 point, and surrounded by a 1/4-inch border:

1544 (ii) may not be placed in that portion of the newspaper where legal notices and  
1545 classified advertisements appear; and

1546 (iii) shall be run once.

1547 (2) The form and content of the notice shall be substantially as follows:

1548 "NOTICE OF TAX INCREASE

1549 The state has budgeted an increase in its property tax revenue from \$\_\_\_\_\_ to  
1550 \$\_\_\_\_\_ or \_\_\_\_%. The increase in property tax revenues will come from the following  
1551 sources (include all of the following provisions):

1552 (a) \$\_\_\_\_\_ of the increase will come from (provide an explanation of the cause  
1553 of adjustment or increased revenues, such as reappraisals or factoring orders);

1554 (b) \$\_\_\_\_\_ of the increase will come from natural increases in the value of the  
1555 tax base due to (explain cause of new growth, such as new building activity, annexation, etc.);

1556 (c) a home valued at \$100,000 in the state of Utah which based on last year's (levy for  
1557 the basic state-supported school program, levy for the Property Tax Valuation Agency Fund, or  
1558 both) paid \$\_\_\_\_\_ in property taxes would pay the following:

1559 (i) \$\_\_\_\_\_ if the state of Utah did not budget an increase in property tax revenue  
1560 exclusive of new growth; and

1561 (ii) \$\_\_\_\_\_ under the increased property tax revenues exclusive of eligible new  
1562 growth budgeted by the state of Utah."

1563 Section 15. Section **59-2-1330** is amended to read:

1564 **59-2-1330. Payment of property taxes -- Payments to taxpayer by state or taxing**  
1565 **entity -- Refund of penalties paid by taxpayer -- Refund of interest paid by taxpayer --**  
1566 **Payment of interest to taxpayer -- Judgment levy -- Objections to assessments by the**  
1567 **commission -- Time periods for making payments to taxpayer.**

1568 (1) Unless otherwise specifically provided by statute, property taxes shall be paid  
1569 directly to the county assessor or the county treasurer:

1570 (a) on the date that the property taxes are due; and

1571 (b) as provided in this chapter.

1572 (2) A taxpayer shall receive payment as provided in this section if a reduction in the  
1573 amount of any tax levied against any property for which the taxpayer paid a tax or any portion  
1574 of a tax under this chapter for a calendar year is required by a final and unappealable judgment  
1575 or order described in Subsection (3) issued by:

1576 (a) a county board of equalization;

1577 (b) the commission; or

1578 (c) a court of competent jurisdiction.

1579 (3) (a) For purposes of Subsection (2), the state or any taxing entity that has received  
1580 property taxes or any portion of property taxes from a taxpayer described in Subsection (2)  
1581 shall pay the taxpayer if:

1582 (i) the taxes the taxpayer paid in accordance with Subsection (2) are collected by an  
1583 authorized officer of the:

1584 (A) county; or

1585 (B) state; and

1586 (ii) the taxpayer obtains a final and unappealable judgment or order:

1587 (A) from:

1588 (I) a county board of equalization;

1589 (II) the commission; or

1590 (III) a court of competent jurisdiction;

1591 (B) against:

1592 (I) the taxing entity or an authorized officer of the taxing entity; or

1593 (II) the state or an authorized officer of the state; and

1594 (C) ordering a reduction in the amount of any tax levied against any property for which  
1595 a taxpayer paid a tax or any portion of a tax under this chapter for the calendar year.

1596 (b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined  
1597 in accordance with Subsections (4) through (7).

1598 (4) For purposes of Subsections (2) and (3), the amount the state shall pay to a taxpayer  
1599 is equal to the sum of:

1600 (a) if the difference described in this Subsection (4)(a) is greater than \$0, the difference  
1601 between:

1602 (i) the tax the taxpayer paid to the state in accordance with Subsection (2); and

1603 (ii) the amount of the taxpayer's tax liability to the state after the reduction in the  
1604 amount of tax levied against the property in accordance with the final and unappealable  
1605 judgment or order described in Subsection (3);

1606 (b) if the difference described in this Subsection (4)(b) is greater than \$0, the difference  
1607 between:

1608 (i) any penalties the taxpayer paid to the state in accordance with Section [59-2-1331](#);

1609 and

1610 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance with  
1611 Section 59-2-1331 after the reduction in the amount of tax levied against the property in  
1612 accordance with the final and unappealable judgment or order described in Subsection (3);

1613 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with  
1614 Section 59-2-1331 on the amounts described in Subsections (4)(a) and (4)(b); and

1615 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

1616 (i) Subsection (4)(a);

1617 (ii) Subsection (4)(b); and

1618 (iii) Subsection (4)(c).

1619 (5) For purposes of Subsections (2) and (3), the amount a taxing entity shall pay to a  
1620 taxpayer is equal to the sum of:

1621 (a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference  
1622 between:

1623 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (2); and

1624 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in  
1625 the amount of tax levied against the property in accordance with the final and unappealable  
1626 judgment or order described in Subsection (3);

1627 (b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference  
1628 between:

1629 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section  
1630 59-2-1331; and

1631 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in  
1632 accordance with Section 59-2-1331 after the reduction in the amount of tax levied against the  
1633 property in accordance with the final and unappealable judgment or order described in  
1634 Subsection (3);

1635 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with  
1636 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and

1637 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

1638 (i) Subsection (5)(a);

1639 (ii) Subsection (5)(b); and

1640 (iii) Subsection (5)(c).  
1641 (6) Except as provided in Subsection (7):  
1642 (a) interest shall be refunded to a taxpayer on the amount described in Subsection  
1643 (4)(c) or (5)(c) in an amount equal to the amount of interest the taxpayer paid in accordance  
1644 with Section 59-2-1331; and  
1645 (b) interest shall be paid to a taxpayer on the amount described in Subsection (4)(d) or  
1646 (5)(d):  
1647 (i) beginning on the later of:  
1648 (A) the day on which the taxpayer paid the tax in accordance with Subsection (2); or  
1649 (B) January 1 of the calendar year immediately following the calendar year for which  
1650 the tax was due;  
1651 (ii) ending on the day on which the state or a taxing entity pays to the taxpayer the  
1652 amount required by Subsection (4) or (5); and  
1653 (iii) at the interest rate earned by the state treasurer on public funds transferred to the  
1654 state treasurer in accordance with Section 51-7-5.  
1655 (7) Notwithstanding Subsection (6):  
1656 (a) the state may not pay or refund interest to a taxpayer under Subsection (6) on any  
1657 tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax levied  
1658 by the state for that calendar year as stated on the notice required by Section 59-2-1317; and  
1659 (b) a taxing entity may not pay or refund interest to a taxpayer under Subsection (6) on  
1660 any tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax  
1661 levied by the taxing entity for that calendar year as stated on the notice required by Section  
1662 59-2-1317.  
1663 (8) (a) Each taxing entity may levy a tax to pay its share of the final and unappealable  
1664 judgment or order described in Subsection (3) if:  
1665 (i) the final and unappealable judgment or order is issued no later than 15 days prior to  
1666 the date the ~~[levy]~~ certified tax rate is set under ~~[Subsection]~~ Section 59-2-924~~[(3)(a)]~~;  
1667 (ii) the amount of the judgment levy is included on the notice under Section  
1668 59-2-919.1; and  
1669 (iii) the final and unappealable judgment or order is an eligible judgment, as defined in  
1670 Section 59-2-102.

1671 (b) The levy under Subsection (8)(a) is in addition to, and exempt from, the maximum  
1672 levy established for the taxing entity.

1673 (9) (a) A taxpayer that objects to the assessment of property assessed by the  
1674 commission shall pay, on or before the date of delinquency established under Subsection  
1675 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the notice required by  
1676 Section 59-2-1317 if:

1677 (i) the taxpayer has applied to the commission for a hearing in accordance with Section  
1678 59-2-1007 on the objection to the assessment; and

1679 (ii) the commission has not issued a written decision on the objection to the assessment  
1680 in accordance with Section 59-2-1007.

1681 (b) A taxpayer that pays the full amount of taxes due under Subsection (9)(a) is not  
1682 required to pay penalties or interest on an assessment described in Subsection (9)(a) unless:

1683 (i) a final and unappealable judgment or order establishing that the property described  
1684 in Subsection (9)(a) has a value greater than the value stated on the notice required by Section  
1685 59-2-1317 is issued by:

1686 (A) the commission; or

1687 (B) a court of competent jurisdiction; and

1688 (ii) the taxpayer fails to pay the additional tax liability resulting from the final and  
1689 unappealable judgment or order described in Subsection (9)(b)(i) within a 45-day period after  
1690 the county bills the taxpayer for the additional tax liability.

1691 (10) (a) Except as provided in Subsection (10)(b), a payment that is required by this  
1692 section shall be paid to a taxpayer:

1693 (i) within 60 days after the day on which the final and unappealable judgment or order  
1694 is issued in accordance with Subsection (3); or

1695 (ii) if a judgment levy is imposed in accordance with Subsection (8):

1696 (A) if the payment to the taxpayer required by this section is \$5,000 or more, no later  
1697 than December 31 of the year in which the judgment levy is imposed; and

1698 (B) if the payment to the taxpayer required by this section is less than \$5,000, within  
1699 60 days after the date the final and unappealable judgment or order is issued in accordance with  
1700 Subsection (3).

1701 (b) Notwithstanding Subsection (10)(a), a taxpayer may enter into an agreement:

1702 (i) that establishes a time period other than a time period described in Subsection  
1703 (10)(a) for making a payment to the taxpayer that is required by this section; and

1704 (ii) with:

1705 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or

1706 (B) an authorized officer of the state for a tax imposed by the state.

1707 Section 16. Section **63I-1-259** is amended to read:

1708 **63I-1-259. Repeal dates, Title 59.**

1709 (1) Subsection [59-2-924](#)~~(3)(g)~~(7) is repealed on December 31, 2016.

1710 (2) Section [59-2-924.3](#) is repealed on December 31, 2016.

1711 (3) Section [59-9-102.5](#) is repealed December 31, 2020.

1712 Section 17. **Effective date.**

1713 This bill takes effect on January 1, 2016.

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**Legislative Review Note**  
as of **2-11-15 3:53 PM**

**Office of Legislative Research and General Counsel**