

1 **CALCULATION OF PROPERTY TAX LEVIES**

2 2004 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Merlynn T. Newbold**

6 **LONG TITLE**

7 **General Description:**

8 This bill amends the Property Tax Act.

9 **Highlighted Provisions:**

10 This bill:

- 11 ▶ provides definitions;
- 12 ▶ modifies the calculations required to establish property tax levies for a taxing entity;
- 13 ▶ grants rulemaking authority to the State Tax Commission; and
- 14 ▶ makes technical changes.

15 **Monies Appropriated in this Bill:**

16 None

17 **Other Special Clauses:**

18 This bill provides an immediate effective date.

19 **Utah Code Sections Affected:**

20 **AMENDS:**

21 **59-2-913**, as last amended by Chapter 2, Laws of Utah 1997, Second Special Session

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

24 Section 1. Section **59-2-913** is amended to read:

25 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**
26 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**
27 **establishing tax levies -- Rulemaking authority -- Format of statement.**



28 (1) As used in this section:

29 (a) "percentage net change in the value of taxable property for the equalization period"

30 means the percentage net change between the taxable value of taxable property:

31 (i) (A) on June 8; and

32 (B) listed on the assessment roll as reported by the:

33 (I) county assessor; and

34 (II) county auditor; and

35 (ii) (A) on December 31; and

36 (B) as reported by the county auditor as a year-end taxable value; and

37 (b) "taxable property" means property:

38 (i) described in Section 59-2-201 that is assessed by the commission; and

39 (ii) described in Section 59-2-301 that is assessed by a county assessor.

40 ~~[(+)]~~ (2) (a) The [governing] legislative body of each taxing entity shall file a statement
 41 as provided in this section with the county auditor of the county in which the taxing entity is
 42 located.

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

44 (i) before June 22; or

45 (ii) with the approval of the commission, on a subsequent date prior to the date
 46 established under Section 59-2-1317 for mailing tax notices.

47 (c) The statement shall contain the amount and purpose of each levy fixed by the
 48 [governing] legislative body of the taxing entity.

49 ~~[(2)]~~ (3) (a) For purposes of establishing the levy set for each of a taxing entity's
 50 applicable funds, the [taxing entity's governing body or board] legislative body of the taxing
 51 entity shall~~[: (i) divide]~~ calculate an amount determined by dividing the budgeted property tax
 52 revenues, specified in a budget which has been adopted and approved prior to setting the levy,
 53 by [an] the amount ~~[equal to: (A)]~~ calculated under Subsection (3)(b).

54 (b) For purposes of Subsection (3)(a), the legislative body of a taxing entity shall
 55 calculate an amount as follows:

56 (i) calculate for the taxing entity the difference between:

57 (A) the aggregate taxable value of all property taxed; [minus] and

58 ~~[(B) the taxing entity's estimated equalization adjustments in the current year; and]~~

59 (B) any redevelopment adjustments for the current calendar year;
60 (ii) after making the calculation required by Subsection (3)(b)(i), calculate an amount
61 determined by increasing or decreasing the amount calculated under Subsection (3)(b)(i) by the
62 average of the percentage net change in the value of taxable property for the equalization
63 period for the three calendar years immediately preceding the current calendar year;
64 ~~[(ii) multiply]~~ (iii) after making the calculation required by Subsection (3)(b)(ii),
65 calculate the product of:
66 (A) the amount calculated under Subsection ~~[(2)(a)(i)] (3)(b)(ii) [by]; and~~
67 (B) the percentage of property taxes collected for the ~~[previous]~~ five ~~[fiscal]~~ calendar
68 years~~[-]~~ immediately preceding the current calendar year; and
69 (iv) after making the calculation required by Subsection (3)(b)(iii), calculate an amount
70 determined by subtracting from the amount calculated under Subsection (3)(b)(iii) any new
71 growth as defined in Section 59-2-924:
72 (A) within the taxing entity; and
73 (B) for the current calendar year.
74 ~~[(b)]~~ (c) For purposes of Subsection ~~[(2)(a)] (3)(b)(i)(A), the aggregate taxable value of~~
75 all property taxed includes:
76 (i) the total taxable value of the real and personal property contained on the tax rolls;
77 and
78 (ii) the taxable value of any additional personal property estimated by the county
79 assessor to be subject to taxation in the current year.
80 (d) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
81 commission may prescribe rules for calculating redevelopment adjustments for a calendar year.
82 ~~[(3)]~~ (4) The format of the statement under this section shall:
83 (a) be determined by the commission; and
84 (b) cite any applicable statutory provisions that:
85 (i) require a specific levy; or
86 (ii) limit the property tax levy for any taxing entity.
87 ~~[(4)]~~ (5) The commission may require certification that the information submitted on a
88 statement under this section is true and correct.

89 Section 2. **Effective date.**

90 If approved by two-thirds of all the members elected to each house, this bill takes effect
91 upon approval by the governor, or the day following the constitutional time limit of Utah
92 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
93 the date of veto override.

Legislative Review Note
as of 1-27-04 10:05 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0252

Calculation of Property Tax Levies

03-Feb-04

11:37 AM

State Impact

No fiscal impact.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst