

TRUTH IN TAXATION AMENDMENTS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne L. Niederhauser

House Sponsor: John Dougall

LONG TITLE

Committee Note:

The Revenue and Taxation Interim Committee recommended this bill.

General Description:

This bill amends provisions in the Minimum School Program Act and the Property Tax Act relating to property tax advertisement and hearing requirements.

Highlighted Provisions:

This bill:

- ▶ amends certain exemptions from property tax advertisement and hearing requirements;
- ▶ requires a school district to include a statement in its proposition submitted to its voters voting on the imposition or modification of a voted leeway program under certain circumstances;
- ▶ requires a taxing entity to submit certain property tax levies to a vote of the people prior to imposing those tax levies;
- ▶ provides procedures and requirements for imposing certain tax rates in excess of a taxing entity's certified tax rate;
- ▶ defines terms; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None



28 **Other Special Clauses:**

29 This bill takes effect on July 1, 2008.

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **17-34-3**, as last amended by Laws of Utah 2005, First Special Session, Chapter 9

33 **17C-1-408**, as renumbered and amended by Laws of Utah 2006, Chapter 359

34 **53A-16-106**, as last amended by Laws of Utah 1994, Chapter 12

35 **53A-17a-133**, as last amended by Laws of Utah 2006, Chapter 26

36 **53A-19-102**, as last amended by Laws of Utah 2007, Chapter 92

37 **53A-19-105**, as last amended by Laws of Utah 2003, Chapter 122

38 **59-2-102**, as last amended by Laws of Utah 2007, Chapters 107, 234, and 329

39 **59-2-505**, as last amended by Laws of Utah 2003, Chapter 208

40 **59-2-908**, as last amended by Laws of Utah 1995, Chapter 278

41 **59-2-913**, as last amended by Laws of Utah 2007, Chapter 107

42 **59-2-914**, as last amended by Laws of Utah 1995, Chapter 278

43 **59-2-918**, as last amended by Laws of Utah 2006, Chapters 26 and 104

44 **59-2-918.5**, as last amended by Laws of Utah 2000, Chapter 61

45 **59-2-918.6**, as enacted by Laws of Utah 2007, Chapter 297

46 **59-2-919**, as last amended by Laws of Utah 2006, Chapters 26 and 104

47 **59-2-924**, as last amended by Laws of Utah 2007, Chapters 107 and 329

48 **59-2-1004**, as last amended by Laws of Utah 2001, Chapter 106

49 **59-2-1330**, as last amended by Laws of Utah 2002, Chapters 196 and 240

50 ENACTS:

51 **59-2-919.1**, Utah Code Annotated 1953

52 **59-2-919.2**, Utah Code Annotated 1953

53 **59-2-924.2**, Utah Code Annotated 1953



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

56 Section 1. Section **17-34-3** is amended to read:

57 **17-34-3. Taxes or service charges.**

58 (1) (a) If a county furnishes the municipal-type services and functions described in

59 Section 17-34-1 to areas of the county outside the limits of incorporated cities or towns, the
60 entire cost of the services or functions so furnished shall be defrayed from funds that the county
61 has derived from:

62 (i) taxes that the county may lawfully levy or impose outside the limits of incorporated
63 towns or cities;

64 (ii) service charges or fees the county may impose upon the persons benefited in any
65 way by the services or functions; or

66 (iii) a combination of these sources.

67 (b) As the taxes or service charges or fees are levied and collected, they shall be placed
68 in a special revenue fund of the county and shall be disbursed only for the rendering of the
69 services or functions established in Section 17-34-1 within the unincorporated areas of the
70 county or as provided in Subsection 10-2-121(2).

71 (2) For the purpose of levying taxes, service charges, or fees provided in this section,
72 the county legislative body may establish a district or districts in the unincorporated areas of
73 the county.

74 (3) Nothing contained in this chapter may be construed to authorize counties to impose
75 or levy taxes not otherwise allowed by law.

76 [~~(4)(a) A county required under Subsection 17-34-1(4) to provide advanced life~~
77 ~~support and paramedic services to the unincorporated area of the county and that previously~~
78 ~~paid for those services through a countywide levy may increase its levy under Subsection~~
79 ~~(1)(a)(i) to generate in the unincorporated area of the county the same amount of revenue as the~~
80 ~~county loses from that area due to the required decrease in the countywide certified tax rate~~
81 ~~under Subsection 59-2-924(2)(k)(i).]~~

82 [~~(b) An increase in tax rate under Subsection (4)(a) is exempt from the notice and~~
83 ~~hearing requirements of Sections 59-2-918 and 59-2-919.]~~

84 [~~(5)~~] (4) Notwithstanding any other provision of this chapter, a county providing fire,
85 paramedic, and police protection services in a designated recreational area, as provided in
86 Subsection 17-34-1(5), may fund those services from the county general fund with revenues
87 derived from both inside and outside the limits of cities and towns, and the funding of those
88 services is not limited to unincorporated area revenues.

89 Section 2. Section **17C-1-408** is amended to read:

90 **17C-1-408. Base taxable value to be adjusted to reflect other changes.**

91 (1) (a) (i) As used in this Subsection (1), "qualifying decrease" means:

92 (A) a decrease of more than 20% from the previous tax year's levy; or

93 (B) a cumulative decrease over a consecutive five-year period of more than 100% from
94 the levy in effect at the beginning of the five-year period.

95 (ii) The year in which a qualifying decrease under Subsection (1)(a)(i)(B) occurs is the
96 fifth year of the five-year period.

97 (b) If there is a qualifying decrease in the minimum basic school levy under Section
98 59-2-902 that would result in a reduction of the amount of tax increment to be paid to an
99 agency:

100 (i) the base taxable value of taxable property within the project area shall be reduced in
101 the year of the qualifying decrease to the extent necessary, even if below zero, to provide the
102 agency with approximately the same amount of tax increment that would have been paid to the
103 agency each year had the qualifying decrease not occurred; and

104 (ii) the amount of tax increment paid to the agency each year for the payment of bonds
105 and indebtedness may not be less than what would have been paid to the agency if there had
106 been no qualifying decrease.

107 (2) (a) The amount of the base taxable value to be used in determining tax increment
108 shall be:

109 (i) increased or decreased by the amount of an increase or decrease that results from:

110 (A) a statute enacted by the Legislature or by the people through an initiative;

111 (B) a judicial decision;

112 (C) an order from the State Tax Commission to a county to adjust or factor its
113 assessment rate under Subsection 59-2-704(2);

114 (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or
115 Section 59-2-103; or

116 (E) an increase or decrease in the percentage of fair market value, as defined under
117 Section 59-2-102; and

118 (ii) reduced for any year to the extent necessary, even if below zero, to provide an
119 agency with approximately the same amount of money the agency would have received without
120 a reduction in the county's certified tax rate if:

121 (A) in that year there is a decrease in the county's certified tax rate under Subsection
122 [~~59-2-924(2)(c) or (d)(i)~~] 59-2-924.2(2) or (3)(a);

123 (B) the amount of the decrease is more than 20% of the county's certified tax rate of the
124 previous year; and

125 (C) the decrease would result in a reduction of the amount of tax increment to be paid
126 to the agency.

127 (b) Notwithstanding an increase or decrease under Subsection (2)(a), the amount of tax
128 increment paid to an agency each year for payment of bonds or other indebtedness may not be
129 less than would have been paid to the agency each year if there had been no increase or
130 decrease under Subsection (2)(a).

131 Section 3. Section **53A-16-106** is amended to read:

132 **53A-16-106. Annual certification of tax rate proposed by local school board --**
133 **Inclusion of school district budget -- Modified filing date.**

134 (1) Prior to June 22 of each year, each local school board shall certify to the county
135 legislative body in which the district is located, on forms prescribed by the State Tax
136 Commission, the proposed tax rate approved by the local school board.

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

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

143 Section 4. Section **53A-17a-133** is amended to read:

144 **53A-17a-133. State-supported voted leeway program authorized -- Election**
145 **requirements -- State guarantee -- Reconsideration of the program.**

146 (1) An election to consider adoption or modification of a voted leeway program is
147 required if initiative petitions signed by 10% of the number of electors who voted at the last
148 preceding general election are presented to the local school board or by action of the board.

149 (2) (a) (i) To establish a voted leeway program, a majority of the electors of a district
150 voting at an election in the manner set forth in Section 53A-16-110 must vote in favor of a
151 special tax.

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

153 (b) The district may maintain a school program which exceeds the cost of the program
154 referred to in Section 53A-17a-145 with this voted leeway.

155 (c) In order to receive state support the first year, a district must receive voter approval
156 no later than December 1 of the year prior to implementation.

157 (3) (a) Under the voted leeway program, the state shall contribute an amount sufficient
158 to guarantee \$17.54 per weighted pupil unit for each .0001 of the first .0016 per dollar of
159 taxable value.

160 (b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar
161 of taxable value under Subsection (3)(a) shall apply to the board-approved leeway authorized
162 in Section 53A-17a-134, so that the guarantee shall apply up to a total of .002 per dollar of
163 taxable value if a school district levies a tax rate under both programs.

164 (c) (i) Beginning July 1, 2005, the \$17.54 guarantee under Subsections (3)(a) and (b)
165 shall be indexed each year to the value of the weighted pupil unit by making the value of the
166 guarantee equal to .008544 times the value of the prior year's weighted pupil unit.

167 (ii) The guarantee shall increase by .0005 times the value of the prior year's weighted
168 pupil unit for each succeeding year until the guarantee is equal to .010544 times the value of
169 the prior year's weighted pupil unit.

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

174 (ii) Subsection (3)(d)(i) applies for a period of two years following any such change in
175 the certified tax rate.

176 (4) (a) An election to modify an existing voted leeway program is not a reconsideration
177 of the existing program unless the proposition submitted to the electors expressly so states.

178 (b) A majority vote opposing a modification does not deprive the district of authority to
179 continue an existing program.

180 (c) If adoption of a leeway program is contingent upon an offset reducing other local
181 school board levies, the board must allow the electors, in an election, to consider modifying or
182 discontinuing the program prior to a subsequent increase in other levies that would increase the

183 total local school board levy.

184 (d) Nothing contained in this section terminates, without an election, the authority of a
185 school district to continue an existing voted leeway program previously authorized by the
186 voters.

187 (5) Notwithstanding Section 59-2-918, a school district may budget an increased
188 amount of ad valorem property tax revenue derived from a voted leeway imposed under this
189 section in addition to revenue from new growth as defined in Subsection 59-2-924~~(2)~~(4),
190 without having to comply with the advertisement requirements of Section 59-2-918, if:

191 (a) the voted leeway is approved:

192 ~~(a)~~ (i) in accordance with Section 53A-16-110 on or after January 1, 2003; and

193 ~~(b)~~ (ii) within the four-year period immediately preceding the year in which the
194 school district seeks to budget an increased amount of ad valorem property tax revenue derived
195 from the voted leeway[-]; and

196 (b) for a voted leeway approved or modified in accordance with Section 53A-16-116
197 on or after January 1, 2009, the school district complies with the requirements of Subsection
198 (7).

199 (6) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this
200 section that exceeds the certified tax rate without having to comply with the advertisement
201 requirements of Section 59-2-919 if:

202 (a) the levy exceeds the certified tax rate as the result of a school district budgeting an
203 increased amount of ad valorem property tax revenue derived from a voted leeway imposed
204 under this section; ~~and~~

205 (b) if the voted leeway was approved:

206 (i) in accordance with Section 53A-16-110 on or after January 1, 2003; and

207 (ii) within the four-year period immediately preceding the year in which the school
208 district seeks to budget an increased amount of ad valorem property tax revenue derived from
209 the voted leeway[-]; and

210 (c) for a voted leeway approved or modified in accordance with Section 53A-16-116
211 on or after January 1, 2009, the school district complies with requirements of Subsection (7).

212 (7) For purposes of Subsection (5)(b) or (6)(c), the proposition submitted to the
213 electors regarding the adoption or modification of a voted leeway program shall contain the

214 following statement:

215 "A vote in favor of imposing this levy means that this levy will be exempt from the
216 public advertisement requirements for the next five years, which means an advertisement will
217 not be published if the school district proposes to increase its budget over and above the
218 revenues received the previous year."

219 Section 5. Section **53A-19-102** is amended to read:

220 **53A-19-102. Local school boards budget procedures.**

221 (1) Prior to June 22 of each year, each local school board shall adopt a budget and
222 make appropriations for the next fiscal year. If the tax rate in the proposed budget exceeds the
223 certified tax rate defined in [~~Subsection~~] Section 59-2-924~~(2)~~, the board shall comply with
224 Sections 59-2-918 and 59-2-919 in adopting the budget, except as provided by Section
225 53A-17a-133.

226 (2) Prior to the adoption of a budget containing a tax rate which does not exceed the
227 certified tax rate, the board shall hold a public hearing, as defined in Section 10-9a-103, on the
228 proposed budget. In addition to complying with Title 52, Chapter 4, Open and Public Meetings
229 Act, in regards to the hearing, the board shall do the following:

230 (a) publish the required newspaper notice at least ten days prior to the hearing; and

231 (b) file a copy of the proposed budget with the board's business administrator for public
232 inspection at least ten days prior to the hearing.

233 (3) The board shall file a copy of the adopted budget with the state auditor and the
234 State Board of Education.

235 Section 6. Section **53A-19-105** is amended to read:

236 **53A-19-105. School district interfund transfers.**

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

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

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

244 (4) The State Board of Education may also authorize school district interfund transfers

245 of residual equity for a financially distressed district if the board determines the following:

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

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

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

251 (5) The board shall develop standards for defining and aiding financially distressed
252 school districts under this section in accordance with Title 63, Chapter 46a, Utah

253 Administrative Rulemaking Act.

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

256 (b) Debt service levies under Subsection 59-2-924~~[(2)(a)(v)(C)](3)(e)(iii)~~ that are not
257 subject to the certified tax rate hearing requirements of Sections 59-2-918 and 59-2-919 may
258 not be used for any purpose other than retiring general obligation debt.

259 (c) Amounts from these levies remaining in the debt service fund at the end of a fiscal
260 year shall be used in subsequent years for general obligation debt retirement.

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

264 Section 7. Section **59-2-102** is amended to read:

265 **59-2-102. Definitions.**

266 As used in this chapter and title:

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

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

274 (3) "Air contract service" means an air carrier operation available only to customers
275 who engage the services of the carrier through a contractual agreement and excess capacity on

276 any trip and is not available to the public at large.

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

278 (5) "Airline" means any air carrier operating interstate routes on a scheduled basis
279 which offers to fly passengers or cargo on the basis of available capacity on regularly scheduled
280 routes.

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

285 (7) (a) "Certified revenue levy" means a property tax levy that provides the same
286 amount of ad valorem property tax revenue as was collected for the prior year, plus new
287 growth, but exclusive of revenue from collections from redemptions, interest, and penalties.

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

290 (i) assessed by a county assessor in accordance with Part 3, County Assessment; and
291 (ii) semiconductor manufacturing equipment.

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

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

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

298 (c) vehicles which are:

299 (i) especially constructed for towing or wrecking, and which are not otherwise used to
300 transport goods, merchandise, or people for compensation;

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

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

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

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

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

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

310 (i) a county; and

311 (ii) a school district.

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

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

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

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

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

321 (a) that became a final and unappealable judgment or order no more than 14 months
322 prior to the day on which the notice required by [~~Subsection 59-2-919(4)~~] Section 59-2-919.1 is
323 required to be mailed; and

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

326 (i) \$5,000; or

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

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

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

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

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

337 (b) Property which is undervalued because of the use of a different valuation

338 methodology or because of a different application of the same valuation methodology is not
339 "escaped property."

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

347 (13) "Farm machinery and equipment," for purposes of the exemption provided under
348 Section 59-2-1101, means tractors, milking equipment and storage and cooling facilities, feed
349 handling equipment, irrigation equipment, harvesters, choppers, grain drills and planters, tillage
350 tools, scales, combines, spreaders, sprayers, haying equipment, and any other machinery or
351 equipment used primarily for agricultural purposes; but does not include vehicles required to be
352 registered with the Motor Vehicle Division or vehicles or other equipment used for business
353 purposes other than farming.

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

356 (15) "Geothermal resource" means:

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

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

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

362 (i) acquired goodwill that is reported as goodwill on the books and records:

363 (A) of a taxpayer; and

364 (B) that are maintained for financial reporting purposes; or

365 (ii) the ability of a business to:

366 (A) generate income:

367 (I) that exceeds a normal rate of return on assets; and

368 (II) resulting from a factor described in Subsection (16)(b); or

369 (B) obtain an economic or competitive advantage resulting from a factor described in
370 Subsection (16)(b).

371 (b) The following factors apply to Subsection (16)(a)(ii):

372 (i) superior management skills;

373 (ii) reputation;

374 (iii) customer relationships;

375 (iv) patronage; or

376 (v) a factor similar to Subsections (16)(b)(i) through (iv).

377 (c) "Goodwill" does not include:

378 (i) the intangible property described in Subsection (20)(a) or (b);

379 (ii) locational attributes of real property, including:

380 (A) zoning;

381 (B) location;

382 (C) view;

383 (D) a geographic feature;

384 (E) an easement;

385 (F) a covenant;

386 (G) proximity to raw materials;

387 (H) the condition of surrounding property; or

388 (I) proximity to markets;

389 (iii) value attributable to the identification of an improvement to real property,
390 including:

391 (A) reputation of the designer, builder, or architect of the improvement;

392 (B) a name given to, or associated with, the improvement; or

393 (C) the historic significance of an improvement; or

394 (iv) the enhancement or assemblage value specifically attributable to the interrelation
395 of the existing tangible property in place working together as a unit.

396 (17) "Governing body" means:

397 (a) for a county, city, or town, the legislative body of the county, city, or town;

398 (b) for a local district under Title 17B, Limited Purpose Local Government Entities -
399 Local Districts, the local district's board of trustees;

400 (c) for a school district, the local board of education; or
401 (d) for a special service district under Title 17A, Chapter 2, Part 13, Utah Special
402 Service District Act:

403 (i) the legislative body of the county or municipality that created the special service
404 district, to the extent that the county or municipal legislative body has not delegated authority
405 to an administrative control board established under Section 17A-2-1326; or

406 (ii) the administrative control board, to the extent that the county or municipal
407 legislative body has delegated authority to an administrative control board established under
408 Section 17A-2-1326.

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

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

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

414 (b) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
415 commission may make rules defining the term "domicile."

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

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

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

422 (ii) removal of the item would:

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

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

425 (b) "Improvement" includes:

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

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

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

429 and

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

- 431 (A) is temporarily detached from the land for repairs; and
- 432 (B) remains located on the land.
- 433 (c) Notwithstanding Subsections (19)(a) and (b), "improvement" does not include:
- 434 (i) an item considered to be personal property pursuant to rules made in accordance
- 435 with Section 59-2-107;
- 436 (ii) a moveable item that is attached to land:
- 437 (A) for stability only; or
- 438 (B) for an obvious temporary purpose;
- 439 (iii) (A) manufacturing equipment and machinery; or
- 440 (B) essential accessories to manufacturing equipment and machinery;
- 441 (iv) an item attached to the land in a manner that facilitates removal without substantial
- 442 damage to:
- 443 (A) the land; or
- 444 (B) the item; or
- 445 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that
- 446 transportable factory-built housing unit is considered to be personal property under Section
- 447 59-2-1503.
- 448 (20) "Intangible property" means:
- 449 (a) property that is capable of private ownership separate from tangible property,
- 450 including:
- 451 (i) moneys;
- 452 (ii) credits;
- 453 (iii) bonds;
- 454 (iv) stocks;
- 455 (v) representative property;
- 456 (vi) franchises;
- 457 (vii) licenses;
- 458 (viii) trade names;
- 459 (ix) copyrights; and
- 460 (x) patents;
- 461 (b) a low-income housing tax credit; or

- 462 (c) goodwill.
- 463 (21) "Low-income housing tax credit" means:
- 464 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;
- 465 or
- 466 (b) a low-income housing tax credit under:
- 467 (i) Section 59-7-607; or
- 468 (ii) Section 59-10-1010.
- 469 (22) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.
- 470 (23) "Mine" means a natural deposit of either metalliferous or nonmetalliferous
- 471 valuable mineral.
- 472 (24) "Mining" means the process of producing, extracting, leaching, evaporating, or
- 473 otherwise removing a mineral from a mine.
- 474 (25) (a) "Mobile flight equipment" means tangible personal property that is:
- 475 (i) owned or operated by an:
- 476 (A) air charter service;
- 477 (B) air contract service; or
- 478 (C) airline; and
- 479 (ii) (A) capable of flight;
- 480 (B) attached to an aircraft that is capable of flight; or
- 481 (C) contained in an aircraft that is capable of flight if the tangible personal property is
- 482 intended to be used:
- 483 (I) during multiple flights;
- 484 (II) during a takeoff, flight, or landing; and
- 485 (III) as a service provided by an air charter service, air contract service, or airline.
- 486 (b) (i) "Mobile flight equipment" does not include a spare part other than a spare
- 487 engine that is rotated:
- 488 (A) at regular intervals; and
- 489 (B) with an engine that is attached to the aircraft.
- 490 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
- 491 the commission may make rules defining the term "regular intervals."
- 492 (26) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,

493 sand, rock, gravel, and all carboniferous materials.

494 (27) "Personal property" includes:

495 (a) every class of property as defined in Subsection (28) which is the subject of
496 ownership and not included within the meaning of the terms "real estate" and "improvements";

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

498 (c) bridges and ferries;

499 (d) livestock which, for the purposes of the exemption provided under Section
500 59-2-1112, means all domestic animals, honeybees, poultry, fur-bearing animals, and fish; and

501 (e) outdoor advertising structures as defined in Section 72-7-502.

502 (28) (a) "Property" means property that is subject to assessment and taxation according
503 to its value.

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

505 (29) "Public utility," for purposes of this chapter, means the operating property of a
506 railroad, gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline
507 company, electrical corporation, telephone corporation, sewerage corporation, or heat
508 corporation where the company performs the service for, or delivers the commodity to, the
509 public generally or companies serving the public generally, or in the case of a gas corporation
510 or an electrical corporation, where the gas or electricity is sold or furnished to any member or
511 consumers within the state for domestic, commercial, or industrial use. Public utility also
512 means the operating property of any entity or person defined under Section 54-2-1 except water
513 corporations.

514 (30) "Real estate" or "real property" includes:

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

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

519 (c) improvements.

520 (31) "Residential property," for the purposes of the reductions and adjustments under
521 this chapter, means any property used for residential purposes as a primary residence. It does
522 not include property used for transient residential use or condominiums used in rental pools.

523 (32) For purposes of Subsection 59-2-801(1)(e), "route miles" means the number of

524 miles calculated by the commission that is:

- 525 (a) measured in a straight line by the commission; and
- 526 (b) equal to the distance between a geographical location that begins or ends:
 - 527 (i) at a boundary of the state; and
 - 528 (ii) where an aircraft:
 - 529 (A) takes off; or
 - 530 (B) lands.

531 (33) (a) "State-assessed commercial vehicle" means:

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

534 (ii) any commercial vehicle, trailer, or semitrailer which operates interstate and
535 transports the vehicle owner's goods or property in furtherance of the owner's commercial
536 enterprise.

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

539 (34) "Taxable value" means fair market value less any applicable reduction allowed for
540 residential property under Section 59-2-103.

541 (35) "Tax area" means a geographic area created by the overlapping boundaries of one
542 or more taxing entities.

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

546 (37) "Tax roll" means a permanent record of the taxes charged on property, as extended
547 on the assessment roll and may be maintained on the same record or records as the assessment
548 roll or may be maintained on a separate record properly indexed to the assessment roll. It
549 includes tax books, tax lists, and other similar materials.

550 Section 8. Section **59-2-505** is amended to read:

551 **59-2-505. Indicia of value for agricultural use assessment -- Inclusion of fair**
552 **market value on certain property tax notices.**

553 (1) (a) The county assessor shall consider only those indicia of value that the land has
554 for agricultural use as determined by the commission when assessing land:

555 (i) that meets the requirements of Section 59-2-503 to be assessed under this part; and

556 (ii) for which the owner has:

557 (A) made a timely application in accordance with Section 59-2-508 for assessment
558 under this part for the tax year for which the land is being assessed; and

559 (B) obtained approval of the application described in Subsection (1)(a)(ii)(A) from the
560 county assessor.

561 (b) If land that becomes subject to a conservation easement created in accordance with
562 Title 57, Chapter 18, Land Conservation Easement Act, meets the requirements of Subsection
563 (1)(a) for assessment under this part, the county assessor shall consider only those indicia of
564 value that the land has for agricultural use in accordance with Subsection (1)(a) when assessing
565 the land.

566 (2) In addition to the value determined in accordance with Subsection (1), the fair
567 market value assessment shall be included on the notices described in:

568 (a) [~~Subsection 59-2-919(4)~~] Section 59-2-919.1; and

569 (b) Section 59-2-1317.

570 (3) The county board of equalization shall review the agricultural use value and fair
571 market value assessments each year as provided under Section 59-2-1001.

572 Section 9. Section **59-2-908** is amended to read:

573 **59-2-908. Single aggregate limitation -- Maximum levy.**

574 (1) Except as provided in Subsection (2), each county shall have a single aggregate
575 limitation on the property tax levied for all purposes by the county. Except as provided in
576 Section 59-2-911, this limitation may not exceed the maximum set forth in this section. The
577 maximum is:

578 (a) .0032 per dollar of taxable value in all counties with a total taxable value of more
579 than \$100,000,000; and

580 (b) .0036 per dollar of taxable value in all counties with a total taxable value of less
581 than \$100,000,000.

582 (2) (a) Beginning January 1, 1995, a county may impose a tax rate in excess of the
583 limitation provided in Subsection (1) if the rate established under Subsection (1)(a) or (b)
584 generates revenues for the county in an amount that is less than the revenues that would be
585 generated by the county under the certified tax rate established in [~~Subsection~~] Section

586 59-2-924[(2)].

587 (b) A county meeting the requirements of Subsection (2)(a) may impose a tax rate that
588 does not exceed the certified tax rate established in [~~Subsection~~] Section 59-2-924[(2)].

589 Section 10. Section **59-2-913** is amended to read:

590 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**
591 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**
592 **establishing tax levies -- Format of statement.**

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

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

596 (b) semiconductor manufacturing equipment.

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

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

600 (i) before June 22; or

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

603 (c) The statement shall contain the amount and purpose of each levy fixed by the
604 legislative body of the taxing entity.

605 (3) For purposes of establishing the levy set for each of a taxing entity's applicable
606 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing
607 the budgeted property tax revenues, specified in a budget which has been adopted and
608 approved prior to setting the levy, by the amount calculated under Subsections
609 ~~59-2-924[(2)(a)(iii)(B)(I) through (H)](3)(c)(ii)(A) through (C).~~

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

611 (a) be determined by the commission; and

612 (b) cite any applicable statutory provisions that:

613 (i) require a specific levy; or

614 (ii) limit the property tax levy for any taxing entity.

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

617 Section 11. Section **59-2-914** is amended to read:

618 **59-2-914. Excess levies -- Commission to recalculate levy -- Notice to implement**
 619 **adjusted levies to county auditor.**

620 (1) If the commission determines that a levy established for a taxing entity set under
 621 Section 59-2-913 is in excess of the maximum levy permitted by law, the commission shall:

622 (a) lower the levy so that it is set at the maximum level permitted by law;
 623 (b) notify the taxing entity which set the excessive rate that the rate has been lowered;
 624 and

625 (c) notify the county auditor of the county or counties in which the taxing entity is
 626 located to implement the rate established by the commission.

627 (2) A levy set for a taxing entity by the commission under this section shall be the
 628 official levy for that taxing entity unless:

629 (a) the taxing entity lowers the levy established by the commission; or
 630 (b) the levy is subsequently modified by a court order.

631 (3) (a) Subject to the provisions of Subsections (1) and (2), beginning January 1, 1995,
 632 a taxing entity may impose a tax rate in excess of the maximum levy permitted by law if the
 633 rate established by the taxing entity for the current year generates revenues for the taxing entity
 634 in an amount that is less than the revenues that would be generated by the taxing entity under
 635 the certified tax rate established in [~~Subsection~~] Section 59-2-924[~~(2)~~].

636 (b) A taxing entity meeting the requirements of Subsection (3)(a) may impose a tax
 637 rate that does not exceed the certified rate established in [~~Subsection~~] Section 59-2-924[~~(2)~~].

638 Section 12. Section **59-2-918** is amended to read:

639 **59-2-918. Advertisement of proposed tax increase -- Notice -- Contents.**

640 (1) (a) Except as provided in Subsection (1)(b), a taxing entity may not budget an
 641 increased amount of ad valorem tax revenue exclusive of revenue from new growth as defined
 642 in Subsection 59-2-924[~~(2)~~](4) unless it advertises its intention to do so at the same time that it
 643 advertises its intention to fix its budget for the forthcoming fiscal year.

644 (b) (i) Notwithstanding Subsection (1)(a), a taxing entity is not required to meet the
 645 advertisement or hearing requirements of this section if:

646 [~~(A) the taxing entity;~~

647 [~~(F) collected less than \$15,000 in ad valorem tax revenues for the previous fiscal year;~~

648 or]

649 [~~(H)~~] (A) the taxing entity is expressly exempted by law from complying with the
650 requirements of this section; or

651 (B) the increased amount of ad valorem tax revenue results from a tax rate increase that
652 is exempted under Subsection 59-2-919[~~(+)~~](2)(a)(ii)(B) from the advertisement and hearing
653 requirements of Section 59-2-919.

654 (ii) Notwithstanding Subsection (1)(a), a taxing entity is not required to meet the
655 advertisement requirements of this section if:

656 (A) Section 53A-17a-133 allows the taxing entity to budget an increased amount of ad
657 valorem property tax revenue without having to comply with the advertisement requirements of
658 this section[-]; or

659 (B) the taxing entity:

660 (I) collected less than \$20,000 in ad valorem tax revenues for the previous fiscal year;

661 and

662 (II) sets a budget during the current fiscal year of less than \$20,000 of ad valorem tax
663 revenues.

664 (2) (a) For taxing entities operating under a July 1 through June 30 fiscal year, the
665 advertisement required by this section may be combined with the advertisement required by
666 Section 59-2-919.

667 (b) For taxing entities operating under a January 1 through December 31 fiscal year,
668 the advertisement required by this section shall meet the size, type, placement, and frequency
669 requirements established under Section 59-2-919.

670 (3) The form of the advertisement required by this section shall meet the size, type,
671 placement, and frequency requirements established under Section 59-2-919 and shall be
672 substantially as follows:

673 "NOTICE OF PROPOSED TAX INCREASE

674 (NAME OF TAXING ENTITY)

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

676 ● If the proposed budget is approved, this would be an increase of _____% above
677 the (name of the taxing entity) property tax budgeted revenue for the prior year.

678 ● The (name of the taxing entity) tax on a (insert the average value of a residence

679 in the taxing entity rounded to the nearest thousand dollars) residence would increase from
680 \$_____ to \$_____, which is \$_____ per year.

681 • The (name of the taxing entity) tax on a (insert the value of a business having
682 the same value as the average value of a residence in the taxing entity) business
683 would increase from \$_____ to \$_____, which is \$_____ per year.

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

685 PUBLIC HEARING

686 Date/Time: (date) (time)

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

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

690 (4) If a final decision regarding the budgeting of an increased amount of ad valorem tax
691 revenue is not made at the public hearing described in Subsection (3), the taxing entity shall
692 announce at the public hearing the scheduled time and place for consideration and adoption of
693 the proposed budget increase.

694 (5) (a) Each taxing entity operating under the January 1 through December 31 fiscal
695 year shall by March 1 notify the county of the date, time, and place of the public hearing at
696 which the budget for the following fiscal year will be considered.

697 (b) The county shall include the information described in Subsection (5)(a) with the tax
698 notice.

699 (6) A taxing entity shall hold a public hearing under this section beginning at or after 6
700 p.m.

701 Section 13. Section **59-2-918.5** is amended to read:

702 **59-2-918.5. Hearings on judgment levies -- Advertisement.**

703 (1) A taxing entity may not impose a judgment levy unless it first advertises its
704 intention to do so and holds a public hearing in accordance with the requirements of this
705 section.

706 (2) (a) The advertisement required by this section may be combined with the
707 advertisement required by either Section 59-2-918 or Section 59-2-919.

708 (b) The advertisement shall be at least 1/8 of a page in size and shall meet the type,
709 placement, and frequency requirements established under Section 59-2-919.

710 (c) (i) For taxing entities operating under a July 1 through June 30 fiscal year the public
711 hearing shall be held at the same time as the hearing at which the annual budget is adopted.

712 (ii) For taxing entities operating under a January 1 through December 31 fiscal year:

713 (A) for eligible judgments issued from June 1 through December 15, the public hearing
714 shall be held at the same time as the hearing at which the annual budget is adopted; and

715 (B) for eligible judgments issued from December 16 through May 31, the public
716 hearing shall be held at the same time as the hearing at which property tax levies are set.

717 (3) The advertisement shall specify the date, time, and location of the public hearing at
718 which the levy will be considered and shall set forth the total amount of the eligible judgment
719 and the tax impact on an average residential and business property located within the taxing
720 entity.

721 (4) If a final decision regarding the judgment levy is not made at the public hearing, the
722 taxing entity shall announce at the public hearing the scheduled time and place for
723 consideration and adoption of the judgment levy.

724 (5) The date, time, and place of public hearings required by Subsections
725 59-2-918.5(2)(c)(i) and 59-2-918.5(2)(c)(ii)(B) shall be included on the notice mailed to
726 property owners pursuant to [~~Subsection 59-2-919(4)~~] Section 59-2-919.1.

727 Section 14. Section **59-2-918.6** is amended to read:

728 **59-2-918.6. New and remaining school district budgets -- Advertisement -- Public**
729 **hearing.**

730 (1) As used in this section, "existing school district," "new school district," and
731 "remaining school district" are as defined in Section 53A-2-117.

732 (2) For the first fiscal year in which a new school district created under Section
733 53A-2-118.1 assumes responsibility for providing student instruction, the new school district
734 and the remaining school district or districts may not impose a property tax unless the district
735 imposing the tax:

736 (a) advertises its intention to do so in accordance with Subsection (3); and

737 (b) holds a public hearing in accordance with Subsection (4).

738 (3) The advertisement required by this section:

739 (a) may be combined with the advertisement required by either Section 59-2-918 or
740 59-2-919;

741 (b) shall be at least 1/4 of a page in size and shall meet the type, placement, and
742 frequency requirements established under Section 59-2-919; and

743 (c) shall specify the date, time, and location of the public hearing at which the levy will
744 be considered and shall set forth the total amount of the district's proposed property tax levy
745 and the tax impact on an average residential and business property located within the taxing
746 entity compared to the property tax levy imposed in the prior year by the existing school
747 district.

748 (4) (a) The date, time, and place of public hearings required by this section shall be
749 included on the notice mailed to property owners pursuant to [~~Subsection 59-2-919(4)~~] Section
750 59-2-919.1.

751 (b) If a final decision regarding the property tax levy is not made at the public hearing,
752 the school district shall announce at the public hearing the scheduled time and place for
753 consideration and adoption of the budget and property tax levies.

754 Section 15. Section **59-2-919** is amended to read:

755 **59-2-919. Resolution proposing tax increases -- Notice -- Contents of notice of**
756 **proposed tax increase -- Hearing -- Dates.**

757 (1) A tax rate in excess of the certified tax rate may not be levied until a resolution has
758 been approved by the taxing entity in accordance [~~with the following procedure:~~] with this
759 section.

760 [~~(1)~~] (2) (a) (i) The taxing entity shall advertise its intent to exceed the certified tax rate
761 in a newspaper or combination of newspapers of general circulation in the taxing entity.

762 (ii) Notwithstanding Subsection [~~(1)~~] (2)(a)(i), a taxing entity is not required to meet
763 the advertisement or hearing requirements of this section if:

764 [~~(A) the taxing entity;~~]

765 [~~(F) collected less than \$15,000 in ad valorem tax revenues for the previous fiscal year;~~
766 ~~or]~~

767 [~~(H)~~] (A) the taxing entity is expressly exempted by law from complying with the
768 requirements of this section; or

769 (B) (I) the taxing entity is a party to an interlocal agreement under Title 11, Chapter 13,
770 Interlocal Cooperation Act, that creates an interlocal entity to provide fire protection,
771 emergency, and emergency medical services;

772 (II) the tax rate increase is approved by the taxing entity's voters at an election held for
773 that purpose on or before December 31, 2010;

774 (III) the purpose of the tax rate increase is to pay for fire protection, emergency, and
775 emergency medical services provided by the interlocal entity; and

776 (IV) at least 30 days before its annual budget hearing, the taxing entity:

777 (Aa) adopts a resolution certifying that the taxing entity will dedicate all revenue from
778 the tax rate increase exclusively to pay for fire protection, emergency, and emergency medical
779 services provided by the interlocal entity and that the amount of other revenues, independent of
780 the revenue generated from the tax rate increase, that the taxing entity spends for fire
781 protection, emergency, and emergency medical services each year after the tax rate increase
782 will not decrease below the amount spent by the taxing entity during the year immediately
783 before the tax rate increase without a corresponding decrease in the taxing entity's property tax
784 revenues used in calculating the taxing entity's certified tax rate; and

785 (Bb) sends a copy of the resolution to the commission.

786 (iii) The exception under Subsection ~~[(+)]~~ (2)(a)(ii)(B) from the advertisement and
787 hearing requirements of this section does not apply to an increase in a taxing entity's tax rate
788 that occurs after December 31, 2010, even if the tax rate increase is approved by the taxing
789 entity's voters before that date.

790 (iv) Notwithstanding Subsection ~~[(+)]~~ (2)(a)(i), a taxing entity is not required to meet
791 the advertisement requirements of this section if:

792 (A) Section 53A-17a-133 allows the taxing entity to levy a tax rate that exceeds that
793 certified tax rate without having to comply with the advertisement requirements of this
794 section[-]; or

795 (B) the taxing entity:

796 (I) collected less than \$20,000 in ad valorem tax revenues for the previous fiscal year;
797 and

798 (II) sets a budget during the current fiscal year of less than \$20,000 of ad valorem tax
799 revenues.

800 (b) The advertisement described in this section shall:

801 (i) be no less than 1/4 page in size;

802 (ii) use type no smaller than 18 point; and

803 (iii) be surrounded by a 1/4-inch border.

804 (c) The advertisement described in this section may not be placed in that portion of the
805 newspaper where legal notices and classified advertisements appear.

806 (d) It is the intent of the Legislature that:

807 (i) whenever possible, the advertisement described in this section appear in a
808 newspaper that is published at least one day per week; and

809 (ii) the newspaper or combination of newspapers selected:

810 (A) be of general interest and readership in the taxing entity; and

811 (B) not be of limited subject matter.

812 (e) The advertisement described in this section shall:

813 (i) be run once each week for the two weeks preceding the adoption of the final budget;
814 and

815 (ii) state that the taxing entity will meet on a certain day, time, and place fixed in the
816 advertisement, which shall be not less than seven days after the day the first advertisement is
817 published, for the purpose of hearing comments regarding any proposed increase and to explain
818 the reasons for the proposed increase.

819 (f) The meeting on the proposed increase may coincide with the hearing on the
820 proposed budget of the taxing entity.

821 [~~(2)~~] (3) The form and content of the notice shall be substantially as follows:

822 "NOTICE OF PROPOSED TAX INCREASE

823 (NAME OF TAXING ENTITY)

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

825 ● If the proposed budget is approved, this would be an increase of _____% above
826 the (name of the taxing entity) property tax budgeted revenue for the prior year.

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

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

833 (Name of taxing entity) property tax revenue from new growth and other sources will

834 increase from \$_____ to \$_____.

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

836 PUBLIC HEARING

837 Date/Time: (date) (time)

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

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

841 ~~[(3)]~~ (4) The commission:

842 (a) shall adopt rules governing the joint use of one advertisement under this section or
843 Section 59-2-918 by two or more taxing entities; and

844 (b) may, upon petition by any taxing entity, authorize either:

845 (i) the use of weekly newspapers in counties having both daily and weekly newspapers
846 where the weekly newspaper would provide equal or greater notice to the taxpayer; or

847 (ii) the use of a commission-approved direct notice to each taxpayer if the:

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

849 (B) direct notice is different and separate from that provided for in Subsection ~~[(4)]~~ (5).

850 ~~[(4) (a) In addition to providing the notice required by Subsections (1) and (2), the
851 county auditor, on or before July 22 of each year, shall notify, by mail, each owner of real
852 estate as defined in Section 59-2-102 who is listed on the assessment roll.]~~

853 ~~[(b) The notice described in Subsection (4)(a) shall:]~~

854 ~~[(i) be sent to all owners of real property by mail not less than ten days before the day
855 on which:]~~

856 ~~[(A) the county board of equalization meets; and]~~

857 ~~[(B) the taxing entity holds a public hearing on the proposed increase in the certified
858 tax rate;]~~

859 ~~[(ii) be printed on a form that is:]~~

860 ~~[(A) approved by the commission; and]~~

861 ~~[(B) uniform in content in all counties in the state; and]~~

862 ~~[(iii) contain for each property:]~~

863 ~~[(A) the value of the property;]~~

864 ~~[(B) the date the county board of equalization will meet to hear complaints on the~~

865 valuation;]

866 [~~(C)~~ itemized tax information for all taxing entities, including a separate statement for
867 the minimum school levy under Section 53A-17a-135 stating:]

868 [~~(D)~~ the dollar amount the taxpayer would have paid based on last year's rate; and]

869 [~~(H)~~ the amount of the taxpayer's liability under the current rate;]

870 [~~(D)~~ the tax impact on the property;]

871 [~~(E)~~ the time and place of the required public hearing for each entity;]

872 [~~(F)~~ property tax information pertaining to:]

873 [~~(f)~~ taxpayer relief;]

874 [~~(H)~~ options for payment of taxes; and]

875 [~~(H)~~ collection procedures;]

876 [~~(G)~~ information specifically authorized to be included on the notice under Title 59,
877 Chapter 2, Property Tax Act, and]

878 [~~(H)~~ other property tax information approved by the commission.]

879 (5) (a) The taxing entity, after holding a hearing as provided in this section, may adopt
880 a resolution levying a tax rate in excess of the certified tax rate.

881 (b) If a resolution adopting a tax rate is not adopted on the day of the public hearing,
882 the scheduled time and place for consideration and adoption of the resolution shall be
883 announced at the public hearing.

884 (c) If a resolution adopting a tax rate is to be considered at a day and time that is more
885 than two weeks after the public hearing described in Subsection [~~(4)(b)(iii)(E)~~]
886 59-2-919.1(2)(c)(v), a taxing entity, other than a taxing entity described in Subsection [~~(4)~~]
887 (2)(a)(ii), shall advertise the date of the proposed adoption of the resolution in the same manner
888 as provided under Subsections [~~(4)~~] (2) and [~~(2)~~] (3).

889 (6) (a) All hearings described in this section shall be open to the public.

890 (b) The governing body of a taxing entity conducting a hearing shall permit all
891 interested parties desiring to be heard an opportunity to present oral testimony within
892 reasonable time limits.

893 (7) (a) Each taxing entity shall notify the county legislative body by March 1 of each
894 year of the date, time, and place a public hearing is held by the taxing entity pursuant to this
895 section.

896 (b) A taxing entity may not schedule a hearing described in this section at the same
897 time as another overlapping taxing entity in the same county, but all taxing entities in which the
898 power to set tax levies is vested in the same governing board or authority may consolidate the
899 required hearings into one hearing.

900 (c) The county legislative body shall resolve any conflicts in hearing dates and times
901 after consultation with each affected taxing entity.

902 (8) A taxing entity shall hold a public hearing under this section beginning at or after 6
903 p.m.

904 Section 16. Section **59-2-919.1** is enacted to read:

905 **59-2-919.1. Property tax notice requirement -- Content of notice.**

906 (1) On or before July 22 of each year, the county auditor shall notify, by mail, each
907 owner of real estate as defined in Section 59-2-102 who is listed on the assessment roll.

908 (2) The notice described in Subsection (1) shall:

909 (a) be sent to all owners of real property by mail not less than ten days before the day
910 on which:

911 (i) the county board of equalization meets; and

912 (ii) a taxing entity holds a public hearing on a proposed increase in the certified tax
913 rate;

914 (b) be printed on a form that is:

915 (i) approved by the commission; and

916 (ii) uniform in content in all counties in the state; and

917 (c) contain for each property:

918 (i) the value of the property;

919 (ii) the date the county board of equalization will meet to hear complaints on the
920 valuation;

921 (iii) itemized tax information for all taxing entities, including a separate statement for
922 the minimum school levy under Section 53A-17a-135 stating:

923 (A) the dollar amount the taxpayer would have paid based on last year's rate; and

924 (B) the amount of the taxpayer's liability under the current rate;

925 (iv) the tax impact on the property;

926 (v) the time and place of a required public hearing for each entity;

- 927 (vi) property tax information pertaining to:
928 (A) taxpayer relief;
929 (B) options for payment of taxes; and
930 (C) collection procedures;
931 (vii) information specifically authorized to be included on the notice under Title 59,
932 Chapter 2, Property Tax Act; and
933 (viii) other property tax information approved by the commission.
934 Section 17. Section **59-2-919.2** is enacted to read:
935 **59-2-919.2. Voting requirements for certain property tax increases.**
936 (1) For purposes of this section:
937 (a) "Adjusted certified tax rate" means a rate that will provide:
938 (i) the same amount of revenue as the amount of revenue generated under the certified
939 tax rate; plus
940 (ii) the amount of revenue equal to the product of:
941 (A) the amount of revenue described in Subsection (1)(a)(i); and
942 (B) the consumer price index increase.
943 (b) "Certified tax rate" means a taxing entity's certified tax rate calculated in
944 accordance with Section 59-2-924.
945 (c) (i) "Consumer price index increase" means a percentage equal to the percentage
946 difference between the consumer price index for the calendar year immediately preceding the
947 current calendar year and the consumer price index for the calendar year two years before the
948 current calendar year.
949 (ii) For purposes of this Subsection (1)(c), the commission shall calculate the consumer
950 price index as provided in Sections (1)(f)(4) and 1(f)(5), Internal Revenue Code.
951 (iii) If the percentage difference under Subsection (1)(c)(i) is zero or a negative
952 percentage, the consumer price index increase for the year is zero.
953 (2) After fulfilling the requirements of Sections 59-2-918 and 59-2-919, a taxing entity
954 may levy a tax rate on or after January 1, 2009, that exceeds the adjusted certified tax rate if the
955 taxing entity complies with Subsections (3) and (4).
956 (3) (a) Before imposing a property tax levy, a taxing entity shall submit an opinion
957 question to the taxing entity's registered voters voting on the imposition of the tax rate so that

958 each registered voter has the opportunity to express the registered voter's opinion on whether
 959 the tax rate should be imposed if:

960 (i) the taxing entity's proposed tax rate exceeds the taxing entity's adjusted certified tax
 961 rate; and

962 (ii) the property tax levy is imposed on or after January 1, 2009.

963 (b) The election required by this Subsection (3) shall be held:

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

966 (ii) at a municipal general election conducted in accordance with the procedures and
 967 requirements of Section 20A-1-202.

968 (4) (a) If a taxing entity determines that a majority of the taxing entity's registered
 969 voters voting on the imposition of the tax rate have voted in favor of the imposition of the tax
 970 rate in accordance with Subsection (3), the taxing entity may impose the tax rate.

971 (b) If a taxing entity determines that a majority of the taxing entity's registered voters
 972 voting on the imposition of the tax rate have voted against the imposition of the tax rate in
 973 accordance with Subsection (3), the taxing entity may impose a tax rate that is less than or
 974 equal to the adjusted certified tax rate.

975 Section 18. Section **59-2-924** is amended to read:

976 **59-2-924. Report of valuation of property to county auditor and commission --**
 977 **Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified**
 978 **tax rate -- Rulemaking authority -- Adoption of tentative budget.**

979 (1) ~~(a)~~ Before June 1 of each year, the county assessor of each county shall deliver to
 980 the county auditor and the commission the following statements:

981 ~~(i)~~ (a) a statement containing the aggregate valuation of all taxable property in each
 982 taxing entity; and

983 ~~(ii)~~ (b) a statement containing the taxable value of any additional personal property
 984 estimated by the county assessor to be subject to taxation in the current year.

985 ~~(b)~~ (2) The county auditor shall, on or before June 8, transmit to the governing body
 986 of each taxing entity:

987 ~~(i)~~ (a) the statements described in Subsections (1)(a)~~(i)~~ and ~~(ii)~~ (b);

988 ~~(ii)~~ (b) an estimate of the revenue from personal property;

989 ~~[(iii)]~~ (c) the certified tax rate; and

990 ~~[(iv)]~~ (d) all forms necessary to submit a tax levy request.

991 ~~[(2)]~~ (3) (a) ~~[(i)]~~ The "certified tax rate" means a tax rate that will provide the same ad
992 valorem property tax revenues for a taxing entity as were budgeted by that taxing entity for the
993 prior year.

994 ~~[(i)]~~ (b) For purposes of this Subsection ~~[(2)]~~(3), "ad valorem property tax revenues"
995 do not include:

996 ~~[(A)]~~ (i) collections from redemptions;

997 ~~[(B)]~~ (ii) interest;

998 ~~[(C)]~~ (iii) penalties; and

999 ~~[(D)]~~ (iv) revenue received by a taxing entity from personal property that is:

1000 ~~[(F)]~~ (A) assessed by a county assessor in accordance with Part 3, County Assessment;

1001 and

1002 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

1003 ~~[(iii)-(A)]~~ (c) (i) Except as otherwise provided in this section, the certified tax rate shall
1004 be calculated by dividing the ad valorem property tax revenues budgeted for the prior year by
1005 the taxing entity by the amount calculated under Subsection ~~[(2)(a)(iii)(B)]~~ (3)(c)(ii).

1006 ~~[(B)]~~ (ii) For purposes of Subsection ~~[(2)(a)(iii)(A)]~~ (3)(c)(i), the legislative body of a
1007 taxing entity shall calculate an amount as follows:

1008 ~~[(F)]~~ (A) calculate for the taxing entity the difference between:

1009 ~~[(Aa)]~~ (I) the aggregate taxable value of all property taxed; and

1010 ~~[(Bb)]~~ (II) any redevelopment adjustments for the current calendar year;

1011 ~~[(H)]~~ (B) after making the calculation required by Subsection ~~[(2)(a)(iii)(B)(F)]~~

1012 (3)(c)(ii)(A), calculate an amount determined by increasing or decreasing the amount
1013 calculated under Subsection ~~[(2)(a)(iii)(B)(F)]~~ (3)(c)(ii)(A) by the average of the percentage net
1014 change in the value of taxable property for the equalization period for the three calendar years
1015 immediately preceding the current calendar year;

1016 ~~[(H)]~~ (C) after making the calculation required by Subsection ~~[(2)(a)(iii)(B)(H)]~~

1017 (3)(c)(ii)(B), calculate the product of:

1018 ~~[(Aa)]~~ (I) the amount calculated under Subsection ~~[(2)(a)(iii)(B)(H)]~~ (3)(c)(ii)(B); and

1019 ~~[(Bb)]~~ (II) the percentage of property taxes collected for the five calendar years

1020 immediately preceding the current calendar year; and

1021 ~~[(FV)]~~ (D) after making the calculation required by Subsection ~~[(2)(a)(iii)(B)(H)]~~
1022 (3)(c)(ii)(C), calculate an amount determined by subtracting from the amount calculated under
1023 Subsection ~~[(2)(a)(iii)(B)(H)]~~ (3)(c)(ii)(C) any new growth as defined in this section:

1024 ~~[(Aa)]~~ (I) within the taxing entity; and

1025 ~~[(Bb)]~~ (II) for the current calendar year.

1026 ~~[(C)]~~ (iii) For purposes of Subsection ~~[(2)(a)(iii)(B)(F)]~~ (3)(c)(ii)(A), the aggregate
1027 taxable value of all property taxed:

1028 ~~[(F)]~~ (A) except as provided in Subsection ~~[(2)(a)(iii)(C)(H)]~~ (3)(c)(iii)(B), includes the
1029 total taxable value of the real and personal property contained on the tax rolls of the taxing
1030 entity; and

1031 ~~[(H)]~~ (B) does not include the total taxable value of personal property contained on the
1032 tax rolls of the taxing entity that is:

1033 ~~[(Aa)]~~ (I) assessed by a county assessor in accordance with Part 3, County Assessment;
1034 and

1035 ~~[(Bb)]~~ (II) semiconductor manufacturing equipment.

1036 ~~[(D)]~~ (iv) For purposes of Subsection ~~[(2)(a)(iii)(B)(H)]~~ (3)(c)(ii)(B), for calendar years
1037 beginning on or after January 1, 2007, the value of taxable property does not include the value
1038 of personal property that is:

1039 ~~[(F)]~~ (A) within the taxing entity assessed by a county assessor in accordance with Part
1040 3, County Assessment; and

1041 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

1042 ~~[(E)]~~ (v) For purposes of Subsection ~~[(2)(a)(iii)(B)(H)(Bb)]~~ (3)(c)(ii)(C)(II), for
1043 calendar years beginning on or after January 1, 2007, the percentage of property taxes collected
1044 does not include property taxes collected from personal property that is:

1045 ~~[(F)]~~ (A) within the taxing entity assessed by a county assessor in accordance with Part
1046 3, County Assessment; and

1047 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

1048 ~~[(F)]~~ (vi) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
1049 Act, the commission may prescribe rules for calculating redevelopment adjustments for a
1050 calendar year.

1051 ~~[(iv)(A)]~~ (d)(i) In accordance with Title 63, Chapter 46a, Utah Administrative
 1052 Rulemaking Act, the commission shall make rules determining the calculation of ad valorem
 1053 property tax revenues budgeted by a taxing entity.

1054 ~~[(B)]~~ (ii) For purposes of Subsection ~~[(2)(a)(iv)(A)]~~ (3)(d)(i), ad valorem property tax
 1055 revenues budgeted by a taxing entity shall be calculated in the same manner as budgeted
 1056 property tax revenues are calculated for purposes of Section 59-2-913.

1057 ~~[(v)]~~ (e) The certified tax rates for the taxing entities described in this Subsection
 1058 ~~[(2)(a)(v)]~~ (3)(e) shall be calculated as follows:

1059 ~~[(A)]~~ (i) except as provided in Subsection ~~[(2)(a)(v)(B)]~~ (3)(e)(ii), for new taxing
 1060 entities the certified tax rate is zero;

1061 ~~[(B)]~~ (ii) for each municipality incorporated on or after July 1, 1996, the certified tax
 1062 rate is:

1063 ~~[(F)]~~ (A) in a county of the first, second, or third class, the levy imposed for
 1064 municipal-type services under Sections 17-34-1 and 17-36-9; and

1065 ~~[(H)]~~ (B) in a county of the fourth, fifth, or sixth class, the levy imposed for general
 1066 county purposes and such other levies imposed solely for the municipal-type services identified
 1067 in Section 17-34-1 and Subsection 17-36-3(22); and

1068 ~~[(C)]~~ (iii) for debt service voted on by the public, the certified tax rate shall be the
 1069 actual levy imposed by that section, except that the certified tax rates for the following levies
 1070 shall be calculated in accordance with Section 59-2-913 and this section:

1071 ~~[(F)]~~ (A) school leeways provided for under Sections 11-2-7, 53A-16-110,
 1072 53A-17a-125, 53A-17a-127, 53A-17a-133, 53A-17a-134, 53A-17a-143, 53A-17a-145, and
 1073 53A-21-103; and

1074 ~~[(H)]~~ (B) levies to pay for the costs of state legislative mandates or judicial or
 1075 administrative orders under Section 59-2-906.3.

1076 ~~[(vi)(A)]~~ (f)(i) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 shall
 1077 be established at that rate which is sufficient to generate only the revenue required to satisfy
 1078 one or more eligible judgments, as defined in Section 59-2-102.

1079 ~~[(B)]~~ (ii) The ad valorem property tax revenue generated by the judgment levy shall not
 1080 be considered in establishing the taxing entity's aggregate certified tax rate.

1081 ~~[(b)(i)]~~ (4)(a) For the purpose of calculating the certified tax rate, the county auditor

1082 shall use the taxable value of property on the assessment roll.

1083 ~~[(ii)]~~ (b) For purposes of Subsection ~~[(2)(b)(i)]~~ (4)(a)(i), the taxable value of real
1084 property on the assessment roll does not include:

1085 ~~[(A)]~~ (i) new growth as defined in Subsection ~~[(2)(b)(iii); or]~~ (4)(c); or

1086 ~~[(B)]~~ (ii) the total taxable value of personal property contained on the tax rolls of the
1087 taxing entity that is:

1088 ~~[(H)]~~ (A) assessed by a county assessor in accordance with Part 3, County Assessment;
1089 and

1090 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

1091 ~~[(iii)]~~ (c) "New growth" means:

1092 ~~[(A)]~~ (i) the difference between the increase in taxable value of the taxing entity from
1093 the previous calendar year to the current year; minus

1094 ~~[(B)]~~ (ii) the amount of an increase in taxable value described in Subsection ~~[(2)(b)(v)]~~
1095 (4)(e).

1096 ~~[(iv)]~~ (d) For purposes of Subsection ~~[(2)(b)(iii)]~~ (4)(c)(ii), the taxable value of the
1097 taxing entity does not include the taxable value of personal property that is:

1098 ~~[(A)]~~ (i) contained on the tax rolls of the taxing entity if that property is assessed by a
1099 county assessor in accordance with Part 3, County Assessment; and

1100 ~~[(B)]~~ (ii) semiconductor manufacturing equipment.

1101 ~~[(v)]~~ (e) Subsection ~~[(2)(b)(iii)(B)]~~ (4)(c)(ii) applies to the following increases in
1102 taxable value:

1103 ~~[(A)]~~ (i) the amount of increase to locally assessed real property taxable values
1104 resulting from factoring, reappraisal, or any other adjustments; or

1105 ~~[(B)]~~ (ii) the amount of an increase in the taxable value of property assessed by the
1106 commission under Section 59-2-201 resulting from a change in the method of apportioning the
1107 taxable value prescribed by:

1108 ~~[(H)]~~ (A) the Legislature;

1109 ~~[(H)]~~ (B) a court;

1110 ~~[(H)]~~ (C) the commission in an administrative rule; or

1111 ~~[(IV)]~~ (D) the commission in an administrative order.

1112 ~~[(c)]~~ Beginning January 1, 1997, if a taxing entity receives increased revenues from

1113 ~~uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,~~
1114 ~~59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter~~
1115 ~~12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax~~
1116 ~~rate to offset the increased revenues.]~~

1117 ~~[(d) (i) Beginning July 1, 1997, if a county has imposed a sales and use tax under~~
1118 ~~Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:]~~

1119 ~~[(A) decreased on a one-time basis by the amount of the estimated sales and use tax~~
1120 ~~revenue to be distributed to the county under Subsection 59-12-1102(3); and]~~

1121 ~~[(B) increased by the amount necessary to offset the county's reduction in revenue~~
1122 ~~from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,~~
1123 ~~59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection~~
1124 ~~(2)(d)(i)(A).]~~

1125 ~~[(ii) The commission shall determine estimates of sales and use tax distributions for~~
1126 ~~purposes of Subsection (2)(d)(i).]~~

1127 ~~[(e) Beginning January 1, 1998, if a municipality has imposed an additional resort~~
1128 ~~communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be~~
1129 ~~decreased on a one-time basis by the amount necessary to offset the first 12 months of~~
1130 ~~estimated revenue from the additional resort communities sales and use tax imposed under~~
1131 ~~Section 59-12-402.]~~

1132 ~~[(f) (i) (A) For fiscal year 2000, the certified tax rate of each county required under~~
1133 ~~Subsection 17-34-1(4)(a) to provide advanced life support and paramedic services to the~~
1134 ~~unincorporated area of the county shall be decreased by the amount necessary to reduce~~
1135 ~~revenues in that fiscal year by an amount equal to the difference between the amount the county~~
1136 ~~budgeted in its 2000 fiscal year budget for advanced life support and paramedic services~~
1137 ~~countywide and the amount the county spent during fiscal year 2000 for those services,~~
1138 ~~excluding amounts spent from a municipal services fund for those services.]~~

1139 ~~[(B) For fiscal year 2001, the certified tax rate of each county to which Subsection~~
1140 ~~(2)(f)(i)(A) applies shall be decreased by the amount necessary to reduce revenues in that fiscal~~
1141 ~~year by the amount that the county spent during fiscal year 2000 for advanced life support and~~
1142 ~~paramedic services countywide, excluding amounts spent from a municipal services fund for~~
1143 ~~those services.]~~

1144 ~~[(ii)(A) A city or town located within a county of the first class to which Subsection~~
1145 ~~(2)(f)(i) applies may increase its certified tax rate by the amount necessary to generate within~~
1146 ~~the city or town the same amount of revenues as the county would collect from that city or~~
1147 ~~town if the decrease under Subsection (2)(f)(i) did not occur.]~~

1148 ~~[(B) An increase under Subsection (2)(f)(ii)(A), whether occurring in a single fiscal~~
1149 ~~year or spread over multiple fiscal years, is not subject to the notice and hearing requirements~~
1150 ~~of Sections 59-2-918 and 59-2-919.]~~

1151 ~~[(g)(i) The certified tax rate of each county required under Subsection 17-34-1(4)(b) to~~
1152 ~~provide detective investigative services to the unincorporated area of the county shall be~~
1153 ~~decreased:]~~

1154 ~~[(A) in fiscal year 2001 by the amount necessary to reduce revenues in that fiscal year~~
1155 ~~by at least \$4,400,000; and]~~

1156 ~~[(B) in fiscal year 2002 by the amount necessary to reduce revenues in that fiscal year~~
1157 ~~by an amount equal to the difference between \$9,258,412 and the amount of the reduction in~~
1158 ~~revenues under Subsection (2)(g)(i)(A).]~~

1159 ~~[(ii)(A)(I) Beginning with municipal fiscal year 2002, a city or town located within a~~
1160 ~~county to which Subsection (2)(g)(i) applies may increase its certified tax rate to generate~~
1161 ~~within the city or town the same amount of revenue as the county would have collected during~~
1162 ~~county fiscal year 2001 from within the city or town except for Subsection (2)(g)(i)(A).]~~

1163 ~~[(H) Beginning with municipal fiscal year 2003, a city or town located within a county~~
1164 ~~to which Subsection (2)(g)(i) applies may increase its certified tax rate to generate within the~~
1165 ~~city or town the same amount of revenue as the county would have collected during county~~
1166 ~~fiscal year 2002 from within the city or town except for Subsection (2)(g)(i)(B).]~~

1167 ~~[(B)(I) Except as provided in Subsection (2)(g)(ii)(B)(H), an increase in the city or~~
1168 ~~town's certified tax rate under Subsection (2)(g)(ii)(A), whether occurring in a single fiscal year~~
1169 ~~or spread over multiple fiscal years, is subject to the notice and hearing requirements of~~
1170 ~~Sections 59-2-918 and 59-2-919.]~~

1171 ~~[(H) For an increase under this Subsection (2)(g)(ii) that generates revenue that does~~
1172 ~~not exceed the same amount of revenue as the county would have collected except for~~
1173 ~~Subsection (2)(g)(i), the requirements of Sections 59-2-918 and 59-2-919 do not apply if the~~
1174 ~~city or town:]~~

1175 ~~[(Aa) publishes a notice that meets the size, type, placement, and frequency~~
 1176 ~~requirements of Section 59-2-919, reflects that the increase is a shift of a tax from one imposed~~
 1177 ~~by the county to one imposed by the city or town, and explains how the revenues from the tax~~
 1178 ~~increase will be used; and]~~

1179 ~~[(Bb) holds a public hearing on the tax shift that may be held in conjunction with the~~
 1180 ~~city or town's regular budget hearing.]~~

1181 ~~[(h) (i) This Subsection (2)(h) applies to each county that:]~~

1182 ~~[(A) establishes a countywide special service district under Title 17A, Chapter 2, Part~~
 1183 ~~13, Utah Special Service District Act, to provide jail service, as provided in Subsection~~
 1184 ~~17A-2-1304(1)(a)(x); and]~~

1185 ~~[(B) levies a property tax on behalf of the special service district under Section~~
 1186 ~~17A-2-1322.]~~

1187 ~~[(ii) (A) The certified tax rate of each county to which this Subsection (2)(h) applies~~
 1188 ~~shall be decreased by the amount necessary to reduce county revenues by the same amount of~~
 1189 ~~revenues that will be generated by the property tax imposed on behalf of the special service~~
 1190 ~~district.]~~

1191 ~~[(B) Each decrease under Subsection (2)(h)(ii)(A) shall occur contemporaneously with~~
 1192 ~~the levy on behalf of the special service district under Section 17A-2-1322.]~~

1193 ~~[(i) (i) As used in this Subsection (2)(i):]~~

1194 ~~[(A) "Annexing county" means a county whose unincorporated area is included within~~
 1195 ~~a fire district by annexation.]~~

1196 ~~[(B) "Annexing municipality" means a municipality whose area is included within a~~
 1197 ~~fire district by annexation.]~~

1198 ~~[(C) "Equalized fire protection tax rate" means the tax rate that results from:]~~

1199 ~~[(F) calculating, for each participating county and each participating municipality, the~~
 1200 ~~property tax revenue necessary to cover all of the costs associated with providing fire~~
 1201 ~~protection, paramedic, and emergency services:]~~

1202 ~~[(Aa) for a participating county, in the unincorporated area of the county; and]~~

1203 ~~[(Bb) for a participating municipality, in the municipality; and]~~

1204 ~~[(H) adding all the amounts calculated under Subsection (2)(i)(i)(C)(F) for all~~
 1205 ~~participating counties and all participating municipalities and then dividing that sum by the~~

1206 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913;]
1207 [~~(Aa) for participating counties, in the unincorporated area of all participating counties;~~
1208 and]
1209 [~~(Bb) for participating municipalities, in all the participating municipalities.]~~
1210 [~~(D) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service~~
1211 Area Act, in the creation of which an election was not required under Subsection
1212 ~~17B-1-214(3)(c).]~~
1213 [~~(E) "Fire protection tax rate" means:]~~
1214 [~~(f) for an annexing county, the property tax rate that, when applied to taxable property~~
1215 ~~in the unincorporated area of the county, generates enough property tax revenue to cover all the~~
1216 ~~costs associated with providing fire protection, paramedic, and emergency services in the~~
1217 ~~unincorporated area of the county; and]~~
1218 [~~(H) for an annexing municipality, the property tax rate that generates enough property~~
1219 ~~tax revenue in the municipality to cover all the costs associated with providing fire protection,~~
1220 ~~paramedic, and emergency services in the municipality.]~~
1221 [~~(F) "Participating county" means a county whose unincorporated area is included~~
1222 ~~within a fire district at the time of the creation of the fire district.]~~
1223 [~~(G) "Participating municipality" means a municipality whose area is included within a~~
1224 ~~fire district at the time of the creation of the fire district.]~~
1225 [~~(ii) In the first year following creation of a fire district, the certified tax rate of each~~
1226 ~~participating county and each participating municipality shall be decreased by the amount of~~
1227 ~~the equalized fire protection tax rate.]~~
1228 [~~(iii) In the first year following annexation to a fire district, the certified tax rate of each~~
1229 ~~annexing county and each annexing municipality shall be decreased by the fire protection tax~~
1230 ~~rate.]~~
1231 [~~(iv) Each tax levied under this section by a fire district shall be considered to be levied~~
1232 ~~by:]~~
1233 [~~(A) each participating county and each annexing county for purposes of the county's~~
1234 ~~tax limitation under Section 59-2-908; and]~~
1235 [~~(B) each participating municipality and each annexing municipality for purposes of~~
1236 ~~the municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a~~

1237 city.]

1238 ~~[(j) For the calendar year beginning on January 1, 2007, the calculation of a taxing~~
 1239 ~~entity's certified tax rate shall be adjusted by the amount necessary to offset any change in the~~
 1240 ~~certified tax rate that may result from excluding the following from the certified tax rate under~~
 1241 ~~Subsection (2)(a) enacted by the Legislature during the 2007 General Session:]~~

1242 ~~[(i) personal property tax revenue:]~~

1243 ~~[(A) received by a taxing entity;]~~

1244 ~~[(B) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

1245 ~~[(C) for personal property that is semiconductor manufacturing equipment; or]~~

1246 ~~[(ii) the taxable value of personal property:]~~

1247 ~~[(A) contained on the tax rolls of a taxing entity;]~~

1248 ~~[(B) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

1249 ~~[(C) that is semiconductor manufacturing equipment.]~~

1250 ~~[(3)]~~ (5) (a) On or before June 22, each taxing entity shall annually adopt a tentative
 1251 budget.

1252 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county
 1253 auditor of:

1254 (i) its intent to exceed the certified tax rate; and

1255 (ii) the amount by which it proposes to exceed the certified tax rate.

1256 (c) The county auditor shall notify all property owners of any intent to exceed the
 1257 certified tax rate in accordance with Subsection 59-2-919~~[(2)]~~ (3).

1258 ~~[(4)(a) The taxable value for the base year under Subsection 17C-1-102(6) shall be~~
 1259 ~~reduced for any year to the extent necessary to provide a community development and renewal~~
 1260 ~~agency established under Title 17C, Limited Purpose Local Government Entities - Community~~
 1261 ~~Development and Renewal Agencies, with approximately the same amount of money the~~
 1262 ~~agency would have received without a reduction in the county's certified tax rate if:]~~

1263 ~~[(i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or~~
 1264 ~~(2)(d)(i);]~~

1265 ~~[(ii) the amount of the decrease is more than 20% of the county's certified tax rate of~~
 1266 ~~the previous year; and]~~

1267 ~~[(iii) the decrease results in a reduction of the amount to be paid to the agency under~~

1268 ~~Section 17C-1-403 or 17C-1-404.]~~

1269 ~~[(b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any~~
1270 ~~year to the extent necessary to provide a community development and renewal agency with~~
1271 ~~approximately the same amount of money as the agency would have received without an~~
1272 ~~increase in the certified tax rate that year if:]~~

1273 ~~[(i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to~~
1274 ~~a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i); and]~~

1275 ~~[(ii) The certified tax rate of a city, school district, local district, or special service~~
1276 ~~district increases independent of the adjustment to the taxable value of the base year.]~~

1277 ~~[(c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or~~
1278 ~~(2)(d)(i), the amount of money allocated and, when collected, paid each year to a community~~
1279 ~~development and renewal agency established under Title 17C, Limited Purpose Local~~
1280 ~~Government Entities - Community Development and Renewal Agencies, for the payment of~~
1281 ~~bonds or other contract indebtedness, but not for administrative costs, may not be less than that~~
1282 ~~amount would have been without a decrease in the certified tax rate under Subsection (2)(c) or~~
1283 ~~(2)(d)(i).]~~

1284 Section 19. Section **59-2-924.2** is enacted to read:

1285 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

1286 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated
1287 in accordance with Section 59-2-924.

1288 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from
1289 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1290 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
1291 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
1292 rate to offset the increased revenues.

1293 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under
1294 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

1295 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
1296 revenue to be distributed to the county under Subsection 59-12-1102(3); and

1297 (ii) increased by the amount necessary to offset the county's reduction in revenue from
1298 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,

1299 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
1300 (3)(a)(i).

1301 (b) The commission shall determine estimates of sales and use tax distributions for
1302 purposes of Subsection (3)(a).

1303 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
1304 communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be
1305 decreased on a one-time basis by the amount necessary to offset the first 12 months of
1306 estimated revenue from the additional resort communities sales and use tax imposed under
1307 Section 59-12-402.

1308 (5) (a) This Subsection (5) applies to each county that:

1309 (i) establishes a countywide special service district under Title 17A, Chapter 2, Part 13,
1310 Utah Special Service District Act, to provide jail service, as provided in Subsection
1311 17A-2-1304(1)(a)(x); and

1312 (ii) levies a property tax on behalf of the special service district under Section
1313 17A-2-1322.

1314 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be
1315 decreased by the amount necessary to reduce county revenues by the same amount of revenues
1316 that will be generated by the property tax imposed on behalf of the special service district.

1317 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
1318 levy on behalf of the special service district under Section 17A-2-1322.

1319 (6) (a) As used in this Subsection (6):

1320 (i) "Annexing county" means a county whose unincorporated area is included within a
1321 fire district by annexation.

1322 (ii) "Annexing municipality" means a municipality whose area is included within a fire
1323 district by annexation.

1324 (iii) "Equalized fire protection tax rate" means the tax rate that results from:

1325 (A) calculating, for each participating county and each participating municipality, the
1326 property tax revenue necessary to cover all of the costs associated with providing fire
1327 protection, paramedic, and emergency services:

1328 (I) for a participating county, in the unincorporated area of the county; and

1329 (II) for a participating municipality, in the municipality; and

1330 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all
1331 participating counties and all participating municipalities and then dividing that sum by the
1332 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:
1333 (I) for participating counties, in the unincorporated area of all participating counties;
1334 and
1335 (II) for participating municipalities, in all the participating municipalities.
1336 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
1337 Area Act, in the creation of which an election was not required under Subsection
1338 17B-1-214(3)(c).
1339 (v) "Fire protection tax rate" means:
1340 (A) for an annexing county, the property tax rate that, when applied to taxable property
1341 in the unincorporated area of the county, generates enough property tax revenue to cover all the
1342 costs associated with providing fire protection, paramedic, and emergency services in the
1343 unincorporated area of the county; and
1344 (B) for an annexing municipality, the property tax rate that generates enough property
1345 tax revenue in the municipality to cover all the costs associated with providing fire protection,
1346 paramedic, and emergency services in the municipality.
1347 (vi) "Participating county" means a county whose unincorporated area is included
1348 within a fire district at the time of the creation of the fire district.
1349 (vii) "Participating municipality" means a municipality whose area is included within a
1350 fire district at the time of the creation of the fire district.
1351 (b) In the first year following creation of a fire district, the certified tax rate of each
1352 participating county and each participating municipality shall be decreased by the amount of
1353 the equalized fire protection tax rate.
1354 (c) In the first year following annexation to a fire district, the certified tax rate of each
1355 annexing county and each annexing municipality shall be decreased by the fire protection tax
1356 rate.
1357 (d) Each tax levied under this section by a fire district shall be considered to be levied
1358 by:
1359 (i) each participating county and each annexing county for purposes of the county's tax
1360 limitation under Section 59-2-908; and

1361 (ii) each participating municipality and each annexing municipality for purposes of the
1362 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
1363 city.

1364 (7) For the calendar year beginning on January 1, 2007, the calculation of a taxing
1365 entity's certified tax rate, calculated in accordance with Section 59-2-924, shall be adjusted by
1366 the amount necessary to offset any change in the certified tax rate that may result from
1367 excluding the following from the certified tax rate under Subsection 59-2-924(3) enacted by the
1368 Legislature during the 2007 General Session:

1369 (a) personal property tax revenue:

1370 (i) received by a taxing entity;

1371 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and

1372 (iii) for personal property that is semiconductor manufacturing equipment; or

1373 (b) the taxable value of personal property:

1374 (i) contained on the tax rolls of a taxing entity;

1375 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and

1376 (iii) that is semiconductor manufacturing equipment.

1377 (8) (a) The taxable value for the base year under Subsection 17C-1-102(6) shall be
1378 reduced for any year to the extent necessary to provide a community development and renewal
1379 agency established under Title 17C, Limited Purpose Local Government Entities - Community
1380 Development and Renewal Agencies, with approximately the same amount of money the
1381 agency would have received without a reduction in the county's certified tax rate, calculated in
1382 accordance with Section 59-2-924, if:

1383 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

1384 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
1385 previous year; and

1386 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1387 Section 17C-1-403 or 17C-1-404.

1388 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any
1389 year to the extent necessary to provide a community development and renewal agency with
1390 approximately the same amount of money as the agency would have received without an
1391 increase in the certified tax rate that year if:

1392 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
1393 a decrease in the certified tax rate under Subsection (2) or (3)(a); and

1394 (ii) the certified tax rate of a city, school district, local district, or special service
1395 district increases independent of the adjustment to the taxable value of the base year.

1396 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),
1397 the amount of money allocated and, when collected, paid each year to a community
1398 development and renewal agency established under Title 17C, Limited Purpose Local
1399 Government Entities - Community Development and Renewal Agencies, for the payment of
1400 bonds or other contract indebtedness, but not for administrative costs, may not be less than that
1401 amount would have been without a decrease in the certified tax rate under Subsection (2) or
1402 (3)(a).

1403 Section 20. Section **59-2-1004** is amended to read:

1404 **59-2-1004. Appeal to county board of equalization -- Real property -- Time**
1405 **period for appeal -- Decision of board -- Extensions approved by commission -- Appeal to**
1406 **commission.**

1407 (1) (a) A taxpayer dissatisfied with the valuation or the equalization of the taxpayer's
1408 real property may make an application to appeal by:

1409 (i) filing the application with the county board of equalization within the time period
1410 described in Subsection (2); or

1411 (ii) making an application by telephone or other electronic means within the time period
1412 described in Subsection (2) if the county legislative body passes a resolution under Subsection
1413 (5) authorizing applications to be made by telephone or other electronic means.

1414 (b) The contents of the application shall be prescribed by rule of the county board of
1415 equalization.

1416 (2) (a) Except as provided in Subsection (2)(b), for purposes of Subsection (1), a
1417 taxpayer shall make an application to appeal the valuation or the equalization of the taxpayer's
1418 real property on or before the later of:

1419 (i) September 15 of the current calendar year; or

1420 (ii) the last day of a 45-day period beginning on the day on which the county auditor
1421 mails the notice under [~~Subsection 59-2-919(4)~~] Section 59-2-919.1.

1422 (b) Notwithstanding Subsection (2)(a), in accordance with Title 63, Chapter 46a, Utah

1423 Administrative Rulemaking Act, the commission shall make rules providing for circumstances
1424 under which the county board of equalization is required to accept an application to appeal that
1425 is filed after the time period prescribed in Subsection (2)(a).

1426 (3) The owner shall include in the application under Subsection (1)(a)(i) the owner's
1427 estimate of the fair market value of the property and any evidence which may indicate that the
1428 assessed valuation of the owner's property is improperly equalized with the assessed valuation
1429 of comparable properties.

1430 (4) (a) The county board of equalization shall meet and hold public hearings as
1431 prescribed in Section 59-2-1001.

1432 (b) The county board of equalization shall make a decision on each appeal filed in
1433 accordance with this section within a 60-day period after the day on which the application is
1434 made.

1435 (c) The commission may approve the extension of a time period provided for in
1436 Subsection (4)(b) for a county board of equalization to make a decision on an appeal.

1437 (d) The decision of the board shall contain a determination of the valuation of the
1438 property based on fair market value, and a conclusion that the fair market value is properly
1439 equalized with the assessed value of comparable properties.

1440 (e) If no evidence is presented before the county board of equalization, it will be
1441 presumed that the equalization issue has been met.

1442 (f) (i) If the fair market value of the property that is the subject of the appeal deviates
1443 plus or minus 5% from the assessed value of comparable properties, the valuation of the
1444 appealed property shall be adjusted to reflect a value equalized with the assessed value of
1445 comparable properties.

1446 (ii) The equalized value established under Subsection (4)(f)(i) shall be the assessed
1447 value for property tax purposes until the county assessor is able to evaluate and equalize the
1448 assessed value of all comparable properties to bring them all into conformity with full fair
1449 market value.

1450 (5) If any taxpayer is dissatisfied with the decision of the county board of equalization,
1451 the taxpayer may file an appeal with the commission as prescribed in Section 59-2-1006.

1452 (6) A county legislative body may pass a resolution authorizing taxpayers owing taxes
1453 on property assessed by that county to file property tax appeals applications under this section

1454 by telephone or other electronic means.

1455 Section 21. Section **59-2-1330** is amended to read:

1456 **59-2-1330. Payment of property taxes -- Payments to taxpayer by state or taxing**
1457 **entity -- Refund of penalties paid by taxpayer -- Refund of interest paid by taxpayer --**
1458 **Payment of interest to taxpayer -- Judgment levy -- Objections to assessments by the**
1459 **commission -- Time periods for making payments to taxpayer.**

1460 (1) Unless otherwise specifically provided by statute, property taxes shall be paid
1461 directly to the county assessor or the county treasurer:

1462 (a) on the date that the property taxes are due; and

1463 (b) as provided in this chapter.

1464 (2) A taxpayer shall receive payment as provided in this section if a reduction in the
1465 amount of any tax levied against any property for which the taxpayer paid a tax or any portion
1466 of a tax under this chapter for a calendar year is required by a final and unappealable judgment
1467 or order described in Subsection (3) issued by:

1468 (a) a county board of equalization;

1469 (b) the commission; or

1470 (c) a court of competent jurisdiction.

1471 (3) (a) For purposes of Subsection (2), the state or any taxing entity that has received
1472 property taxes or any portion of property taxes from a taxpayer described in Subsection (2)
1473 shall pay the taxpayer if:

1474 (i) the taxes the taxpayer paid in accordance with Subsection (2) are collected by an
1475 authorized officer of the:

1476 (A) county; or

1477 (B) state;

1478 (ii) the taxpayer obtains a final and unappealable judgment or order:

1479 (A) from:

1480 (I) a county board of equalization;

1481 (II) the commission; or

1482 (III) a court of competent jurisdiction;

1483 (B) against:

1484 (I) the taxing entity or an authorized officer of the taxing entity; or

- 1485 (II) the state or an authorized officer of the state; and
- 1486 (C) ordering a reduction in the amount of any tax levied against any property for which
- 1487 a taxpayer paid a tax or any portion of a tax under this chapter for the calendar year.
- 1488 (b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined
- 1489 in accordance with Subsections (4) through (7).
- 1490 (4) For purposes of Subsections (2) and (3), the amount the state shall pay to a taxpayer
- 1491 is equal to the sum of:
- 1492 (a) if the difference described in this Subsection (4)(a) is greater than \$0, the difference
- 1493 between:
- 1494 (i) the tax the taxpayer paid to the state in accordance with Subsection (2); and
- 1495 (ii) the amount of the taxpayer's tax liability to the state after the reduction in the
- 1496 amount of tax levied against the property in accordance with the final and unappealable
- 1497 judgment or order described in Subsection (3);
- 1498 (b) if the difference described in this Subsection (4)(b) is greater than \$0, the difference
- 1499 between:
- 1500 (i) any penalties the taxpayer paid to the state in accordance with Section 59-2-1331;
- 1501 and
- 1502 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance with
- 1503 Section 59-2-1331 after the reduction in the amount of tax levied against the property in
- 1504 accordance with the final and unappealable judgment or order described in Subsection (3);
- 1505 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
- 1506 Section 59-2-1331 on the amounts described in Subsections (4)(a) and (4)(b); and
- 1507 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:
- 1508 (i) Subsection (4)(a);
- 1509 (ii) Subsection (4)(b); and
- 1510 (iii) Subsection (4)(c).
- 1511 (5) For purposes of Subsections (2) and (3), the amount a taxing entity shall pay to a
- 1512 taxpayer is equal to the sum of:
- 1513 (a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference
- 1514 between:
- 1515 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (2); and

1516 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in
1517 the amount of tax levied against the property in accordance with the final and unappealable
1518 judgment or order described in Subsection (3);

1519 (b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference
1520 between:

1521 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section
1522 59-2-1331; and

1523 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in
1524 accordance with Section 59-2-1331 after the reduction in the amount of tax levied against the
1525 property in accordance with the final and unappealable judgment or order described in
1526 Subsection (3); and

1527 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
1528 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and

1529 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

1530 (i) Subsection (5)(a);

1531 (ii) Subsection (5)(b); and

1532 (iii) Subsection (5)(c).

1533 (6) Except as provided in Subsection (7):

1534 (a) interest shall be refunded to a taxpayer on the amount described in Subsection
1535 (4)(c) or (5)(c) in an amount equal to the amount of interest the taxpayer paid in accordance
1536 with Section 59-2-1331; and

1537 (b) interest shall be paid to a taxpayer on the amount described in Subsection (4)(d) or
1538 (5)(d):

1539 (i) beginning on the later of:

1540 (A) the day on which the taxpayer paid the tax in accordance with Subsection (2); or

1541 (B) January 1 of the calendar year immediately following the calendar year for which
1542 the tax was due;

1543 (ii) ending on the day on which the state or a taxing entity pays to the taxpayer the
1544 amount required by Subsection (4) or (5); and

1545 (iii) at the interest rate earned by the state treasurer on public funds transferred to the
1546 state treasurer in accordance with Section 51-7-5.

1547 (7) Notwithstanding Subsection (6):

1548 (a) the state may not pay or refund interest to a taxpayer under Subsection (6) on any
1549 tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax levied
1550 by the state for that calendar year as stated on the notice required by Section 59-2-1317; and

1551 (b) a taxing entity may not pay or refund interest to a taxpayer under Subsection (6) on
1552 any tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax
1553 levied by the taxing entity for that calendar year as stated on the notice required by Section
1554 59-2-1317.

1555 (8) (a) Each taxing entity may levy a tax to pay its share of the final and unappealable
1556 judgment or order described in Subsection (3) if:

1557 (i) the final and unappealable judgment or order is issued no later than 15 days prior to
1558 the date the levy is set under Subsection 59-2-924~~(2)~~(3)(a);

1559 (ii) the amount of the judgment levy is included on the notice under Section ~~59-2-919~~
1560 59-2-919.1; and

1561 (iii) the final and unappealable judgment or order is an eligible judgment, as defined in
1562 Section 59-2-102.

1563 (b) The levy under Subsection (8)(a) is in addition to, and exempt from, the maximum
1564 levy established for the taxing entity.

1565 (9) (a) A taxpayer that objects to the assessment of property assessed by the
1566 commission shall pay, on or before the date of delinquency established under Subsection
1567 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the notice required by
1568 Section 59-2-1317 if:

1569 (i) the taxpayer has applied to the commission for a hearing in accordance with Section
1570 59-2-1007 on the objection to the assessment; and

1571 (ii) the commission has not issued a written decision on the objection to the assessment
1572 in accordance with Section 59-2-1007.

1573 (b) A taxpayer that pays the full amount of taxes due under Subsection (9)(a) is not
1574 required to pay penalties or interest on an assessment described in Subsection (9)(a) unless:

1575 (i) a final and unappealable judgment or order establishing that the property described
1576 in Subsection (9)(a) has a value greater than the value stated on the notice required by Section
1577 59-2-1317 is issued by:

1578 (A) the commission; or
1579 (B) a court of competent jurisdiction; and
1580 (ii) the taxpayer fails to pay the additional tax liability resulting from the final and
1581 unappealable judgment or order described in Subsection (9)(b)(i) within a 45-day period after
1582 the county bills the taxpayer for the additional tax liability.

1583 (10) (a) Except as provided in Subsection (10)(b), a payment that is required by this
1584 section shall be paid to a taxpayer:

1585 (i) within 60 days after the day on which the final and unappealable judgment or order
1586 is issued in accordance with Subsection (3); or

1587 (ii) if a judgment levy is imposed in accordance with Subsection (8):

1588 (A) if the payment to the taxpayer required by this section is \$5,000 or more, no later
1589 than December 31 of the year in which the judgment levy is imposed; and

1590 (B) if the payment to the taxpayer required by this section is less than \$5,000, within
1591 60 days after the date the final and unappealable judgment or order is issued in accordance with
1592 Subsection (3).

1593 (b) Notwithstanding Subsection (10)(a), a taxpayer may enter into an agreement:

1594 (i) that establishes a time period other than a time period described in Subsection
1595 (10)(a) for making a payment to the taxpayer that is required by this section; and

1596 (ii) with:

1597 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or

1598 (B) an authorized officer of the state for a tax imposed by the state.

1599 Section 22. **Effective date.**

1600 This bill takes effect on July 1, 2008.

Legislative Review Note
as of 11-15-07 8:02 AM

Office of Legislative Research and General Counsel

S.B. 29 - Truth in Taxation Amendments

Fiscal Note

2008 General Session
State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill could decrease the growth in property tax revenue for locals over time.
