

Senator Wayne L. Niederhauser proposes the following substitute bill:

TRUTH IN TAXATION AMENDMENTS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne L. Niederhauser

House Sponsor: John Dougall

LONG TITLE

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;
- ▶ provides that a school district may continue to receive the full amount of state guarantee money tied to the voted leeway program and board approved leeway for a period of five years if the school district's guarantee would have been reduced solely due to changes in the school district's certified tax rate;
- ▶ defines terms; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None



26 **Other Special Clauses:**

27 This bill takes effect on July 1, 2008.

28 **Utah Code Sections Affected:**

29 AMENDS:

30 **17-34-3**, as last amended by Laws of Utah 2005, First Special Session, Chapter 9

31 **17C-1-408**, as renumbered and amended by Laws of Utah 2006, Chapter 359

32 **53A-16-106**, as last amended by Laws of Utah 1994, Chapter 12

33 **53A-17a-133**, as last amended by Laws of Utah 2006, Chapter 26

34 **53A-17a-134**, as last amended by Laws of Utah 2006, Chapter 26

35 **53A-19-102**, as last amended by Laws of Utah 2007, Chapter 92

36 **53A-19-105**, as last amended by Laws of Utah 2003, Chapter 122

37 **59-2-102**, as last amended by Laws of Utah 2007, Chapters 107, 234, and 329

38 **59-2-505**, as last amended by Laws of Utah 2003, Chapter 208

39 **59-2-908**, as last amended by Laws of Utah 1995, Chapter 278

40 **59-2-913**, as last amended by Laws of Utah 2007, Chapter 107

41 **59-2-914**, as last amended by Laws of Utah 1995, Chapter 278

42 **59-2-918**, as last amended by Laws of Utah 2006, Chapters 26 and 104

43 **59-2-918.5**, as last amended by Laws of Utah 2000, Chapter 61

44 **59-2-918.6**, as enacted by Laws of Utah 2007, Chapter 297

45 **59-2-919**, as last amended by Laws of Utah 2006, Chapters 26 and 104

46 **59-2-924**, as last amended by Laws of Utah 2007, Chapters 107 and 329

47 **59-2-1004**, as last amended by Laws of Utah 2001, Chapter 106

48 **59-2-1330**, as last amended by Laws of Utah 2002, Chapters 196 and 240

49 ENACTS:

50 **59-2-919.1**, Utah Code Annotated 1953

51 **59-2-924.2**, Utah Code Annotated 1953



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

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

55 **17-34-3. Taxes or service charges.**

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

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

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

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

64 (iii) a combination of these sources.

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

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

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

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

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

82 [(5)] (4) Notwithstanding any other provision of this chapter, a county providing fire,
83 paramedic, and police protection services in a designated recreational area, as provided in
84 Subsection 17-34-1(5), may fund those services from the county general fund with revenues
85 derived from both inside and outside the limits of cities and towns, and the funding of those
86 services is not limited to unincorporated area revenues.

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

88 **17C-1-408. Base taxable value to be adjusted to reflect other changes.**

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

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

91 (B) a cumulative decrease over a consecutive five-year period of more than 100% from

92 the levy in effect at the beginning of the five-year period.

93 (ii) The year in which a qualifying decrease under Subsection (1)(a)(i)(B) occurs is the

94 fifth year of the five-year period.

95 (b) If there is a qualifying decrease in the minimum basic school levy under Section

96 59-2-902 that would result in a reduction of the amount of tax increment to be paid to an

97 agency:

98 (i) the base taxable value of taxable property within the project area shall be reduced in

99 the year of the qualifying decrease to the extent necessary, even if below zero, to provide the

100 agency with approximately the same amount of tax increment that would have been paid to the

101 agency each year had the qualifying decrease not occurred; and

102 (ii) the amount of tax increment paid to the agency each year for the payment of bonds

103 and indebtedness may not be less than what would have been paid to the agency if there had

104 been no qualifying decrease.

105 (2) (a) The amount of the base taxable value to be used in determining tax increment

106 shall be:

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

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

109 (B) a judicial decision;

110 (C) an order from the State Tax Commission to a county to adjust or factor its

111 assessment rate under Subsection 59-2-704(2);

112 (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or

113 Section 59-2-103; or

114 (E) an increase or decrease in the percentage of fair market value, as defined under

115 Section 59-2-102; and

116 (ii) reduced for any year to the extent necessary, even if below zero, to provide an

117 agency with approximately the same amount of money the agency would have received without

118 a reduction in the county's certified tax rate if:

119 (A) in that year there is a decrease in the county's certified tax rate under Subsection
120 [~~59-2-924(2)(c) or (d)(i)~~] 59-2-924.2(2) or (3)(a);

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

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

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

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

130 **53A-16-106. Annual certification of tax rate proposed by local school board --**
131 **Inclusion of school district budget -- Modified filing date.**

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

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

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

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

142 **53A-17a-133. State-supported voted leeway program authorized -- Election**
143 **requirements -- State guarantee -- Reconsideration of the program.**

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

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

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

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

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

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

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

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

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

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

172 (ii) Subsection (3)(d)(i) applies for a period of [~~two~~] five years following any such
173 change in the certified tax rate.

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

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

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

181 total local school board levy.

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

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

189 (a) the voted leeway is approved:

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

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

194 (b) for a voted leeway approved or modified in accordance with this section on or after
195 January 1, 2009, the school district complies with the requirements of Subsection (7).

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

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

202 (b) if the voted leeway was approved:

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

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

207 (c) for a voted leeway approved or modified in accordance with this section on or after
208 January 1, 2009, the school district complies with requirements of Subsection (7).

209 (7) For purposes of Subsection (5)(b) or (6)(c), the proposition submitted to the
210 electors regarding the adoption or modification of a voted leeway program shall contain the
211 following statement:

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

214 Section 5. Section **53A-17a-134** is amended to read:

215 **53A-17a-134. Board-approved leeway -- Purpose -- State support -- Disapproval.**

216 (1) Each local school board may levy a tax rate of up to .0004 per dollar of taxable
217 value to maintain a school program above the cost of the basic school program as follows:

218 (a) a local school board shall use the monies generated by the tax for class size
219 reduction within the school district;

220 (b) if a local school board determines that the average class size in the school district is
221 not excessive, it may use the monies for other school purposes but only if the board has
222 declared the use for other school purposes in a public meeting prior to levying the tax rate; and

223 (c) a district may not use the monies for other school purposes under Subsection (1)(b)
224 until it has certified in writing that its class size needs are already being met and has identified
225 the other school purposes for which the monies will be used to the State Board of Education
226 and the state board has approved their use for other school purposes.

227 (2) (a) The state shall contribute an amount sufficient to guarantee \$17.54 per weighted
228 pupil unit for each .0001 per dollar of taxable value.

229 (b) The guarantee shall increase in the same manner as provided for the voted leeway
230 guarantee in Subsections 53A-17a-133(3)(c)(i) and (ii).

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

235 (ii) Subsection (2)(c)(i) applies for a period of [~~two~~] five years following any such
236 change in the certified tax rate.

237 (3) The levy authorized under this section is not in addition to the maximum rate of
238 .002 authorized in Section 53A-17a-133, but is a board-authorized component of the total tax
239 rate under that section.

240 (4) As an exception to Section 53A-17a-133, the board-authorized levy does not
241 require voter approval, but the board may require voter approval if requested by a majority of
242 the board.

243 (5) An election to consider disapproval of the board-authorized levy is required, if
244 within 60 days after the levy is established by the board, referendum petitions signed by the
245 number of legal voters required in Section 20A-7-301, who reside within the school district, are
246 filed with the school district.

247 (6) (a) A local school board shall establish its board-approved levy by April 1 to have
248 the levy apply to the fiscal year beginning July 1 in that same calendar year except that if an
249 election is required under this section, the levy applies to the fiscal year beginning July 1 of the
250 next calendar year.

251 (b) The approval and disapproval votes authorized in Subsections (4) and (5) shall
252 occur at a general election in even-numbered years, except that a vote required under this
253 section in odd-numbered years shall occur at a special election held on a day in odd-numbered
254 years that corresponds to the general election date. The school district shall pay for the cost of
255 a special election.

256 (7) (a) Modification or termination of a voter-approved leeway rate authorized under
257 this section is governed by Section 53A-17a-133.

258 (b) A board-authorized leeway rate may be modified or terminated by a majority vote
259 of the board subject to disapproval procedures specified in this section.

260 (8) A board levy election does not require publication of a voter information pamphlet.
261 Section 6. Section **53A-19-102** is amended to read:

262 **53A-19-102. Local school boards budget procedures.**

263 (1) Prior to June 22 of each year, each local school board shall adopt a budget and
264 make appropriations for the next fiscal year. If the tax rate in the proposed budget exceeds the
265 certified tax rate defined in [~~Subsection~~] Section 59-2-924[~~(2)~~], the board shall comply with
266 Sections 59-2-918 and 59-2-919 in adopting the budget, except as provided by Section
267 53A-17a-133.

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

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

273 (b) file a copy of the proposed budget with the board's business administrator for public

274 inspection at least ten days prior to the hearing.

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

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

278 **53A-19-105. School district interfund transfers.**

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

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

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

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

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

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

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

293 (5) The board shall develop standards for defining and aiding financially distressed
294 school districts under this section in accordance with Title 63, Chapter 46a, Utah
295 Administrative Rulemaking Act.

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

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

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

303 (d) Any amounts left in the debt service fund after all general obligation debt has been
304 retired may be transferred to the capital projects fund upon completion of the budgetary hearing

305 process required under Section 53A-19-102.

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

307 **59-2-102. Definitions.**

308 As used in this chapter and title:

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

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

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

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

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

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

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

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

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

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

335 (a) any commercial vehicle, trailer, or semitrailer which is not apportioned under

336 Section 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or
337 property in furtherance of the owner's commercial enterprise;

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

340 (c) vehicles which are:

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

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

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

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

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

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

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

352 (i) a county; and

353 (ii) a school district.

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

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

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

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

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

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

366 (b) for which a taxing entity's share of the final and unappealable judgment or order is

367 greater than or equal to the lesser of:

368 (i) \$5,000; or

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

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

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

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

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

379 (b) Property which is undervalued because of the use of a different valuation
380 methodology or because of a different application of the same valuation methodology is not
381 "escaped property."

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

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

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

- 398 (15) "Geothermal resource" means:
- 399 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade;
- 400 and
- 401 (b) the energy, in whatever form, including pressure, present in, resulting from, created
- 402 by, or which may be extracted from that natural heat, directly or through a material medium.
- 403 (16) (a) "Goodwill" means:
- 404 (i) acquired goodwill that is reported as goodwill on the books and records:
- 405 (A) of a taxpayer; and
- 406 (B) that are maintained for financial reporting purposes; or
- 407 (ii) the ability of a business to:
- 408 (A) generate income:
- 409 (I) that exceeds a normal rate of return on assets; and
- 410 (II) resulting from a factor described in Subsection (16)(b); or
- 411 (B) obtain an economic or competitive advantage resulting from a factor described in
- 412 Subsection (16)(b).
- 413 (b) The following factors apply to Subsection (16)(a)(ii):
- 414 (i) superior management skills;
- 415 (ii) reputation;
- 416 (iii) customer relationships;
- 417 (iv) patronage; or
- 418 (v) a factor similar to Subsections (16)(b)(i) through (iv).
- 419 (c) "Goodwill" does not include:
- 420 (i) the intangible property described in Subsection (20)(a) or (b);
- 421 (ii) locational attributes of real property, including:
- 422 (A) zoning;
- 423 (B) location;
- 424 (C) view;
- 425 (D) a geographic feature;
- 426 (E) an easement;
- 427 (F) a covenant;
- 428 (G) proximity to raw materials;

429 (H) the condition of surrounding property; or

430 (I) proximity to markets;

431 (iii) value attributable to the identification of an improvement to real property,

432 including:

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

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

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

436 (iv) the enhancement or assemblage value specifically attributable to the interrelation

437 of the existing tangible property in place working together as a unit.

438 (17) "Governing body" means:

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

440 (b) for a local district under Title 17B, Limited Purpose Local Government Entities -

441 Local Districts, the local district's board of trustees;

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

443 (d) for a special service district under Title 17A, Chapter 2, Part 13, Utah Special

444 Service District Act:

445 (i) the legislative body of the county or municipality that created the special service
446 district, to the extent that the county or municipal legislative body has not delegated authority

447 to an administrative control board established under Section 17A-2-1326; or

448 (ii) the administrative control board, to the extent that the county or municipal
449 legislative body has delegated authority to an administrative control board established under

450 Section 17A-2-1326.

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

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

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

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

458 (19) (a) Except as provided in Subsection (19)(c), "improvement" means a building,
459 structure, fixture, fence, or other item that is permanently attached to land, regardless of

460 whether the title has been acquired to the land, if:

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

462 (B) the manner of attachment to land suggests that the item will remain attached to the

463 land in the same place over the useful life of the item; or

464 (ii) removal of the item would:

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

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

467 (b) "Improvement" includes:

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

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

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

471 and

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

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

474 (B) remains located on the land.

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

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

477 with Section 59-2-107;

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

479 (A) for stability only; or

480 (B) for an obvious temporary purpose;

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

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

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

484 damage to:

485 (A) the land; or

486 (B) the item; or

487 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that

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

489 59-2-1503.

490 (20) "Intangible property" means:

491 (a) property that is capable of private ownership separate from tangible property,
492 including:

- 493 (i) moneys;
- 494 (ii) credits;
- 495 (iii) bonds;
- 496 (iv) stocks;
- 497 (v) representative property;
- 498 (vi) franchises;
- 499 (vii) licenses;
- 500 (viii) trade names;
- 501 (ix) copyrights; and
- 502 (x) patents;
- 503 (b) a low-income housing tax credit; or
- 504 (c) goodwill.

505 (21) "Low-income housing tax credit" means:

506 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;

507 or

508 (b) a low-income housing tax credit under:

- 509 (i) Section 59-7-607; or
- 510 (ii) Section 59-10-1010.

511 (22) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.

512 (23) "Mine" means a natural deposit of either metalliferous or nonmetalliferous
513 valuable mineral.

514 (24) "Mining" means the process of producing, extracting, leaching, evaporating, or
515 otherwise removing a mineral from a mine.

516 (25) (a) "Mobile flight equipment" means tangible personal property that is:

- 517 (i) owned or operated by an:
 - 518 (A) air charter service;
 - 519 (B) air contract service; or
 - 520 (C) airline; and
- 521 (ii) (A) capable of flight;

- 522 (B) attached to an aircraft that is capable of flight; or
523 (C) contained in an aircraft that is capable of flight if the tangible personal property is
524 intended to be used:
- 525 (I) during multiple flights;
 - 526 (II) during a takeoff, flight, or landing; and
 - 527 (III) as a service provided by an air charter service, air contract service, or airline.
- 528 (b) (i) "Mobile flight equipment" does not include a spare part other than a spare
529 engine that is rotated:
- 530 (A) at regular intervals; and
 - 531 (B) with an engine that is attached to the aircraft.
- 532 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
533 the commission may make rules defining the term "regular intervals."
- 534 (26) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,
535 sand, rock, gravel, and all carboniferous materials.
- 536 (27) "Personal property" includes:
- 537 (a) every class of property as defined in Subsection (28) which is the subject of
538 ownership and not included within the meaning of the terms "real estate" and "improvements";
 - 539 (b) gas and water mains and pipes laid in roads, streets, or alleys;
 - 540 (c) bridges and ferries;
 - 541 (d) livestock which, for the purposes of the exemption provided under Section
542 59-2-1112, means all domestic animals, honeybees, poultry, fur-bearing animals, and fish; and
 - 543 (e) outdoor advertising structures as defined in Section 72-7-502.
- 544 (28) (a) "Property" means property that is subject to assessment and taxation according
545 to its value.
- 546 (b) "Property" does not include intangible property as defined in this section.
- 547 (29) "Public utility," for purposes of this chapter, means the operating property of a
548 railroad, gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline
549 company, electrical corporation, telephone corporation, sewerage corporation, or heat
550 corporation where the company performs the service for, or delivers the commodity to, the
551 public generally or companies serving the public generally, or in the case of a gas corporation
552 or an electrical corporation, where the gas or electricity is sold or furnished to any member or

553 consumers within the state for domestic, commercial, or industrial use. Public utility also
554 means the operating property of any entity or person defined under Section 54-2-1 except water
555 corporations.

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

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

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

561 (c) improvements.

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

565 (32) For purposes of Subsection 59-2-801(1)(e), "route miles" means the number of
566 miles calculated by the commission that is:

567 (a) measured in a straight line by the commission; and

568 (b) equal to the distance between a geographical location that begins or ends:

569 (i) at a boundary of the state; and

570 (ii) where an aircraft:

571 (A) takes off; or

572 (B) lands.

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

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

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

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

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

583 (35) "Tax area" means a geographic area created by the overlapping boundaries of one

584 or more taxing entities.

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

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

592 Section 9. Section **59-2-505** is amended to read:

593 **59-2-505. Indicia of value for agricultural use assessment -- Inclusion of fair**
594 **market value on certain property tax notices.**

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

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

598 (ii) for which the owner has:

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

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

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

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

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

611 (b) Section 59-2-1317.

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

614 Section 10. Section **59-2-908** is amended to read:

615 **59-2-908. Single aggregate limitation -- Maximum levy.**

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

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

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

624 (2) (a) Beginning January 1, 1995, a county may impose a tax rate in excess of the
625 limitation provided in Subsection (1) if the rate established under Subsection (1)(a) or (b)
626 generates revenues for the county in an amount that is less than the revenues that would be
627 generated by the county under the certified tax rate established in [~~Subsection~~] Section
628 59-2-924[~~(2)~~].

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

631 Section 11. Section **59-2-913** is amended to read:

632 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**
633 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**
634 **establishing tax levies -- Format of statement.**

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

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

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

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

642 (i) before June 22; or

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

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

646 legislative body of the taxing entity.

647 (3) For purposes of establishing the levy set for each of a taxing entity's applicable
648 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing
649 the budgeted property tax revenues, specified in a budget which has been adopted and
650 approved prior to setting the levy, by the amount calculated under Subsections
651 ~~59-2-924[(2)(a)(iii)(B)(I) through (H)](3)(c)(ii)(A) through (C).~~

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

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

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

659 Section 12. Section **59-2-914** is amended to read:

660 **59-2-914. Excess levies -- Commission to recalculate levy -- Notice to implement**
661 **adjusted levies to county auditor.**

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

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

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

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

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

673 (3) (a) Subject to the provisions of Subsections (1) and (2), beginning January 1, 1995,
674 a taxing entity may impose a tax rate in excess of the maximum levy permitted by law if the
675 rate established by the taxing entity for the current year generates revenues for the taxing entity
676 in an amount that is less than the revenues that would be generated by the taxing entity under

677 the certified tax rate established in [~~Subsection~~] Section 59-2-924[~~(2)~~].

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

680 Section 13. Section **59-2-918** is amended to read:

681 **59-2-918. Advertisement of proposed tax increase -- Notice -- Contents.**

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

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

688 [~~(A) the taxing entity:~~

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

690 ~~or]~~

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

693 (B) the increased amount of ad valorem tax revenue results from a tax rate increase that
694 is exempted under Subsection 59-2-919[~~(1)~~](2)(a)(ii)(B) from the advertisement and hearing
695 requirements of Section 59-2-919.

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

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

701 (B) the taxing entity:

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

703 and

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

706 (2) (a) For taxing entities operating under a July 1 through June 30 fiscal year, the
707 advertisement required by this section may be combined with the advertisement required by

708 Section 59-2-919.

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

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

715 "NOTICE OF PROPOSED TAX INCREASE

716 (NAME OF TAXING ENTITY)

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

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

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

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

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

727 PUBLIC HEARING

728 Date/Time: (date) (time)

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

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

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

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

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

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

743 Section 14. Section **59-2-918.5** is amended to read:

744 **59-2-918.5. Hearings on judgment levies -- Advertisement.**

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

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

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

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

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

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

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

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

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

766 (5) The date, time, and place of public hearings required by Subsections
767 59-2-918.5(2)(c)(i) and 59-2-918.5(2)(c)(ii)(B) shall be included on the notice mailed to
768 property owners pursuant to [~~Subsection 59-2-919(4)~~] Section 59-2-919.1.

769 Section 15. Section **59-2-918.6** is amended to read:

770 **59-2-918.6. New and remaining school district budgets -- Advertisement -- Public**
771 **hearing.**

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

774 (2) For the first fiscal year in which a new school district created under Section
775 53A-2-118.1 assumes responsibility for providing student instruction, the new school district
776 and the remaining school district or districts may not impose a property tax unless the district
777 imposing the tax:

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

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

780 (3) The advertisement required by this section:

781 (a) may be combined with the advertisement required by either Section 59-2-918 or
782 59-2-919;

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

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

790 (4) (a) The date, time, and place of public hearings required by this section shall be
791 included on the notice mailed to property owners pursuant to [~~Subsection 59-2-919(4)~~] Section
792 59-2-919.1.

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

796 Section 16. Section **59-2-919** is amended to read:

797 **59-2-919. Resolution proposing tax increases -- Notice -- Contents of notice of**
798 **proposed tax increase -- Hearing -- Dates.**

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

801 section.

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

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

806 [~~(A)~~ the taxing entity:]

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

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

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

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

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

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

819 (Aa) adopts a resolution certifying that the taxing entity will dedicate all revenue from
820 the tax rate increase exclusively to pay for fire protection, emergency, and emergency medical
821 services provided by the interlocal entity and that the amount of other revenues, independent of
822 the revenue generated from the tax rate increase, that the taxing entity spends for fire
823 protection, emergency, and emergency medical services each year after the tax rate increase
824 will not decrease below the amount spent by the taxing entity during the year immediately
825 before the tax rate increase without a corresponding decrease in the taxing entity's property tax
826 revenues used in calculating the taxing entity's certified tax rate; and

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

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

832 (iv) Notwithstanding Subsection [(H)] (2)(a)(i), a taxing entity is not required to meet
833 the advertisement requirements of this section if:

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

837 (B) the taxing entity:

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

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

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

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

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

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

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

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

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

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

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

853 (B) not be of limited subject matter.

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

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

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

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

863 [~~(2)~~] (3) The form and content of the notice shall be substantially as follows:

864 "NOTICE OF PROPOSED TAX INCREASE

865 (NAME OF TAXING ENTITY)

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

867 • If the proposed budget is approved, this would be an increase of ____% above
868 the (name of the taxing entity) property tax budgeted revenue for the prior year.

869 • The (name of the taxing entity) tax on a (insert the average value of a residence
870 in the taxing entity rounded to the nearest thousand dollars) residence would

871 increase from \$_____ to \$_____, which is \$_____ per year.

872 • The (name of the taxing entity) tax on a (insert the value of a business having
873 the same value as the average value of a residence in the taxing entity) business

874 would increase from \$_____ to \$_____, which is \$_____ per year.

875 (Name of taxing entity) property tax revenue from new growth and other sources will
876 increase from \$_____ to \$_____.

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

878 PUBLIC HEARING

879 Date/Time: (date) (time)

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

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

883 [~~(3)~~] (4) The commission:

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

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

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

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

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

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

892 [~~(4)~~] (a) In addition to providing the notice required by Subsections (1) and (2), the
893 county auditor, on or before July 22 of each year, shall notify, by mail, each owner of real

894 estate as defined in Section 59-2-102 who is listed on the assessment roll.]
895 ~~[(b) The notice described in Subsection (4)(a) shall:]~~
896 ~~[(i) be sent to all owners of real property by mail not less than ten days before the day~~
897 ~~on which:]~~
898 ~~[(A) the county board of equalization meets; and]~~
899 ~~[(B) the taxing entity holds a public hearing on the proposed increase in the certified~~
900 ~~tax rate;]~~
901 ~~[(ii) be printed on a form that is:]~~
902 ~~[(A) approved by the commission; and]~~
903 ~~[(B) uniform in content in all counties in the state; and]~~
904 ~~[(iii) contain for each property:]~~
905 ~~[(A) the value of the property;]~~
906 ~~[(B) the date the county board of equalization will meet to hear complaints on the~~
907 ~~valuation;]~~
908 ~~[(C) itemized tax information for all taxing entities, including a separate statement for~~
909 ~~the minimum school levy under Section 53A-17a-135 stating:]~~
910 ~~[(D) the dollar amount the taxpayer would have paid based on last year's rate; and]~~
911 ~~[(H) the amount of the taxpayer's liability under the current rate;]~~
912 ~~[(D) the tax impact on the property;]~~
913 ~~[(E) the time and place of the required public hearing for each entity;]~~
914 ~~[(F) property tax information pertaining to:]~~
915 ~~[(I) taxpayer relief;]~~
916 ~~[(H) options for payment of taxes; and]~~
917 ~~[(H) collection procedures;]~~
918 ~~[(G) information specifically authorized to be included on the notice under Title 59,~~
919 ~~Chapter 2, Property Tax Act; and]~~
920 ~~[(H) other property tax information approved by the commission.]~~
921 (5) (a) The taxing entity, after holding a hearing as provided in this section, may adopt
922 a resolution levying a tax rate in excess of the certified tax rate.
923 (b) If a resolution adopting a tax rate is not adopted on the day of the public hearing,
924 the scheduled time and place for consideration and adoption of the resolution shall be

925 announced at the public hearing.

926 (c) If a resolution adopting a tax rate is to be considered at a day and time that is more
927 than two weeks after the public hearing described in Subsection [~~(4)(b)(iii)(E)~~]
928 59-2-919.1(2)(c)(v), a taxing entity, other than a taxing entity described in Subsection [~~(4)~~]
929 (2)(a)(ii), shall advertise the date of the proposed adoption of the resolution in the same manner
930 as provided under Subsections [~~(4)~~] (2) and [~~(2)~~] (3).

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

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

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

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

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

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

946 Section 17. Section **59-2-919.1** is enacted to read:

947 **59-2-919.1. Property tax notice requirement -- Content of notice.**

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

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

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

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

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

956 (b) be printed on a form that is:
957 (i) approved by the commission; and
958 (ii) uniform in content in all counties in the state; and
959 (c) contain for each property:
960 (i) the value of the property;
961 (ii) the date the county board of equalization will meet to hear complaints on the
962 valuation;
963 (iii) itemized tax information for all taxing entities, including a separate statement for
964 the minimum school levy under Section 53A-17a-135 stating:
965 (A) the dollar amount the taxpayer would have paid based on last year's rate; and
966 (B) the amount of the taxpayer's liability under the current rate;
967 (iv) the tax impact on the property;
968 (v) the time and place of a required public hearing for each entity;
969 (vi) property tax information pertaining to:
970 (A) taxpayer relief;
971 (B) options for payment of taxes; and
972 (C) collection procedures;
973 (vii) information specifically authorized to be included on the notice under Title 59,
974 Chapter 2, Property Tax Act; and
975 (viii) other property tax information approved by the commission.
976 Section 18. Section **59-2-924** is amended to read:
977 **59-2-924. Report of valuation of property to county auditor and commission --**
978 **Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified**
979 **tax rate -- Rulemaking authority -- Adoption of tentative budget.**
980 (1) [~~(a)~~] Before June 1 of each year, the county assessor of each county shall deliver to
981 the county auditor and the commission the following statements:
982 [~~(i)~~] (a) a statement containing the aggregate valuation of all taxable property in each
983 taxing entity; and
984 [~~(ii)~~] (b) a statement containing the taxable value of any additional personal property
985 estimated by the county assessor to be subject to taxation in the current year.
986 [~~(b)~~] (2) The county auditor shall, on or before June 8, transmit to the governing body

987 of each taxing entity:

988 [(†)] (a) the statements described in Subsections (1)(a)[(†)] and [(††)] (b);

989 [(††)] (b) an estimate of the revenue from personal property;

990 [(†††)] (c) the certified tax rate; and

991 [(†††)] (d) all forms necessary to submit a tax levy request.

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

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

997 [(A)] (i) collections from redemptions;

998 [(B)] (ii) interest;

999 [(C)] (iii) penalties; and

1000 [(D)] (iv) revenue received by a taxing entity from personal property that is:

1001 [(F)] (A) assessed by a county assessor in accordance with Part 3, County Assessment;

1002 and

1003 [(H)] (B) semiconductor manufacturing equipment.

1004 [(†††)-(A)] (c) (i) Except as otherwise provided in this section, the certified tax rate shall
1005 be calculated by dividing the ad valorem property tax revenues budgeted for the prior year by
1006 the taxing entity by the amount calculated under Subsection [(2)(a)(†††)-(B)] (3)(c)(ii).

1007 [(B)] (ii) For purposes of Subsection [(2)(a)(†††)-(A)] (3)(c)(i), the legislative body of a
1008 taxing entity shall calculate an amount as follows:

1009 [(F)] (A) calculate for the taxing entity the difference between:

1010 [(Aa)] (I) the aggregate taxable value of all property taxed; and

1011 [(Bb)] (II) any redevelopment adjustments for the current calendar year;

1012 [(H)] (B) after making the calculation required by Subsection [(2)(a)(†††)-(B)(F)]

1013 (3)(c)(ii)(A), calculate an amount determined by increasing or decreasing the amount

1014 calculated under Subsection [(2)(a)(†††)-(B)(F)] (3)(c)(ii)(A) by the average of the percentage net

1015 change in the value of taxable property for the equalization period for the three calendar years

1016 immediately preceding the current calendar year;

1017 [(H)] (C) after making the calculation required by Subsection [(2)(a)(†††)-(B)(H)]

1018 (3)(c)(ii)(B), calculate the product of:

1019 ~~[(Aa)]~~ (I) the amount calculated under Subsection ~~[(2)(a)(iii)(B)(H)]~~ (3)(c)(ii)(B); and

1020 ~~[(Bb)]~~ (II) the percentage of property taxes collected for the five calendar years

1021 immediately preceding the current calendar year; and

1022 ~~[(FV)]~~ (D) after making the calculation required by Subsection ~~[(2)(a)(iii)(B)(H)]~~

1023 (3)(c)(ii)(C), calculate an amount determined by subtracting from the amount calculated under

1024 Subsection ~~[(2)(a)(iii)(B)(H)]~~ (3)(c)(ii)(C) any new growth as defined in this section:

1025 ~~[(Aa)]~~ (I) within the taxing entity; and

1026 ~~[(Bb)]~~ (II) for the current calendar year.

1027 ~~[(C)]~~ (iii) For purposes of Subsection ~~[(2)(a)(iii)(B)(F)]~~ (3)(c)(ii)(A), the aggregate

1028 taxable value of all property taxed:

1029 ~~[(F)]~~ (A) except as provided in Subsection ~~[(2)(a)(iii)(C)(H)]~~ (3)(c)(iii)(B), includes the

1030 total taxable value of the real and personal property contained on the tax rolls of the taxing

1031 entity; and

1032 ~~[(H)]~~ (B) does not include the total taxable value of personal property contained on the

1033 tax rolls of the taxing entity that is:

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

1035 and

1036 ~~[(Bb)]~~ (II) semiconductor manufacturing equipment.

1037 ~~[(D)]~~ (iv) For purposes of Subsection ~~[(2)(a)(iii)(B)(H)]~~ (3)(c)(ii)(B), for calendar years

1038 beginning on or after January 1, 2007, the value of taxable property does not include the value

1039 of personal property that is:

1040 ~~[(F)]~~ (A) within the taxing entity assessed by a county assessor in accordance with Part

1041 3, County Assessment; and

1042 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

1043 ~~[(E)]~~ (v) For purposes of Subsection ~~[(2)(a)(iii)(B)(H)(Bb)]~~ (3)(c)(ii)(C)(II), for

1044 calendar years beginning on or after January 1, 2007, the percentage of property taxes collected

1045 does not include property taxes collected from personal property that is:

1046 ~~[(F)]~~ (A) within the taxing entity assessed by a county assessor in accordance with Part

1047 3, County Assessment; and

1048 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

1049 ~~[(F)]~~ (vi) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
 1050 Act, the commission may prescribe rules for calculating redevelopment adjustments for a
 1051 calendar year.

1052 ~~[(iv)(A)]~~ (d)(i) In accordance with Title 63, Chapter 46a, Utah Administrative
 1053 Rulemaking Act, the commission shall make rules determining the calculation of ad valorem
 1054 property tax revenues budgeted by a taxing entity.

1055 ~~[(B)]~~ (ii) For purposes of Subsection ~~[(2)(a)(iv)(A)]~~ (3)(d)(i), ad valorem property tax
 1056 revenues budgeted by a taxing entity shall be calculated in the same manner as budgeted
 1057 property tax revenues are calculated for purposes of Section 59-2-913.

1058 ~~[(v)]~~ (e) The certified tax rates for the taxing entities described in this Subsection
 1059 ~~[(2)(a)(v)]~~ (3)(e) shall be calculated as follows:

1060 ~~[(A)]~~ (i) except as provided in Subsection ~~[(2)(a)(v)(B)]~~ (3)(e)(ii), for new taxing
 1061 entities the certified tax rate is zero;

1062 ~~[(B)]~~ (ii) for each municipality incorporated on or after July 1, 1996, the certified tax
 1063 rate is:

1064 ~~[(F)]~~ (A) in a county of the first, second, or third class, the levy imposed for
 1065 municipal-type services under Sections 17-34-1 and 17-36-9; and

1066 ~~[(H)]~~ (B) in a county of the fourth, fifth, or sixth class, the levy imposed for general
 1067 county purposes and such other levies imposed solely for the municipal-type services identified
 1068 in Section 17-34-1 and Subsection 17-36-3(22); and

1069 ~~[(C)]~~ (iii) for debt service voted on by the public, the certified tax rate shall be the
 1070 actual levy imposed by that section, except that the certified tax rates for the following levies
 1071 shall be calculated in accordance with Section 59-2-913 and this section:

1072 ~~[(F)]~~ (A) school leeways provided for under Sections 11-2-7, 53A-16-110,
 1073 ~~[53A-17a-125,]~~ 53A-17a-127, 53A-17a-133, 53A-17a-134, 53A-17a-143, and 53A-17a-145[;
 1074 ~~and 53A-21-103];~~ and

1075 ~~[(H)]~~ (B) levies to pay for the costs of state legislative mandates or judicial or
 1076 administrative orders under Section 59-2-906.3.

1077 ~~[(vi)(A)]~~ (f)(i) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 shall
 1078 be established at that rate which is sufficient to generate only the revenue required to satisfy
 1079 one or more eligible judgments, as defined in Section 59-2-102.

1080 ~~[(B)]~~ (ii) The ad valorem property tax revenue generated by the judgment levy shall not
1081 be considered in establishing the taxing entity's aggregate certified tax rate.

1082 ~~[(b)(i)]~~ (4)(a) For the purpose of calculating the certified tax rate, the county auditor
1083 shall use the taxable value of property on the assessment roll.

1084 ~~[(i)]~~ (b) For purposes of Subsection ~~[(2)(b)(i)]~~ (4)(a)(i), the taxable value of real
1085 property on the assessment roll does not include:

1086 ~~[(A)]~~ (i) new growth as defined in Subsection ~~[(2)(b)(iii); or]~~ (4)(c); or

1087 ~~[(B)]~~ (ii) the total taxable value of personal property contained on the tax rolls of the
1088 taxing entity that is:

1089 ~~[(F)]~~ (A) assessed by a county assessor in accordance with Part 3, County Assessment;
1090 and

1091 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

1092 ~~[(iii)]~~ (c) "New growth" means:

1093 ~~[(A)]~~ (i) the difference between the increase in taxable value of the taxing entity from
1094 the previous calendar year to the current year; minus

1095 ~~[(B)]~~ (ii) the amount of an increase in taxable value described in Subsection ~~[(2)(b)(v)]~~
1096 (4)(e).

1097 ~~[(iv)]~~ (d) For purposes of Subsection ~~[(2)(b)(iii)]~~ (4)(c)(ii), the taxable value of the
1098 taxing entity does not include the taxable value of personal property that is:

1099 ~~[(A)]~~ (i) contained on the tax rolls of the taxing entity if that property is assessed by a
1100 county assessor in accordance with Part 3, County Assessment; and

1101 ~~[(B)]~~ (ii) semiconductor manufacturing equipment.

1102 ~~[(v)]~~ (e) Subsection ~~[(2)(b)(iii)(B)]~~ (4)(c)(ii) applies to the following increases in
1103 taxable value:

1104 ~~[(A)]~~ (i) the amount of increase to locally assessed real property taxable values
1105 resulting from factoring, reappraisal, or any other adjustments; or

1106 ~~[(B)]~~ (ii) the amount of an increase in the taxable value of property assessed by the
1107 commission under Section 59-2-201 resulting from a change in the method of apportioning the
1108 taxable value prescribed by:

1109 ~~[(F)]~~ (A) the Legislature;

1110 ~~[(H)]~~ (B) a court;

1111 ~~[(HH)] (C)~~ the commission in an administrative rule; or

1112 ~~[(HV)] (D)~~ the commission in an administrative order.

1113 ~~[(c) Beginning January 1, 1997, if a taxing entity receives increased revenues from~~
1114 ~~uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,~~
1115 ~~59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter~~
1116 ~~12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax~~
1117 ~~rate to offset the increased revenues.]~~

1118 ~~[(d) (i) Beginning July 1, 1997, if a county has imposed a sales and use tax under~~
1119 ~~Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:]~~

1120 ~~[(A) decreased on a one-time basis by the amount of the estimated sales and use tax~~
1121 ~~revenue to be distributed to the county under Subsection 59-12-1102(3); and]~~

1122 ~~[(B) increased by the amount necessary to offset the county's reduction in revenue~~
1123 ~~from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,~~
1124 ~~59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection~~
1125 ~~(2)(d)(i)(A).]~~

1126 ~~[(ii) The commission shall determine estimates of sales and use tax distributions for~~
1127 ~~purposes of Subsection (2)(d)(i).]~~

1128 ~~[(e) Beginning January 1, 1998, if a municipality has imposed an additional resort~~
1129 ~~communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be~~
1130 ~~decreased on a one-time basis by the amount necessary to offset the first 12 months of~~
1131 ~~estimated revenue from the additional resort communities sales and use tax imposed under~~
1132 ~~Section 59-12-402.]~~

1133 ~~[(f) (i) (A) For fiscal year 2000, the certified tax rate of each county required under~~
1134 ~~Subsection 17-34-1(4)(a) to provide advanced life support and paramedic services to the~~
1135 ~~unincorporated area of the county shall be decreased by the amount necessary to reduce~~
1136 ~~revenues in that fiscal year by an amount equal to the difference between the amount the county~~
1137 ~~budgeted in its 2000 fiscal year budget for advanced life support and paramedic services~~
1138 ~~countywide and the amount the county spent during fiscal year 2000 for those services,~~
1139 ~~excluding amounts spent from a municipal services fund for those services.]~~

1140 ~~[(B) For fiscal year 2001, the certified tax rate of each county to which Subsection~~
1141 ~~(2)(f)(i)(A) applies shall be decreased by the amount necessary to reduce revenues in that fiscal~~

1142 year by the amount that the county spent during fiscal year 2000 for advanced life support and
1143 paramedic services countywide, excluding amounts spent from a municipal services fund for
1144 those services.]

1145 [(ii) (A) A city or town located within a county of the first class to which Subsection
1146 (2)(f)(i) applies may increase its certified tax rate by the amount necessary to generate within
1147 the city or town the same amount of revenues as the county would collect from that city or
1148 town if the decrease under Subsection (2)(f)(i) did not occur.]

1149 [(B) An increase under Subsection (2)(f)(ii)(A), whether occurring in a single fiscal
1150 year or spread over multiple fiscal years, is not subject to the notice and hearing requirements
1151 of Sections 59-2-918 and 59-2-919.]

1152 [(g) (i) The certified tax rate of each county required under Subsection 17-34-1(4)(b) to
1153 provide detective investigative services to the unincorporated area of the county shall be
1154 decreased:]

1155 [(A) in fiscal year 2001 by the amount necessary to reduce revenues in that fiscal year
1156 by at least \$4,400,000; and]

1157 [(B) in fiscal year 2002 by the amount necessary to reduce revenues in that fiscal year
1158 by an amount equal to the difference between \$9,258,412 and the amount of the reduction in
1159 revenues under Subsection (2)(g)(i)(A).]

1160 [(ii) (A) (I) Beginning with municipal fiscal year 2002, a city or town located within a
1161 county to which Subsection (2)(g)(i) applies may increase its certified tax rate to generate
1162 within the city or town the same amount of revenue as the county would have collected during
1163 county fiscal year 2001 from within the city or town except for Subsection (2)(g)(i)(A).]

1164 [(H) Beginning with municipal fiscal year 2003, a city or town located within a county
1165 to which Subsection (2)(g)(i) applies may increase its certified tax rate to generate within the
1166 city or town the same amount of revenue as the county would have collected during county
1167 fiscal year 2002 from within the city or town except for Subsection (2)(g)(i)(B).]

1168 [(B) (I) Except as provided in Subsection (2)(g)(ii)(B)(H), an increase in the city or
1169 town's certified tax rate under Subsection (2)(g)(ii)(A), whether occurring in a single fiscal year
1170 or spread over multiple fiscal years, is subject to the notice and hearing requirements of
1171 Sections 59-2-918 and 59-2-919.]

1172 [(H) For an increase under this Subsection (2)(g)(ii) that generates revenue that does

1173 not exceed the same amount of revenue as the county would have collected except for
1174 Subsection (2)(g)(i), the requirements of Sections 59-2-918 and 59-2-919 do not apply if the
1175 city or town:]

1176 [(Aa) publishes a notice that meets the size, type, placement, and frequency
1177 requirements of Section 59-2-919, reflects that the increase is a shift of a tax from one imposed
1178 by the county to one imposed by the city or town, and explains how the revenues from the tax
1179 increase will be used; and]

1180 [(Bb) holds a public hearing on the tax shift that may be held in conjunction with the
1181 city or town's regular budget hearing.]

1182 [(h) (i) This Subsection (2)(h) applies to each county that:]

1183 [(A) establishes a countywide special service district under Title 17A, Chapter 2, Part
1184 13, Utah Special Service District Act, to provide jail service, as provided in Subsection
1185 17A-2-1304(1)(a)(x); and]

1186 [(B) levies a property tax on behalf of the special service district under Section
1187 17A-2-1322.]

1188 [(ii) (A) The certified tax rate of each county to which this Subsection (2)(h) applies
1189 shall be decreased by the amount necessary to reduce county revenues by the same amount of
1190 revenues that will be generated by the property tax imposed on behalf of the special service
1191 district.]

1192 [(B) Each decrease under Subsection (2)(h)(ii)(A) shall occur contemporaneously with
1193 the levy on behalf of the special service district under Section 17A-2-1322.]

1194 [(i) (i) As used in this Subsection (2)(i):]

1195 [(A) "Annexing county" means a county whose unincorporated area is included within
1196 a fire district by annexation:]

1197 [(B) "Annexing municipality" means a municipality whose area is included within a
1198 fire district by annexation:]

1199 [(C) "Equalized fire protection tax rate" means the tax rate that results from:]

1200 [(F) calculating, for each participating county and each participating municipality, the
1201 property tax revenue necessary to cover all of the costs associated with providing fire
1202 protection, paramedic, and emergency services:]

1203 [(Aa) for a participating county, in the unincorporated area of the county; and]

1204 ~~[(Bb) for a participating municipality, in the municipality; and]~~
1205 ~~[(H) adding all the amounts calculated under Subsection (2)(i)(i)(C)(F) for all~~
1206 ~~participating counties and all participating municipalities and then dividing that sum by the~~
1207 ~~aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:]~~
1208 ~~[(Aa) for participating counties, in the unincorporated area of all participating counties;~~
1209 ~~and]~~
1210 ~~[(Bb) for participating municipalities, in all the participating municipalities.]~~
1211 ~~[(D) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service~~
1212 ~~Area Act, in the creation of which an election was not required under Subsection~~
1213 ~~17B-1-214(3)(c).]~~
1214 ~~[(E) "Fire protection tax rate" means:]~~
1215 ~~[(F) for an annexing county, the property tax rate that, when applied to taxable property~~
1216 ~~in the unincorporated area of the county, generates enough property tax revenue to cover all the~~
1217 ~~costs associated with providing fire protection, paramedic, and emergency services in the~~
1218 ~~unincorporated area of the county; and]~~
1219 ~~[(H) for an annexing municipality, the property tax rate that generates enough property~~
1220 ~~tax revenue in the municipality to cover all the costs associated with providing fire protection,~~
1221 ~~paramedic, and emergency services in the municipality.]~~
1222 ~~[(F) "Participating county" means a county whose unincorporated area is included~~
1223 ~~within a fire district at the time of the creation of the fire district.]~~
1224 ~~[(G) "Participating municipality" means a municipality whose area is included within a~~
1225 ~~fire district at the time of the creation of the fire district.]~~
1226 ~~[(ii) In the first year following creation of a fire district, the certified tax rate of each~~
1227 ~~participating county and each participating municipality shall be decreased by the amount of~~
1228 ~~the equalized fire protection tax rate.]~~
1229 ~~[(iii) In the first year following annexation to a fire district, the certified tax rate of each~~
1230 ~~annexing county and each annexing municipality shall be decreased by the fire protection tax~~
1231 ~~rate.]~~
1232 ~~[(iv) Each tax levied under this section by a fire district shall be considered to be levied~~
1233 ~~by:]~~
1234 ~~[(A) each participating county and each annexing county for purposes of the county's~~

1235 tax limitation under Section 59-2-908; and]

1236 [(B) each participating municipality and each annexing municipality for purposes of
1237 the municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
1238 city.]

1239 [(j) For the calendar year beginning on January 1, 2007, the calculation of a taxing
1240 entity's certified tax rate shall be adjusted by the amount necessary to offset any change in the
1241 certified tax rate that may result from excluding the following from the certified tax rate under
1242 Subsection (2)(a) enacted by the Legislature during the 2007 General Session:]

1243 [(i) personal property tax revenue:]

1244 [(A) received by a taxing entity;]

1245 [(B) assessed by a county assessor in accordance with Part 3, County Assessment; and]

1246 [(C) for personal property that is semiconductor manufacturing equipment; or]

1247 [(ii) the taxable value of personal property:]

1248 [(A) contained on the tax rolls of a taxing entity;]

1249 [(B) assessed by a county assessor in accordance with Part 3, County Assessment; and]

1250 [(C) that is semiconductor manufacturing equipment.]

1251 [(3)] (5) (a) On or before June 22, each taxing entity shall annually adopt a tentative
1252 budget.

1253 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county
1254 auditor of:

1255 (i) its intent to exceed the certified tax rate; and

1256 (ii) the amount by which it proposes to exceed the certified tax rate.

1257 (c) The county auditor shall notify all property owners of any intent to exceed the
1258 certified tax rate in accordance with Subsection 59-2-919[(2)] (3).

1259 [(4)(a) The taxable value for the base year under Subsection 17C-1-102(6) shall be
1260 reduced for any year to the extent necessary to provide a community development and renewal
1261 agency established under Title 17C, Limited Purpose Local Government Entities - Community
1262 Development and Renewal Agencies, with approximately the same amount of money the
1263 agency would have received without a reduction in the county's certified tax rate if:]

1264 [(i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or
1265 (2)(d)(i);]

1266 ~~[(ii) the amount of the decrease is more than 20% of the county's certified tax rate of~~
1267 ~~the previous year; and]~~

1268 ~~[(iii) the decrease results in a reduction of the amount to be paid to the agency under~~
1269 ~~Section 17C-1-403 or 17C-1-404.]~~

1270 ~~[(b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any~~
1271 ~~year to the extent necessary to provide a community development and renewal agency with~~
1272 ~~approximately the same amount of money as the agency would have received without an~~
1273 ~~increase in the certified tax rate that year if:]~~

1274 ~~[(i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to~~
1275 ~~a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i); and]~~

1276 ~~[(ii) The certified tax rate of a city, school district, local district, or special service~~
1277 ~~district increases independent of the adjustment to the taxable value of the base year.]~~

1278 ~~[(c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or~~
1279 ~~(2)(d)(i), the amount of money allocated and, when collected, paid each year to a community~~
1280 ~~development and renewal agency established under Title 17C, Limited Purpose Local~~
1281 ~~Government Entities - Community Development and Renewal Agencies, for the payment of~~
1282 ~~bonds or other contract indebtedness, but not for administrative costs, may not be less than that~~
1283 ~~amount would have been without a decrease in the certified tax rate under Subsection (2)(c) or~~
1284 ~~(2)(d)(i).]~~

1285 Section 19. Section **59-2-924.2** is enacted to read:

1286 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

1287 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated
1288 in accordance with Section 59-2-924.

1289 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from
1290 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1291 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
1292 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
1293 rate to offset the increased revenues.

1294 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under
1295 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

1296 (i) decreased on a one-time basis by the amount of the estimated sales and use tax

1297 revenue to be distributed to the county under Subsection 59-12-1102(3); and
1298 (ii) increased by the amount necessary to offset the county's reduction in revenue from
1299 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1300 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
1301 (3)(a)(i).

1302 (b) The commission shall determine estimates of sales and use tax distributions for
1303 purposes of Subsection (3)(a).

1304 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
1305 communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be
1306 decreased on a one-time basis by the amount necessary to offset the first 12 months of
1307 estimated revenue from the additional resort communities sales and use tax imposed under
1308 Section 59-12-402.

1309 (5) (a) This Subsection (5) applies to each county that:

1310 (i) establishes a countywide special service district under Title 17A, Chapter 2, Part 13,
1311 Utah Special Service District Act, to provide jail service, as provided in Subsection
1312 17A-2-1304(1)(a)(x); and

1313 (ii) levies a property tax on behalf of the special service district under Section
1314 17A-2-1322.

1315 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be
1316 decreased by the amount necessary to reduce county revenues by the same amount of revenues
1317 that will be generated by the property tax imposed on behalf of the special service district.

1318 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
1319 levy on behalf of the special service district under Section 17A-2-1322.

1320 (6) (a) As used in this Subsection (6):

1321 (i) "Annexing county" means a county whose unincorporated area is included within a
1322 fire district by annexation.

1323 (ii) "Annexing municipality" means a municipality whose area is included within a fire
1324 district by annexation.

1325 (iii) "Equalized fire protection tax rate" means the tax rate that results from:

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

1328 protection, paramedic, and emergency services:

1329 (I) for a participating county, in the unincorporated area of the county; and

1330 (II) for a participating municipality, in the municipality; and

1331 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all

1332 participating counties and all participating municipalities and then dividing that sum by the

1333 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

1334 (I) for participating counties, in the unincorporated area of all participating counties;

1335 and

1336 (II) for participating municipalities, in all the participating municipalities.

1337 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service

1338 Area Act, in the creation of which an election was not required under Subsection

1339 17B-1-214(3)(c).

1340 (v) "Fire protection tax rate" means:

1341 (A) for an annexing county, the property tax rate that, when applied to taxable property

1342 in the unincorporated area of the county, generates enough property tax revenue to cover all the

1343 costs associated with providing fire protection, paramedic, and emergency services in the

1344 unincorporated area of the county; and

1345 (B) for an annexing municipality, the property tax rate that generates enough property

1346 tax revenue in the municipality to cover all the costs associated with providing fire protection,

1347 paramedic, and emergency services in the municipality.

1348 (vi) "Participating county" means a county whose unincorporated area is included

1349 within a fire district at the time of the creation of the fire district.

1350 (vii) "Participating municipality" means a municipality whose area is included within a

1351 fire district at the time of the creation of the fire district.

1352 (b) In the first year following creation of a fire district, the certified tax rate of each

1353 participating county and each participating municipality shall be decreased by the amount of

1354 the equalized fire protection tax rate.

1355 (c) In the first year following annexation to a fire district, the certified tax rate of each

1356 annexing county and each annexing municipality shall be decreased by the fire protection tax

1357 rate.

1358 (d) Each tax levied under this section by a fire district shall be considered to be levied

1359 by:

1360 (i) each participating county and each annexing county for purposes of the county's tax
1361 limitation under Section 59-2-908; and

1362 (ii) each participating municipality and each annexing municipality for purposes of the
1363 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
1364 city.

1365 (7) For the calendar year beginning on January 1, 2007, the calculation of a taxing
1366 entity's certified tax rate, calculated in accordance with Section 59-2-924, shall be adjusted by
1367 the amount necessary to offset any change in the certified tax rate that may result from
1368 excluding the following from the certified tax rate under Subsection 59-2-924(3) enacted by the
1369 Legislature during the 2007 General Session:

1370 (a) personal property tax revenue:

1371 (i) received by a taxing entity;

1372 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and

1373 (iii) for personal property that is semiconductor manufacturing equipment; or

1374 (b) the taxable value of personal property:

1375 (i) contained on the tax rolls of a taxing entity;

1376 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and

1377 (iii) that is semiconductor manufacturing equipment.

1378 (8) (a) The taxable value for the base year under Subsection 17C-1-102(6) shall be
1379 reduced for any year to the extent necessary to provide a community development and renewal
1380 agency established under Title 17C, Limited Purpose Local Government Entities - Community
1381 Development and Renewal Agencies, with approximately the same amount of money the
1382 agency would have received without a reduction in the county's certified tax rate, calculated in
1383 accordance with Section 59-2-924, if:

1384 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

1385 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
1386 previous year; and

1387 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1388 Section 17C-1-403 or 17C-1-404.

1389 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any

1390 year to the extent necessary to provide a community development and renewal agency with
1391 approximately the same amount of money as the agency would have received without an
1392 increase in the certified tax rate that year if:

1393 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
1394 a decrease in the certified tax rate under Subsection (2) or (3)(a); and

1395 (ii) the certified tax rate of a city, school district, local district, or special service
1396 district increases independent of the adjustment to the taxable value of the base year.

1397 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),
1398 the amount of money allocated and, when collected, paid each year to a community
1399 development and renewal agency established under Title 17C, Limited Purpose Local
1400 Government Entities - Community Development and Renewal Agencies, for the payment of
1401 bonds or other contract indebtedness, but not for administrative costs, may not be less than that
1402 amount would have been without a decrease in the certified tax rate under Subsection (2) or
1403 (3)(a).

1404 Section 20. Section **59-2-1004** is amended to read:

1405 **59-2-1004. Appeal to county board of equalization -- Real property -- Time**
1406 **period for appeal -- Decision of board -- Extensions approved by commission -- Appeal to**
1407 **commission.**

1408 (1) (a) A taxpayer dissatisfied with the valuation or the equalization of the taxpayer's
1409 real property may make an application to appeal by:

1410 (i) filing the application with the county board of equalization within the time period
1411 described in Subsection (2); or

1412 (ii) making an application by telephone or other electronic means within the time period
1413 described in Subsection (2) if the county legislative body passes a resolution under Subsection
1414 (5) authorizing applications to be made by telephone or other electronic means.

1415 (b) The contents of the application shall be prescribed by rule of the county board of
1416 equalization.

1417 (2) (a) Except as provided in Subsection (2)(b), for purposes of Subsection (1), a
1418 taxpayer shall make an application to appeal the valuation or the equalization of the taxpayer's
1419 real property on or before the later of:

1420 (i) September 15 of the current calendar year; or

1421 (ii) the last day of a 45-day period beginning on the day on which the county auditor
1422 mails the notice under [~~Subsection 59-2-919(4)~~] Section 59-2-919.1.

1423 (b) Notwithstanding Subsection (2)(a), in accordance with Title 63, Chapter 46a, Utah
1424 Administrative Rulemaking Act, the commission shall make rules providing for circumstances
1425 under which the county board of equalization is required to accept an application to appeal that
1426 is filed after the time period prescribed in Subsection (2)(a).

1427 (3) The owner shall include in the application under Subsection (1)(a)(i) the owner's
1428 estimate of the fair market value of the property and any evidence which may indicate that the
1429 assessed valuation of the owner's property is improperly equalized with the assessed valuation
1430 of comparable properties.

1431 (4) (a) The county board of equalization shall meet and hold public hearings as
1432 prescribed in Section 59-2-1001.

1433 (b) The county board of equalization shall make a decision on each appeal filed in
1434 accordance with this section within a 60-day period after the day on which the application is
1435 made.

1436 (c) The commission may approve the extension of a time period provided for in
1437 Subsection (4)(b) for a county board of equalization to make a decision on an appeal.

1438 (d) The decision of the board shall contain a determination of the valuation of the
1439 property based on fair market value, and a conclusion that the fair market value is properly
1440 equalized with the assessed value of comparable properties.

1441 (e) If no evidence is presented before the county board of equalization, it will be
1442 presumed that the equalization issue has been met.

1443 (f) (i) If the fair market value of the property that is the subject of the appeal deviates
1444 plus or minus 5% from the assessed value of comparable properties, the valuation of the
1445 appealed property shall be adjusted to reflect a value equalized with the assessed value of
1446 comparable properties.

1447 (ii) The equalized value established under Subsection (4)(f)(i) shall be the assessed
1448 value for property tax purposes until the county assessor is able to evaluate and equalize the
1449 assessed value of all comparable properties to bring them all into conformity with full fair
1450 market value.

1451 (5) If any taxpayer is dissatisfied with the decision of the county board of equalization,

1452 the taxpayer may file an appeal with the commission as prescribed in Section 59-2-1006.

1453 (6) A county legislative body may pass a resolution authorizing taxpayers owing taxes
1454 on property assessed by that county to file property tax appeals applications under this section
1455 by telephone or other electronic means.

1456 Section 21. Section **59-2-1330** is amended to read:

1457 **59-2-1330. Payment of property taxes -- Payments to taxpayer by state or taxing**
1458 **entity -- Refund of penalties paid by taxpayer -- Refund of interest paid by taxpayer --**
1459 **Payment of interest to taxpayer -- Judgment levy -- Objections to assessments by the**
1460 **commission -- Time periods for making payments to taxpayer.**

1461 (1) Unless otherwise specifically provided by statute, property taxes shall be paid
1462 directly to the county assessor or the county treasurer:

1463 (a) on the date that the property taxes are due; and

1464 (b) as provided in this chapter.

1465 (2) A taxpayer shall receive payment as provided in this section if a reduction in the
1466 amount of any tax levied against any property for which the taxpayer paid a tax or any portion
1467 of a tax under this chapter for a calendar year is required by a final and unappealable judgment
1468 or order described in Subsection (3) issued by:

1469 (a) a county board of equalization;

1470 (b) the commission; or

1471 (c) a court of competent jurisdiction.

1472 (3) (a) For purposes of Subsection (2), the state or any taxing entity that has received
1473 property taxes or any portion of property taxes from a taxpayer described in Subsection (2)
1474 shall pay the taxpayer if:

1475 (i) the taxes the taxpayer paid in accordance with Subsection (2) are collected by an
1476 authorized officer of the:

1477 (A) county; or

1478 (B) state;

1479 (ii) the taxpayer obtains a final and unappealable judgment or order:

1480 (A) from:

1481 (I) a county board of equalization;

1482 (II) the commission; or

1483 (III) a court of competent jurisdiction;
1484 (B) against:
1485 (I) the taxing entity or an authorized officer of the taxing entity; or
1486 (II) the state or an authorized officer of the state; and
1487 (C) ordering a reduction in the amount of any tax levied against any property for which
1488 a taxpayer paid a tax or any portion of a tax under this chapter for the calendar year.
1489 (b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined
1490 in accordance with Subsections (4) through (7).
1491 (4) For purposes of Subsections (2) and (3), the amount the state shall pay to a taxpayer
1492 is equal to the sum of:
1493 (a) if the difference described in this Subsection (4)(a) is greater than \$0, the difference
1494 between:
1495 (i) the tax the taxpayer paid to the state in accordance with Subsection (2); and
1496 (ii) the amount of the taxpayer's tax liability to the state after the reduction in the
1497 amount of tax levied against the property in accordance with the final and unappealable
1498 judgment or order described in Subsection (3);
1499 (b) if the difference described in this Subsection (4)(b) is greater than \$0, the difference
1500 between:
1501 (i) any penalties the taxpayer paid to the state in accordance with Section 59-2-1331;
1502 and
1503 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance with
1504 Section 59-2-1331 after the reduction in the amount of tax levied against the property in
1505 accordance with the final and unappealable judgment or order described in Subsection (3);
1506 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
1507 Section 59-2-1331 on the amounts described in Subsections (4)(a) and (4)(b); and
1508 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:
1509 (i) Subsection (4)(a);
1510 (ii) Subsection (4)(b); and
1511 (iii) Subsection (4)(c).
1512 (5) For purposes of Subsections (2) and (3), the amount a taxing entity shall pay to a
1513 taxpayer is equal to the sum of:

1514 (a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference
1515 between:

1516 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (2); and

1517 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in
1518 the amount of tax levied against the property in accordance with the final and unappealable
1519 judgment or order described in Subsection (3);

1520 (b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference
1521 between:

1522 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section
1523 59-2-1331; and

1524 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in
1525 accordance with Section 59-2-1331 after the reduction in the amount of tax levied against the
1526 property in accordance with the final and unappealable judgment or order described in
1527 Subsection (3); and

1528 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
1529 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and

1530 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

1531 (i) Subsection (5)(a);

1532 (ii) Subsection (5)(b); and

1533 (iii) Subsection (5)(c).

1534 (6) Except as provided in Subsection (7):

1535 (a) interest shall be refunded to a taxpayer on the amount described in Subsection
1536 (4)(c) or (5)(c) in an amount equal to the amount of interest the taxpayer paid in accordance
1537 with Section 59-2-1331; and

1538 (b) interest shall be paid to a taxpayer on the amount described in Subsection (4)(d) or
1539 (5)(d):

1540 (i) beginning on the later of:

1541 (A) the day on which the taxpayer paid the tax in accordance with Subsection (2); or

1542 (B) January 1 of the calendar year immediately following the calendar year for which
1543 the tax was due;

1544 (ii) ending on the day on which the state or a taxing entity pays to the taxpayer the

1545 amount required by Subsection (4) or (5); and

1546 (iii) at the interest rate earned by the state treasurer on public funds transferred to the
1547 state treasurer in accordance with Section 51-7-5.

1548 (7) Notwithstanding Subsection (6):

1549 (a) the state may not pay or refund interest to a taxpayer under Subsection (6) on any
1550 tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax levied
1551 by the state for that calendar year as stated on the notice required by Section 59-2-1317; and

1552 (b) a taxing entity may not pay or refund interest to a taxpayer under Subsection (6) on
1553 any tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax
1554 levied by the taxing entity for that calendar year as stated on the notice required by Section
1555 59-2-1317.

1556 (8) (a) Each taxing entity may levy a tax to pay its share of the final and unappealable
1557 judgment or order described in Subsection (3) if:

1558 (i) the final and unappealable judgment or order is issued no later than 15 days prior to
1559 the date the levy is set under Subsection 59-2-924~~(2)~~(3)(a);

1560 (ii) the amount of the judgment levy is included on the notice under Section ~~59-2-919~~
1561 59-2-919.1; and

1562 (iii) the final and unappealable judgment or order is an eligible judgment, as defined in
1563 Section 59-2-102.

1564 (b) The levy under Subsection (8)(a) is in addition to, and exempt from, the maximum
1565 levy established for the taxing entity.

1566 (9) (a) A taxpayer that objects to the assessment of property assessed by the
1567 commission shall pay, on or before the date of delinquency established under Subsection
1568 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the notice required by
1569 Section 59-2-1317 if:

1570 (i) the taxpayer has applied to the commission for a hearing in accordance with Section
1571 59-2-1007 on the objection to the assessment; and

1572 (ii) the commission has not issued a written decision on the objection to the assessment
1573 in accordance with Section 59-2-1007.

1574 (b) A taxpayer that pays the full amount of taxes due under Subsection (9)(a) is not
1575 required to pay penalties or interest on an assessment described in Subsection (9)(a) unless:

1576 (i) a final and unappealable judgment or order establishing that the property described
1577 in Subsection (9)(a) has a value greater than the value stated on the notice required by Section
1578 59-2-1317 is issued by:

1579 (A) the commission; or

1580 (B) a court of competent jurisdiction; and

1581 (ii) the taxpayer fails to pay the additional tax liability resulting from the final and
1582 unappealable judgment or order described in Subsection (9)(b)(i) within a 45-day period after
1583 the county bills the taxpayer for the additional tax liability.

1584 (10) (a) Except as provided in Subsection (10)(b), a payment that is required by this
1585 section shall be paid to a taxpayer:

1586 (i) within 60 days after the day on which the final and unappealable judgment or order
1587 is issued in accordance with Subsection (3); or

1588 (ii) if a judgment levy is imposed in accordance with Subsection (8):

1589 (A) if the payment to the taxpayer required by this section is \$5,000 or more, no later
1590 than December 31 of the year in which the judgment levy is imposed; and

1591 (B) if the payment to the taxpayer required by this section is less than \$5,000, within
1592 60 days after the date the final and unappealable judgment or order is issued in accordance with
1593 Subsection (3).

1594 (b) Notwithstanding Subsection (10)(a), a taxpayer may enter into an agreement:

1595 (i) that establishes a time period other than a time period described in Subsection
1596 (10)(a) for making a payment to the taxpayer that is required by this section; and

1597 (ii) with:

1598 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or

1599 (B) an authorized officer of the state for a tax imposed by the state.

1600 Section 22. **Effective date.**

1601 This bill takes effect on July 1, 2008.

S.B. 29 1st Sub. (Green) - 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 likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
