

PROPERTY TAX REVISIONS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John L. Valentine

House Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions related to local district property tax levies.

Highlighted Provisions:

This bill:

- ▶ authorizes a local district to levy a property tax that exceeds a maximum levy under certain circumstances; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on January 1, 2014.

Utah Code Sections Affected:

AMENDS:

17B-1-1002, as last amended by Laws of Utah 2011, Chapter 282

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

Section 1. Section **17B-1-1002** is amended to read:

17B-1-1002. Limit on local district property tax levy -- Exceptions.

(1) ~~[The]~~ Except as provided in Subsection (2) or (3), the rate at which a local district levies a property tax for district operation and maintenance expenses on the taxable value of



28 taxable property within the district may not exceed:

- 29 (a) .0008, for a basic local district;
- 30 (b) .0004, for a cemetery maintenance district;
- 31 (c) .0004, for a drainage district;
- 32 (d) .0008, for a fire protection district;
- 33 (e) .0008, for an improvement district;
- 34 (f) .0005, for a metropolitan water district;
- 35 (g) .0004, for a mosquito abatement district;
- 36 (h) .0004, for a public transit district;
- 37 (i) (i) .0023, for a service area that:
 - 38 (A) is located in a county of the first or second class; and
 - 39 (B) (I) provides fire protection, paramedic, and emergency services; or
 - 40 (II) subject to Subsection [~~(3)~~] (4), provides law enforcement services; or
- 41 (ii) .0014, for each other service area; or
- 42 (j) the rates provided in Section 17B-2a-1006, for a water conservancy district.

43 (2) Property taxes levied by a local district are excluded from the limit applicable to
44 that district under Subsection (1) if the taxes are:

- 45 (a) levied under Section 17B-1-1103 by a local district, other than a water conservancy
- 46 district, to pay principal of and interest on general obligation bonds issued by the district;
- 47 (b) levied to pay debt and interest owed to the United States; or
- 48 (c) levied to pay assessments or other amounts due to a water users association or other
- 49 public cooperative or private entity from which the district procures water.

50 (3) A local district may levy a property tax that exceeds the limit described in
51 Subsection (1)(i)(i) if:

52 (a) in the one-year period before the date the local district adopts its proposed property
53 tax rate, there is a reduction in the assessed valuation of property within the local district as a
54 result of a final, unappealable decision of a county board of equalization, the State Tax
55 Commission, or a court of competent jurisdiction; and

56 (b) the tax rate the local district levies is at or below the local district's certified tax rate
57 as defined in Section 59-2-924.

58 [~~(3)~~] (4) A service area described in Subsection (1)(i)(i)(B)(II) may not collect a tax

59 described in Subsection (1)(i)(i) if a municipality or a county having a right to appoint a
60 member to the board of trustees of the service area under Subsection 17B-2a-905(2) assesses
61 on or after November 30 in the year in which the tax is first collected and each subsequent year
62 that the tax is collected:

63 (a) a generally assessed fee imposed under Section 17B-1-643 for law enforcement
64 services; or

65 (b) any other generally assessed fee for law enforcement services.

66 Section 2. **Effective date.**

67 This bill takes effect on January 1, 2014.

Legislative Review Note
as of 3-1-13 10:57 AM

Office of Legislative Research and General Counsel