

HB0511

~~{Omitted text}~~ shows text that was in HB0511 but was omitted in HB0511S01

inserted text shows text that was not in HB0511 but was inserted into HB0511S01

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Property Tax Revenue Increase Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Tiara Auxier

Senate Sponsor:

LONG TITLE

General Description:

This bill modifies provisions relating to property tax revenue increases.

Highlighted Provisions:

This bill:

- ▶ provides the circumstances under which a taxing entity shall submit an opinion question to registered voters before increasing the amount of revenue generated from property tax;
- ▶ exempts a taxing entity that submits an opinion question to registered voters from the truth-in-taxation notice and hearing requirements;
- ▶ limits how much revenue a taxing entity receives from new growth; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

AMENDS:

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- 21 **10-5-109** , as last amended by Laws of Utah 2019, Chapter 322 , as last amended by Laws of Utah
2019, Chapter 322
- 22 **10-5-112** , as last amended by Laws of Utah 2021, Chapter 434 , as last amended by Laws of Utah
2021, Chapter 434
- 23 **10-6-118** , as last amended by Laws of Utah 2019, Chapter 322 , as last amended by Laws of Utah
2019, Chapter 322
- 24 **10-6-133** , as last amended by Laws of Utah 2021, Chapter 434 , as last amended by Laws of Utah
2021, Chapter 434
- 25 **10-6-135** , as last amended by Laws of Utah 2019, Chapter 322 , as last amended by Laws of Utah
2019, Chapter 322
- 26 **20A-7-613** , as last amended by Laws of Utah 2023, Chapter 116 , as last amended by Laws of Utah
2023, Chapter 116
- 27 **53F-8-201** , as last amended by Laws of Utah 2019, Chapter 186 , as last amended by Laws of Utah
2019, Chapter 186
- 28 **53F-8-302** , as last amended by Laws of Utah 2018, Chapter 456 and renumbered and amended
by Laws of Utah 2018, Chapter 2 , as last amended by Laws of Utah 2018, Chapter 456 and
renumbered and amended by Laws of Utah 2018, Chapter 2
- 30 **53F-8-303** , as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 2 , as last
amended by Laws of Utah 2020, Fifth Special Session, Chapter 2
- 31 **59-2-102** , as last amended by Laws of Utah 2024, Chapter 53 , as last amended by Laws of Utah
2024, Chapter 53
- 32 **59-2-919** , as last amended by Laws of Utah 2024, Chapter 246 , as last amended by Laws of Utah
2024, Chapter 246
- 33 **59-2-919.1** , as last amended by Laws of Utah 2024, Chapter 246 , as last amended by Laws of Utah
2024, Chapter 246
- 34 **59-2-920** , as last amended by Laws of Utah 2019, Chapter 322 , as last amended by Laws of Utah
2019, Chapter 322
- 35 **59-2-921** , as last amended by Laws of Utah 2009, Chapter 204 , as last amended by Laws of Utah
2009, Chapter 204
- 36 **59-2-922** , as last amended by Laws of Utah 2009, Chapter 204 , as last amended by Laws of Utah
2009, Chapter 204

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37 **59-2-926** , as last amended by Laws of Utah 2023, Chapter 7 , as last amended by Laws of Utah
2023, Chapter 7

38 ENACTS:

39 **59-2-911.5** , Utah Code Annotated 1953 , Utah Code Annotated 1953

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

42 Section 1. Section **10-5-109** is amended to read:

43 **10-5-109. Adoption of budgets -- Filing.**

44 (1) Before June 30 of each year, or September 1 in the case of a property tax rate increase under Section
59-2-911.5 or Sections 59-2-919 through 59-2-923, the council shall by resolution or ordinance
adopt a budget for the ensuing fiscal year for each fund for which a budget is required under this
chapter.

48 (2) The council shall file a copy of the final budget for each fund with the state auditor within 30 days
after adoption.

50 Section 2. Section **10-5-112** is amended to read:

51 **10-5-112. Property tax levy set by ordinance -- Maximum -- Certification.**

52 (1) [~~Not later than~~] Before June 22 of each year, or September 1 in the case of a property tax rate
increase under Section 59-2-911.5 or Sections 59-2-919 through 59-2-923, the council, at a regular
meeting or special meeting called for that purpose, shall by ordinance or resolution set the real and
personal property tax levy for town purposes, but the levy may be set at an appropriate later date
with the approval of the State Tax Commission.

58 (2) The combined levies for each town, for all purposes in any year, excluding the retirement of general
obligation bonds and the payment of any interest, and taxes expressly authorized by law to be levied
in addition, may not exceed .007 per dollar of taxable value of taxable property.

62 (3) The town clerk shall certify the ordinance or resolution setting the levy to the county auditor, or
auditors, if the town is located in more than one county, not later than June 22 of each year.

65 (4) For the first fiscal year after the year in which a county imposes a levy under Section 11-46-104,
a town shall reduce the levy imposed under this section for general tax purposes by the amount
necessary to offset the revenue described in Subsection 11-46-104(5)(c)(iii).

69 Section 3. Section **10-6-118** is amended to read:

70 **10-6-118. Adoption of final budget -- Certification and filing.**

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71 (1) Before June 30 of each fiscal period, or, in the case of a property tax rate increase under Section
59-2-911.5 or Sections 59-2-919 through 59-2-923, before September 1 of the year for which a
property tax increase is proposed, the governing body shall by resolution or ordinance adopt a
budget for the ensuing fiscal period for each fund for which a budget is required under this chapter.

76 (2) The budget officer of the governing body shall certify a copy of the final budget and file the copy
with the state auditor within 30 days after adoption.

78 Section 4. Section **10-6-133** is amended to read:

79 **10-6-133. Property tax levy -- Time for setting -- Computation of total levy --**
Apportionment of proceeds -- Maximum levy.

81 (1)

(a) Before June 22 of each year, or September 1 in the case of a property tax rate increase under Section
59-2-911.5 or Sections 59-2-919 through 59-2-923, the governing body of each city, including
charter cities, at a regular meeting or special meeting called for that purpose, shall by ordinance or
resolution set the real and personal property tax levy for various municipal purposes.

86 (b) Notwithstanding Subsection (1)(a), the governing body may set the levy at an appropriate later date
with the approval of the State Tax Commission.

88 (2) In the governing body's computation of the total levy, the governing body shall determine the
requirements of each fund for which property taxes are to be levied and shall specify in the
governing body's ordinance or resolution adopting the levy the amount apportioned to each fund.

92 (3) The proceeds of the levy apportioned for city general fund purposes shall be credited as revenue in
the city general fund.

94 (4) The proceeds of the levy apportioned for special fund purposes shall be credited to the appropriate
accounts in the applicable special funds.

96 (5) For the first fiscal year after the year in which a county imposes a levy under Section 11-46-104,
a city shall reduce the levy imposed under this section for general tax purposes by the amount
necessary to offset the revenue described in Subsection 11-46-104(5)(c)(iii).

100 (6) The combined levies for each city, including charter cities, for all purposes in any year, excluding
the retirement of general obligation bonds and the payment of any interest, and taxes expressly
authorized by law to be levied in addition, may not exceed .007 per dollar of taxable value of
taxable property.

104 Section 5. Section **10-6-135** is amended to read:

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10-6-135. Operating and capital budgets.

(1)

(a) As used in this section, "operating and capital budget" means a plan of financial operation for an enterprise fund or other required special fund that includes estimates of operating resources, expenses, and other outlays for a fiscal period.

(b) Except as otherwise expressly provided, any reference to "budget" or "budgets" and the procedures and controls relating to a budget or budgets in other sections of this chapter do not apply or refer to the operating and capital budgets described in this section.

(2) At or before the time the governing body adopts budgets for the funds described in Section 10-6-109, the governing body shall adopt:

(a) an operating and capital budget for each enterprise fund for the ensuing fiscal period; and

(b) the type of budget for other special funds as required by the Uniform Accounting Manual for Utah Cities.

(3)

(a) The governing body shall adopt and administer an operating and capital budget in accordance with this Subsection (3).

(b) At or before the first regularly scheduled meeting of the governing body in the last May of the current fiscal period, the budget officer shall:

(i) prepare for the ensuing fiscal period and file with the governing body a tentative operating and capital budget for:

(A) each enterprise fund; and

(B) other required special funds;

(ii) include with the tentative operating and capital budget described in Subsection (3)(c) specific work programs as submitted by each department head; and

(iii) include any other supporting data required by the governing body.

(c) Each city of the first or second class shall, and each city of the third, fourth, or fifth class may, submit a supplementary estimate of all capital projects which a department head believes should be undertaken within the three next succeeding fiscal periods.

(d)

(i) Subject to Subsection (3)(d)(ii), the budget officer shall prepare all estimates after review and consultation with each department head described in Subsection (3)(c).

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- 136 (ii) After complying with Subsection (3)(d)(i), the budget officer may revise any departmental estimate
before it is filed with the governing body.
- 138 (4)
- (a) Each tentative budget, amendment to a budget, or budget shall be reviewed and considered by the
governing body at any regular meeting or special meeting called for that purpose.
- 141 (b) The governing body may make changes in the tentative budgets.
- 142 (5) Budgets for enterprise or other required special funds shall comply with the public hearing
requirements established in Sections 10-6-113 and 10-6-114.
- 144 (6)
- (a) Before the last June 30 of each fiscal period, or, in the case of a property tax rate increase under
Section 59-2-911.5 or Sections 59-2-919 through 59-2-923, before September 1 of the year for
which a property tax increase is proposed, the governing body shall adopt an operating and capital
budget for each applicable fund for the ensuing fiscal period.
- 149 (b) A copy of the budget as finally adopted for each fund shall be:
- 150 (i) certified by the budget officer;
- 151 (ii) filed by the budget officer in the office of the city auditor or city recorder;
- 152 (iii) available to the public during regular business hours; and
- 153 (iv) filed with the state auditor within 30 days after the day on which the budget is adopted.
- 155 (7)
- (a) Upon final adoption, the operating and capital budget is in effect for the budget period, subject to
later amendment.
- 157 (b) During the budget period the governing body may, in any regular meeting or special meeting called
for that purpose, review any one or more of the operating and capital budgets for the purpose of
determining if the total of any of them should be increased.
- 160 (c) If the governing body decides that the budget total of one or more of the funds should be increased
under Subsection (7)(b), the governing body shall follow the procedures set forth in Section
10-6-136.
- 163 (8) Expenditures from operating and capital budgets shall conform to the requirements relating to
budgets specified in Sections 10-6-121 through 10-6-126.
- 165 Section 6. Section **20A-7-613** is amended to read:
- 166 **20A-7-613. Property tax referendum petition.**

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- 167 (1) As used in this section, "certified tax rate" means the same as that term is defined in Section
59-2-924.
- 169 (2)
- (a) Except as provided in this section, the requirements of this part apply to a referendum petition
challenging a taxing entity's legislative body's vote to impose a tax rate that exceeds the certified tax
rate.
- 172 (b) A person may not bring a referendum petition challenging a taxing entity's legislative body's vote to
impose a tax rate that exceeds the certified tax rate if the taxing entity submitted an opinion question
to the voters in accordance with Section 59-2-911.5.
- 175 (3) Notwithstanding Subsection 20A-7-105(5)(a)(iv), the sponsors or an agent of the sponsors shall
deliver a signed and verified referendum packet to the county clerk of the county in which the
packet was circulated before 5 p.m. no later than the earlier of:
- 178 (a) 30 days after the day on which the first individual signs the packet; or
- 179 (b) 40 days after the day on which the local clerk complies with Subsection 20A-7-604(3).
- 181 (4) Notwithstanding Subsections 20A-7-105(6)(a) and (9), the county clerk shall take the actions
required in Subsections 20A-7-105(6)(a) and (9) within 10 working days after the day on which the
county clerk receives the signed and verified referendum packet as described in Subsection (3).
- 185 (5) The local clerk shall take the actions required by Section 20A-7-607 within two working days after:
- 187 (a) in relation to the manual referendum process, the day on which the local clerk receives the
referendum packets from the county clerk; or
- 189 (b) in relation to the electronic referendum process, the deadline described in Subsection 20A-7-616(2).
- 191 (6) Notwithstanding Subsection 20A-7-608(2), the local attorney shall prepare the ballot title within two
working days after the day on which the referendum petition is declared sufficient for submission to
a vote of the people.
- 194 (7) Notwithstanding Subsection 20A-7-609(2)(c), a referendum that qualifies for the ballot under this
section shall appear on the ballot for the earlier of the next regular general election or the next
municipal general election unless a special election is called.
- 197 (8) The election officer shall mail manual ballots on a referendum under this section the later of:
- 199 (a) the time provided in Section 20A-3a-202 or 20A-16-403; or
- 200 (b) the time that ballots are prepared for mailing under this section.
- 201 (9) Section 20A-7-402 does not apply to a referendum described in this section.

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202 (10)

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

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

207 (ii) the proposed increased revenues for purposes of establishing the certified tax rate for the fiscal year after the fiscal year described in Subsection (10)(a)(i) are the proposed increased revenues budgeted, adopted, and approved by the taxing entity's legislative body before the filing of the referendum petition.

211 (b) If a majority of voters votes against imposing a tax at the rate established by the vote of the taxing entity's legislative body, the certified tax rate for the taxing entity is the taxing entity's most recent certified tax rate.

214 (c) If the tax rate is set in accordance with Subsection (10)(a)(ii), a taxing entity is not required to comply with the notice and public hearing requirements of Section 59-2-919 if the taxing entity complies with those notice and public hearing requirements before the referendum petition is filed.

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

222 (12) A taxing entity shall pay the county the costs incurred by the county that are directly related to meeting the requirements of this section and that the county would not have incurred but for compliance with this section.

225 (13)

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

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

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

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

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(b) If an election officer includes on a ballot a referendum described in Subsection (13)(a), the ballot title shall comply with Subsection (11).

234 (c) If an election officer includes on a ballot a referendum described in Subsection (13)(a) that does not qualify for placement on the ballot, the election officer shall inform the voters by any practicable method that the referendum has not qualified for the ballot and that votes cast in relation to the referendum will not be counted.

238 Section 7. Section **53F-8-201** is amended to read:

239 **53F-8-201. Annual certification of tax rate proposed by local school board -- Inclusion of school district budget -- Modified filing date.**

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

244 (2) A copy of the district's budget, including items under Section 53G-7-302, and a certified copy of the local school board's resolution [~~which~~] that approved the budget and set the tax rate for the subsequent school year beginning July 1 shall accompany the tax rate.

247 (3) If the tax rate approved by the local school board [~~is in excess of~~] exceeds the certified tax rate, as defined in Section 59-2-924, the date for filing the tax rate and budget adopted by the local school board shall be that established under Section 59-2-919.

250 Section 8. Section **53F-8-302** is amended to read:

251 **53F-8-302. Board local levy.**

252 (1) The terms defined in Section 53F-2-102 apply to this section.

253 (2) Subject to the other requirements of this section and in accordance with Section 59-2-911.5, a local school board may levy a tax to fund the school district's general fund.

255 (3)

(a) For purposes of this Subsection (3), "combined rate" means the sum of:

256 (i) the rate imposed by a local school board under Subsection (2); and

257 (ii) the charter school levy rate, described in Section 53F-2-703, for the local school board's school district.

259 (b) [~~Beginning on January 1, 2018, a~~] A school district's combined rate [-] may not exceed .0025 per dollar of taxable value in any calendar year.

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- (4) In addition to the revenue a school district collects from the imposition of a levy [~~pursuant to~~] in accordance with this section, the state shall contribute an amount as described in Section 53F-2-601.
- 264 (5)
- (a) For a calendar year beginning on or after January 1, 2017, the State Tax Commission shall adjust a board local levy rate imposed by a local school board under this section by the amount necessary to offset the change in revenues from the charter school levy imposed under Section 53F-2-703.
- 268 (b) A local school board is not required to comply with the voter approval requirements of Section 59-2-911.5 or the notice and public hearing requirements of Section 59-2-919 for an offset described in Subsection (5)(a) to the change in revenues from the charter school levy imposed under Section 53F-2-703.
- 272 (c) So long as the charter school levy rate does not exceed 25% of the charter school levy per district revenues, a local school board may not increase a board local levy rate under this section if the purpose of increasing the board local levy rate is to capture the [-]revenues assigned to the charter school levy through the adjustment in a board local levy rate under Subsection (5)(a).
- 277 (d) Before a local school board takes action to increase a board local levy rate under this section, the local school board shall:
- 279 (i) prepare a written statement that attests that the local school board is in compliance with Subsection (5)(c);
- 281 (ii) read the statement described in Subsection (5)(d)(i) during a local school board public meeting where the local school board discusses increasing the board local levy rate; and
- 284 (iii) send a copy of the statement described in Subsection (5)(d)(i) to the State Tax Commission.
- 286 Section 9. Section **53F-8-303** is amended to read:
- 287 **53F-8-303. Capital local levy.**
- 288 (1) As used in this section:
- 289 (a) "Cost of the basic program" means the cost of the programs described in Title 53F, Chapter 2, Part 3, Basic Program (Weighted Pupil Units) in a school district.
- 291 (b) "Low-revenue year" means a fiscal year for which the Legislature appropriates ongoing funding from the Public Education Economic Stabilization Restricted Account under Subsection 53F-9-204(3)(b).
- 294 (2) Subject to the other requirements of this section and in accordance with Section 59-2-911.5, a local school board may levy a tax to fund the school district's:

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- 296 (a) capital projects;
- 297 (b) technology programs or projects; or
- 298 (c) subject to Subsection (4), operational expenses for a low-revenue year.
- 299 (3) A tax rate imposed by a school district [~~pursuant to~~] in accordance with this section may not
exceed .0030 per dollar of taxable value in any calendar year.
- 301 (4) Except as provided in Subsection (6), for a low-revenue year, a local school board may transfer an
amount of revenue from the school district's capital project fund to the school district's general fund
for the local school board's school district for operational expenses in an amount equal to:
- 305 (a) for a local school board in a county of the first, second, or third class, revenue generated by up
to .0002 per dollar of taxable value of the capital local levy; or
- 307 (b) for a local school board in a county of the fourth, fifth, or sixth class, up to the lesser of:
- 309 (i) 10% of the cost of the basic program; or
- 310 (ii) 25% of the revenue that the school district's capital local levy generates.
- 311 (5) The state board shall notify local school boards, school district superintendents, and business
administrators in the event of a low-revenue year.
- 313 ~~[(6)~~
- ~~(a) For the fiscal years beginning on July 1, 2020, and July 1, 2021, a local school board may transfer
revenue derived from a levy under this section from the school district's capital project fund to the
school district's general fund for the local school board's school district for operational expenses.]~~
- 317 ~~[(b) If a local school board transfers revenue for operational expenses under Subsection (6)(a), the local
school board shall, in a public meeting:]~~
- 319 ~~[(i) notify the public of the local school board's transfer of the funds for operational expenses, including
describing how the local school board proposes to use the funds;]~~
- 322 ~~[(ii) for the fiscal year beginning July 1, 2021, allow an opportunity for public comment during the
board's budget hearing in accordance with the notice and hearing requirements described in Section
53G-7-303; and]~~
- 325 ~~[(iii) approve the proposed use of the funds by majority vote of the local school board.]~~
- 326 Section 10. Section **59-2-102** is amended to read:
- 327 **59-2-102. Definitions.**
- As used in this chapter:
- 329 (1)

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- (a) "Acquisition cost" means any cost required to put an item of tangible personal property into service.
- 331 (b) "Acquisition cost" includes:
- 332 (i) the purchase price of a new or used item;
- 333 (ii) the cost of freight, shipping, loading at origin, unloading at destination, crating, skidding, or any
other applicable cost of shipping;
- 335 (iii) the cost of installation, engineering, rigging, erection, or assembly, including foundations, pilings,
utility connections, or similar costs; and
- 337 (iv) sales and use taxes.
- 338 (2) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of engaging in
dispensing activities directly affecting agriculture or horticulture with an airworthiness certificate
from the Federal Aviation Administration certifying the aircraft or rotorcraft's use for agricultural
and pest control purposes.
- 342 (3) "Air charter service" means an air carrier operation that requires the customer to hire an entire
aircraft rather than book passage in whatever capacity is available on a scheduled trip.
- 345 (4) "Air contract service" means an air carrier operation available only to customers that engage the
services of the carrier through a contractual agreement and excess capacity on any trip and is not
available to the public at large.
- 348 (5) "Aircraft" means the same as that term is defined in Section 72-10-102.
- 349 (6)
- (a) [~~Except as provided in Subsection (6)(b), "airline"~~] "Airline" means an air carrier that:
- 351 (i) operates:
- 352 (A) on an interstate route; and
- 353 (B) on a scheduled basis; and
- 354 (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a regularly
scheduled route.
- 356 (b) "Airline" does not include an:
- 357 (i) air charter service; or
- 358 (ii) air contract service.
- 359 (7) "Assessment roll" or "assessment book" means a permanent record of the assessment of property
as assessed by the county assessor and the commission and may be maintained manually or as

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a computerized file as a consolidated record or as multiple records by type, classification, or categories.

363 (8) "Base parcel" means a parcel of property that was legally:

364 (a) subdivided into two or more lots, parcels, or other divisions of land; or

365 (b)

(i) combined with one or more other parcels of property; and

366 (ii) subdivided into two or more lots, parcels, or other divisions of land.

367 (9)

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

369 (i) the amount of ad valorem property tax revenue to be generated statewide in the previous year from imposing a multicounty assessing and collecting levy, as specified in Section 59-2-1602; and

372 (ii) [the product of] the lesser of:

373 (A) eligible new growth, as defined in Section 59-2-924~~[; and]~~

374 ~~[(B)]~~ multiplied by the multicounty assessing and collecting levy certified by the commission for the previous year[-] ; or

376 (B) the maximum new growth revenue.

377 (b) For purposes of this Subsection (9), "ad valorem property tax revenue" does not include property tax revenue received by a taxing entity from personal property that is:

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

381 (ii) semiconductor manufacturing equipment.

382 (c) For purposes of calculating the certified revenue levy described in this Subsection (9), the commission shall use:

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

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

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

389 (10) "County-assessed commercial vehicle" means:

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- (a) any commercial vehicle, trailer, or semitrailer that is not apportioned under Section 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or property in furtherance of the owner's commercial enterprise;
- 393 (b) any passenger vehicle owned by a business and used by [its] the business's employees for
transportation as a company car or vanpool vehicle; and
- 395 (c) vehicles that are:
- 396 (i) especially constructed for towing or wrecking, and that are not otherwise used to transport goods,
merchandise, or people for compensation;
- 398 (ii) used or licensed as taxicabs or limousines;
- 399 (iii) used as rental passenger cars, travel trailers, or motor homes;
- 400 (iv) used or licensed in this state for use as ambulances or hearses;
- 401 (v) especially designed and used for garbage and rubbish collection; or
- 402 (vi) used exclusively to transport students or their instructors to or from any private, public, or religious
school or school activities.
- 404 (11) "Eligible judgment" means a final and unappealable judgment or order under Section 59-2-1330:
- 406 (a) that became a final and unappealable judgment or order no more than 14 months before the day on
which the notice described in Section 59-2-919.1 is required to be provided; and
- 409 (b) for which a taxing entity's share of the final and unappealable judgment or order is greater than or
equal to the lesser of:
- 411 (i) \$5,000; or
- 412 (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the previous fiscal year.
- 414 (12)
- (a) "Escaped property" means any property, whether personal, land, or any improvements to the
property, that is subject to taxation and is:
- 416 (i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed to the
wrong taxpayer by the assessing authority;
- 418 (ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to comply with
the reporting requirements of this chapter; or
- 420 (iii) undervalued because of errors made by the assessing authority based upon incomplete or
erroneous information furnished by the taxpayer.

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- (b) "Escaped property" does not include property that is undervalued because of the use of a different valuation methodology or because of a different application of the same valuation methodology.

425 (13)

- (a) "Fair market value" means the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.

- 428 (b) For purposes of taxation, "fair market value" shall be determined using the current zoning laws applicable to the property in question, except in cases where there is a reasonable probability of a change in the zoning laws affecting that property in the tax year in question and the change would have an appreciable influence upon the value.

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

- 435 (15) "Geothermal resource" means:

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

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

440 (16)

- (a) "Goodwill" means:

- 441 (i) acquired goodwill that is reported as goodwill on the books and records that a taxpayer maintains for financial reporting purposes; or

- 443 (ii) the ability of a business to:

- 444 (A) generate income that exceeds a normal rate of return on assets and that results from a factor described in Subsection (16)(b); or

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

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

- 449 (i) superior management skills;

- 450 (ii) reputation;

- 451 (iii) customer relationships;

- 452 (iv) patronage; or

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

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- 454 (c) "Goodwill" does not include:
- 455 (i) the intangible property described in Subsection (19)(a) or (b);
- 456 (ii) locational attributes of real property, including:
- 457 (A) zoning;
- 458 (B) location;
- 459 (C) view;
- 460 (D) a geographic feature;
- 461 (E) an easement;
- 462 (F) a covenant;
- 463 (G) proximity to raw materials;
- 464 (H) the condition of surrounding property; or
- 465 (I) proximity to markets;
- 466 (iii) value attributable to the identification of an improvement to real property, including:
- 468 (A) reputation of the designer, builder, or architect of the improvement;
- 469 (B) a name given to, or associated with, the improvement; or
- 470 (C) the historic significance of an improvement; or
- 471 (iv) the enhancement or assemblage value specifically attributable to the interrelation of the existing
tangible property in place working together as a unit.
- 473 (17) "Governing body" means:
- 474 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 475 (b) for a special district under Title 17B, Limited Purpose Local Government Entities - Special
Districts, the special district's board of trustees;
- 477 (c) for a school district, the local board of education;
- 478 (d) for a special service district under Title 17D, Chapter 1, Special Service District Act:
- 479 (i) the legislative body of the county or municipality that created the special service district, to the
extent that the county or municipal legislative body has not delegated authority to an administrative
control board established under Section 17D-1-301; or
- 483 (ii) the administrative control board, to the extent that the county or municipal legislative body has
delegated authority to an administrative control board established under Section 17D-1-301; or
- 486 (e) for a public infrastructure district under Title 17D, Chapter 4, Public Infrastructure District Act, the
public infrastructure district's board of trustees.

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488 (18)

(a) [~~Except as provided in Subsection (18)(c), "improvement"~~] "Improvement" means a building, structure, fixture, fence, or other item that is permanently attached to land, regardless of whether the title has been acquired to the land, if:

491 (i)

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

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

494 (ii) removal of the item would:

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

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

498 (b) "Improvement" includes:

499 (i) an accessory to an item described in Subsection (18)(a) if the accessory is:

500 (A) essential to the operation of the item described in Subsection (18)(a); and

501 (B) installed solely to serve the operation of the item described in Subsection (18)(a); and

503 (ii) an item described in Subsection (18)(a) that is temporarily detached from the land for repairs and remains located on the land.

505 (c) "Improvement" does not include:

506 (i) an item considered to be personal property pursuant to rules made in accordance with Section 59-2-107;

508 (ii) a moveable item that is attached to land for stability only or for an obvious temporary purpose;

510 (iii)

(A) manufacturing equipment and machinery; or

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

512 (iv) an item attached to the land in a manner that facilitates removal without substantial damage to the land or the item; or

514 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that transportable factory-built housing unit is considered to be personal property under Section 59-2-1503.

517 (19) "Inflation adjusted budget increase" means last year's property tax budgeted revenue, as defined in Section 59-2-919, multiplied by the inflation factor.

519

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(20) "Inflation factor" means { ~~a percentage equal to~~ } the { ~~percentage by which the consumer price index, as calculated by Sections 1(f)(4) and 1(f)(5), Internal Revenue Code, for the preceding calendar year exceeds the consumer price index for the calendar year two years before the current calendar year.~~ } greater of:

520 (a) a percentage equal to the percentage by which the consumer price index, as calculated by Sections 1(f)(4) and 1(f)(5), Internal Revenue Code, for the preceding calendar year exceeds the consumer price index for the calendar year two years before the current calendar year; and

524 (b) zero.

523 [(19)] (21) "Intangible property" means:

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

526 (i) money;

527 (ii) credits;

528 (iii) bonds;

529 (iv) stocks;

530 (v) representative property;

531 (vi) franchises;

532 (vii) licenses;

533 (viii) trade names;

534 (ix) copyrights; and

535 (x) patents;

536 (b) a low-income housing tax credit;

537 (c) goodwill; or

538 (d) a clean or renewable energy tax credit or incentive, including:

539 (i) a federal renewable energy production tax credit under Section 45, Internal Revenue Code;

541 (ii) a federal energy credit for qualified renewable electricity production facilities under Section 48, Internal Revenue Code;

543 (iii) a federal grant for a renewable energy property under American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and

545 (iv) a tax credit under Subsection 59-7-614(5).

546 [(20)] (22) "Livestock" means:

547 (a) a domestic animal;

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- 548 (b) a fish;
- 549 (c) a fur-bearing animal;
- 550 (d) a honeybee; or
- 551 (e) poultry.
- 552 [(21)] (23) "Low-income housing tax credit" means:
- 553 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code; or
- 554 (b) a low-income housing tax credit under Section 59-7-607 or Section 59-10-1010.
- 555 (24) "Maximum new growth revenue" means revenue equal to the lesser of { the certified tax rate
multiplied by } :
- 557 (a) the certified tax rate multiplied by eligible new growth as defined in Section 59-2-924; or
- 558 (b) the inflation adjusted budget increase.
- 559 [(22)] (25) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.
- 560 [(23)] (26) "Mine" means a natural deposit of either metalliferous or nonmetalliferous valuable mineral.
- 562 [(24)] (27) "Mining" means the process of producing, extracting, leaching, evaporating, or otherwise
removing a mineral from a mine.
- 564 [(25)] (28)
- (a) "Mobile flight equipment" means tangible personal property that is owned or operated by an air
charter service, air contract service, or airline and:
- 566 (i) is capable of flight or is attached to an aircraft that is capable of flight; or
- 567 (ii) is contained in an aircraft that is capable of flight if the tangible personal property is intended to
be used:
- 569 (A) during multiple flights;
- 570 (B) during a takeoff, flight, or landing; and
- 571 (C) as a service provided by an air charter service, air contract service, or airline.
- 572 (b)
- (i) "Mobile flight equipment" does not include a spare part other than a spare engine that is rotated at
regular intervals with an engine that is attached to the aircraft.
- 575 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
may make rules defining the term "regular intervals."
- 577 [(26)] (29) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts, sand, rock,
gravel, and all carboniferous materials.

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- 579 ~~[(27)]~~ (30) "Part-year residential property" means property that is not residential property on January 1
of a calendar year but becomes residential property after January 1 of the calendar year.
- 582 ~~[(28)]~~ (31) "Personal property" includes:
- 583 (a) every class of property as defined in Subsection ~~[(29)]~~ (32) that is the subject of ownership and is
not real estate or an improvement;
- 585 (b) any pipe laid in or affixed to land whether or not the ownership of the pipe is separate from the
ownership of the underlying land, even if the pipe meets the definition of an improvement;
- 588 (c) bridges and ferries;
- 589 (d) livestock; and
- 590 (e) outdoor advertising structures as defined in Section 72-7-502.
- 591 ~~[(29)]~~ (32)
- (a) "Property" means property that is subject to assessment and taxation according to ~~[its]~~ the property's
value.
- 593 (b) "Property" does not include intangible property as defined in this section.
- 594 ~~[(30)]~~ (33)
- (a) "Public utility" means:
- 595 (i) the operating property of a railroad, gas corporation, oil or gas transportation or pipeline
company, coal slurry pipeline company, electrical corporation, sewerage corporation, or heat
corporation where the company performs the service for, or delivers the commodity to, the
public generally or companies serving the public generally, or in the case of a gas corporation
or an electrical corporation, where the gas or electricity is sold or furnished to any member or
consumers within the state for domestic, commercial, or industrial use; and
- 602 (ii) the operating property of any entity or person defined under Section 54-2-1 except water
corporations.
- 604 (b) "Public utility" does not include the operating property of a telecommunications service provider.
- 606 ~~[(31)]~~ (34)
- (a) Subject to Subsection ~~[(31)(b)]~~ (34)(b), "qualifying exempt primary residential rental personal
property" means household furnishings, furniture, and equipment that:
- 609 (i) are used exclusively within a dwelling unit that is the primary residence of a tenant;
- 611 (ii) are owned by the owner of the dwelling unit that is the primary residence of a tenant; and
- 613

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

616 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
may by rule define the term "dwelling unit" for purposes of this Subsection [~~(31)~~] (34) and
Subsection [~~(34)~~] (37).

619 [~~(32)~~] (35) "Real estate" or "real property" includes:

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

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

624 (c) improvements.

625 [~~(33)~~] (36)

(a) "Relationship with an owner of the property's land surface rights" means a relationship described
in Subsection 267(b), Internal Revenue Code, except that the term 25% shall be substituted for the
term 50% in Subsection 267(b), Internal Revenue Code.

629 (b) For purposes of determining if a relationship described in Subsection 267(b), Internal Revenue
Code, exists, the ownership of stock shall be determined using the ownership rules in Subsection
267(c), Internal Revenue Code.

632 [~~(34)~~] (37)

(a) "Residential property," for purposes of the reductions and adjustments under this chapter, means any
property used for residential purposes as a primary residence.

635 (b) "Residential property" includes:

636 (i) except as provided in Subsection [~~(34)(b)(ii)~~] (37)(b)(ii), includes household furnishings, furniture,
and equipment if the household furnishings, furniture, and equipment are:

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

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

643 (ii) if the county assessor determines that the property will be used for residential purposes as a primary
residence:

645 (A) property under construction; or

646 (B) unoccupied property.

647 (c) "Residential property" does not include property used for transient residential use.

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- 648 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
may by rule define the term "dwelling unit" for purposes of Subsection ~~[(31)]~~ (34) and this
Subsection ~~[(34)]~~ (37).
- 651 ~~[(35)]~~ (38) "Split estate mineral rights owner" means a person that:
- 652 (a) has a legal right to extract a mineral from property;
- 653 (b) does not hold more than a 25% interest in:
- 654 (i) the land surface rights of the property where the wellhead is located; or
- 655 (ii) an entity with an ownership interest in the land surface rights of the property where the wellhead is
located;
- 657 (c) is not an entity in which the owner of the land surface rights of the property where the wellhead is
located holds more than a 25% interest; and
- 659 (d) does not have a relationship with an owner of the land surface rights of the property where the
wellhead is located.
- 661 ~~[(36)]~~ (39)
- (a) "State-assessed commercial vehicle" means:
- 662 (i) any commercial vehicle, trailer, or semitrailer that operates interstate or intrastate to transport
passengers, freight, merchandise, or other property for hire; or
- 664 (ii) any commercial vehicle, trailer, or semitrailer that operates interstate and transports the vehicle
owner's goods or property in furtherance of the owner's commercial enterprise.
- 667 (b) "State-assessed commercial vehicle" does not include vehicles used for hire that are specified in
Subsection (10)(c) as county-assessed commercial vehicles.
- 669 ~~[(37)]~~ (40) "Subdivided lot" means a lot, parcel, or other division of land, that is a division of a base
parcel.
- 671 ~~[(38)]~~ (41) "Tax area" means a geographic area created by the overlapping boundaries of one or more
taxing entities.
- 673 ~~[(39)]~~ (42) "Taxable value" means fair market value less any applicable reduction allowed for
residential property under Section 59-2-103.
- 675 ~~[(40)]~~ (43) "Taxing entity" means any county, city, town, school district, special taxing district, special
district under Title 17B, Limited Purpose Local Government Entities - Special Districts, or other
political subdivision of the state with the authority to levy a tax on property.
- 679 ~~[(41)]~~ (44)

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(a) "Tax roll" means a permanent record of the taxes charged on property, as extended on the assessment roll, and may be maintained on the same record or records as the assessment roll or may be maintained on a separate record properly indexed to the assessment roll.

(b) "Tax roll" includes tax books, tax lists, and other similar materials.

[(42)] (45) "Telecommunications service provider" means the same as that term is defined in Section 59-12-102.

Section 11. Section 11 is enacted to read:

59-2-911.5. Voter approval of property tax rate that generates revenue that exceeds previous year's budgeted revenue.

(1) As used in this section, "last year's property tax budgeted revenue" means the same as that term is defined in Section 59-2-919.

(2) Except as provided in Subsection (4), a taxing entity {that levies-} **may not adopt a budget that exceeds last year's budgeted revenue using revenue from** a tax **levy imposed** under Section 10-5-133, 10-5-133.4, 10-5-133.5, 10-6-133, 10-6-133.4, 10-6-133.4, 17-36-31, 17-36-31.5, 53F-8-302, or 53F-8-303 {~~may not adopt a budget that exceeds last year's budgeted revenue~~-} unless:

(a) the taxing entity submits an opinion question to the taxing entity's registered voters:

(i) at the general election that precedes the fiscal year for which the taxing entity is proposing a budget that exceeds last year's property tax budgeted revenue**with revenue from a levy listed in this Subsection (2);** and

(ii) that asks the voters to authorize the taxing entity to impose a tax rate that generates no more than the revenue for the proposed property tax budgeted revenue; and

(b) a majority of the voters voting on the opinion question vote in favor of authorizing the taxing entity to impose a tax rate that generates no more than the revenue for the proposed property tax budgeted revenue.

(3) The opinion question required by this section shall state:"Shall (insert the name of the taxing entity) be authorized to impose a tax rate that generates no more than (proposed property tax budgeted revenue) for fiscal year (insert fiscal year) to (list the purposes for which the revenue collected from the proposed property tax budgeted revenue shall be expended)?"

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(4) A taxing entity that is subject to this section may adopt a budget that exceeds last year's budgeted revenue by an amount equal to or less than maximum new growth revenue without complying with this section or Section 59-2-919.

712 {~~(5) {A taxing entity that levies a tax subject to this section may not increase property tax revenue in~~
~~accordance with Section 59-2-919.}~~}

715 Section 12. Section **59-2-919** is amended to read:

716 **59-2-919. Notice and public hearing requirements for certain tax increases -- Exceptions --**
Audit.

717 (1) As used in this section:

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

721 (b) "Ad valorem tax revenue" means ad valorem property tax revenue not including~~[-revenue from]:~~

723 ~~[(i) {f} eligible new growth as defined in Section 59-2-924{ } maximum new growth revenue}; or]~~

725 (i) maximum new growth revenue; or

725 (ii) revenue from personal property that is:

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

728 (B) semiconductor manufacturing equipment.

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

731 (d) "County executive calendar year taxing entity" means a calendar year taxing entity that operates
under the county executive-council form of government described in Section 17-52a-203.

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

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

739 (g) "Last year's property tax budgeted revenue" does not include:

740 (i) revenue received by a taxing entity from a debt service levy voted on by the public;

741 (ii) revenue generated by the combined basic rate as defined in Section 53F-2-301; or

742 (iii) revenue generated by the charter school levy described in Section 53F-2-703.

743

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

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

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

747 (3)

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

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

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

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

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

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

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

766 (iv) provides notice by mail:

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

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

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

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

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

774 (b)

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

(A) county council;

(B) county executive; or

(C) both the county council and county executive.

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

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

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

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

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

(A) within the calendar year taxing entity; and

(B) listed on the assessment roll;

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

(A) is developed by the commission;

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

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

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

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

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

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

(iv) shall contain the following statement:

"[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar year]. This notice contains estimates of the tax on your property and the proposed tax increase on your

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property as a result of this tax increase. These estimates are calculated on the basis of [insert previous applicable calendar year] data. The actual tax on your property and proposed tax increase on your property may vary from this estimate.";

- 811 (v) shall state the dollar amount of additional ad valorem tax revenue that would be generated each year
by the proposed increase in the certified tax rate;
- 813 (vi) shall include a brief statement of the primary purpose for the proposed tax increase, including the
taxing entity's intended use of additional ad valorem tax revenue described in Subsection (3)(c)(v);
- 816 (vii) shall state the date, time, and place of the public hearing described in Subsection (3)(a)(v);
- 818 (viii) shall state the Internet address for the taxing entity's public website;
- 819 (ix) may contain other information approved by the commission; and
- 820 (x) if sent in calendar year 2024, 2025, or 2026, shall contain:
- 821 (A) notice that the taxpayer may request electronic notice as described in Subsection 17-21-6(1)(m);
and
- 823 (B) instructions describing how to elect to receive a notice as described in Subsection 17-21-6(1)(m).
- 825 (d) For purposes of Subsection (3)(c)(iii)(C), a calendar year taxing entity shall calculate the estimated
tax on property on the basis of:
- 827 (i) data for the current calendar year; and
- 828 (ii) the amount of additional ad valorem tax revenue stated in accordance with this section.
- 830 (4) Except as provided in Subsection (5), a fiscal year taxing entity may levy a tax rate that exceeds the
fiscal year taxing entity's certified tax rate if the fiscal year taxing entity:
- 832 (a) provides notice by meeting the advertisement requirements of Subsections (6) and (7) before the
fiscal year taxing entity conducts the public meeting at which the fiscal year taxing entity's annual
budget is adopted; and
- 835 (b) conducts a public hearing in accordance with Subsections (8) and (9) before the fiscal year taxing
entity's annual budget is adopted.
- 837 (5)
- (a) A taxing entity is not required to meet the notice or public hearing requirements of Subsection (3) or
(4) if the taxing entity is expressly exempted by law from complying with the requirements of this
section.
- 840 (b) A taxing entity is not required to meet the notice requirements of Subsection (3) or (4) if:
- 842

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(i) Section 53F-8-301 allows the taxing entity to levy a tax rate that exceeds that certified tax rate without having to comply with the notice provisions of this section; or

845 (ii) the taxing entity:

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

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

850 (6)

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

852 (i) subject to Section 45-1-101, in a newspaper or combination of newspapers of general circulation in the taxing entity;

854 (ii) electronically in accordance with Section 45-1-101; and

855 (iii) for the taxing entity, as a class A notice under Section 63G-30-102, for at least 14 days before the day on which the taxing entity conducts the public hearing described in Subsection (3)(a)(v) or (4)(b).

858 (b) The advertisement described in Subsection (6)(a)(i) shall:

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

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

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

862 (c) The advertisement described in Subsection (6)(a)(i) may not be placed in that portion of the newspaper where legal notices and classified advertisements appear.

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

865 (i) whenever possible, the advertisement described in Subsection (6)(a)(i) appear in a newspaper that is published at least one day per week; and

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

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

869 (B) not be of limited subject matter.

870 (e)

(i) The advertisement described in Subsection (6)(a)(i) shall:

871 (A) except as provided in Subsection (6)(f), be run once each week for the two weeks before a taxing entity conducts a public hearing described under Subsection (3)(a)(v) or (4)(b);

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(B) state that the taxing entity will meet on a certain day, time, and place fixed in the advertisement, which shall be seven or more days after the day the first advertisement is published, for the purpose of hearing comments regarding any proposed increase and to explain the reasons for the proposed increase; and

878 (C) state the Internet address for the taxing entity's public website.

879 (ii) The advertisement described in Subsection (6)(a)(ii) shall:

880 (A) be published two weeks before a taxing entity conducts a public hearing described in Subsection (3)(a)(v) or (4)(b);

882 (B) state that the taxing entity will meet on a certain day, time, and place fixed in the advertisement, which shall be seven or more days after the day the first advertisement is published, for the purpose of hearing comments regarding any proposed increase and to explain the reasons for the proposed increase; and

886 (C) state the Internet address for the taxing entity's public website.

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

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

895

"NOTICE OF PROPOSED TAX INCREASE

896

(NAME OF TAXING ENTITY)

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

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

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

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904 • If the proposed budget is approved, (name of the taxing entity) would receive an additional \$_____ in property tax revenue per year as a result of the tax increase.

906 • If the proposed budget is approved, (name of the taxing entity) would increase its property tax budgeted revenue by ____% above last year's property tax budgeted revenue excluding [eligible] maximum new growth revenue.

909 The (name of the taxing entity) invites all concerned citizens to a public hearing for the purpose of hearing comments regarding the proposed tax increase and to explain the reasons for the proposed tax increase.

PUBLIC HEARING

913 Date/Time: (date) (time)

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

915 To obtain more information regarding the tax increase, citizens may contact the (name of the taxing entity) at (phone number of taxing entity) or visit (Internet address for the taxing entity's public website)."

918 (7) The commission:

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

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

923 (i) the use of a weekly newspaper:

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

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

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

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

930 (B) the direct notice is different and separate from that provided for in Section 59-2-919.1; and

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

934 (8)

 (a)

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- (i) A fiscal year taxing entity shall, on or before June 1, notify the commission and the county auditor of the date, time, and place of the public hearing described in Subsection (4)(b).
- 937 (ii) A calendar year taxing entity shall, on or before October 1 of the current calendar year, notify the commission and the county auditor of the date, time, and place of the public hearing described in Subsection (3)(a)(v).
- 940 (b)
- (i) A public hearing described in Subsection (3)(a)(v) or (4)(b) shall be:
- 941 (A) open to the public; and
- 942 (B) held at a meeting of the taxing entity with no items on the agenda other than discussion and action on the taxing entity's intent to levy a tax rate that exceeds the taxing entity's certified tax rate, the taxing entity's budget, a special district's or special service district's fee implementation or increase, or a combination of these items.
- 947 (ii) The governing body of a taxing entity conducting a public hearing described in Subsection (3)(a)(v) or (4)(b) shall:
- 949 (A) state the dollar amount of additional ad valorem tax revenue that would be generated each year by the proposed increase in the certified tax rate;
- 951 (B) explain the reasons for the proposed tax increase, including the taxing entity's intended use of additional ad valorem tax revenue described in Subsection (8)(b)(ii)(A);
- 954 (C) if the county auditor compiles the list required by Section 59-2-919.2, present the list at the public hearing and make the list available on the taxing entity's public website; and
- 957 (D) provide an interested party desiring to be heard an opportunity to present oral testimony within reasonable time limits and without unreasonable restriction on the number of individuals allowed to make public comment.
- 960 (c)
- (i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a public hearing described in Subsection (3)(a)(v) or (4)(b) at the same time as the public hearing of another overlapping taxing entity in the same county.
- 963 (ii) The taxing entities in which the power to set tax levies is vested in the same governing board or authority may consolidate the public hearings described in Subsection (3)(a)(v) or (4)(b) into one public hearing.

966

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- (d) The county auditor shall resolve any conflict in public hearing dates and times after consultation with each affected taxing entity.
- 968 (e)
- (i) A taxing entity shall hold a public hearing described in Subsection (3)(a)(v) or (4)(b) beginning at or after 6 p.m.
- 970 (ii) If a taxing entity holds a public meeting for the purpose of addressing general business of the taxing entity on the same date as a public hearing described in Subsection (3)(a)(v) or (4)(b), the public meeting addressing general business items shall conclude before the beginning of the public hearing described in Subsection (3)(a)(v) or (4)(b).
- 975 (f)
- (i) Except as provided in Subsection (8)(f)(ii), a taxing entity may not hold the public hearing described in Subsection (3)(a)(v) or (4)(b) on the same date as another public hearing of the taxing entity.
- 978 (ii) A taxing entity may hold the following hearings on the same date as a public hearing described in Subsection (3)(a)(v) or (4)(b):
- 980 (A) a budget hearing;
- 981 (B) if the taxing entity is a special district or a special service district, a fee hearing described in Section 17B-1-643;
- 983 (C) if the taxing entity is a town, an enterprise fund hearing described in Section 10-5-107.5; or
- 985 (D) if the taxing entity is a city, an enterprise fund hearing described in Section 10-6-135.5.
- 987 (9)
- (a) If a taxing entity does not make a final decision on budgeting additional ad valorem tax revenue at a public hearing described in Subsection (3)(a)(v) or (4)(b), the taxing entity shall:
- 990 (i) announce at that public hearing the scheduled time and place of the next public meeting at which the taxing entity will consider budgeting the additional ad valorem tax revenue; and
- 993 (ii) if the taxing entity is a fiscal year taxing entity, hold the public meeting described in Subsection (9)(a)(i) before September 1.
- 995 (b) A calendar year taxing entity may not adopt a final budget that budgets an amount of additional ad valorem tax revenue that exceeds the largest amount of additional ad valorem tax revenue stated at a public meeting under Subsection (3)(a)(i).
- 998 (c) A public hearing on levying a tax rate that exceeds a fiscal year taxing entity's certified tax rate may coincide with a public hearing on the fiscal year taxing entity's proposed annual budget.

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1001 (10)

(a) A county auditor may conduct an audit to verify a taxing entity's compliance with Subsection (8).

1003 (b) If the county auditor, after completing an audit, finds that a taxing entity has failed to meet the requirements of Subsection (8), the county auditor shall prepare and submit a report of the auditor's findings to the commission.

1006 (c) The commission may not certify a tax rate that exceeds a taxing entity's certified tax rate if, on or before September 15 of the year in which the taxing entity is required to hold the public hearing described in Subsection (3)(a)(v) or (4)(b), the commission determines that the taxing entity has failed to meet the requirements of Subsection (8).

1011 Section 13. Section **59-2-919.1** is amended to read:

1012 **59-2-919.1. Notice of property valuation and tax changes.**

1012 (1) In addition to the voter approval requirement of Section 59-2-911.5 and the notice and hearing requirements of Section 59-2-919, the county auditor, on or before July 22 of each year, shall notify each owner of real estate who is listed on the assessment roll.

1015 (2) The notice described in Subsection (1) shall:

1016 (a) except as provided in Subsection (4), be sent to all owners of real property by mail 10 or more days before the day on which:

1018 (i) the county board of equalization meets; and

1019 (ii) the taxing entity holds a public hearing on the proposed increase in the certified tax rate;

1021 (b) be on a form that is:

1022 (i) approved by the commission; and

1023 (ii) uniform in content in all counties in the state; and

1024 (c) contain for each property:

1025 (i) the assessor's determination of the value of the property;

1026 (ii) the taxable value of the property;

1027 (iii)

(A) the deadline for the taxpayer to make an application to appeal the valuation or equalization of the property under Section 59-2-1004; or

1029 (B) for property assessed by the commission, the deadline for the taxpayer to apply to the commission for a hearing on an objection to the valuation or equalization of the property under Section 59-2-1007;

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- 1032 (iv) for a property assessed by the commission, a statement that the taxpayer may not appeal the
valuation or equalization of the property to the county board of equalization;
- 1035 (v) itemized tax information for all applicable taxing entities, including:
- 1036 (A) the dollar amount of the taxpayer's tax liability for the property in the prior year; and
- 1038 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 1039 (vi) the following, stated separately:
- 1040 (A) the charter school levy described in Section 53F-2-703;
- 1041 (B) the multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 1043 (C) the county assessing and collecting levy described in Subsection 59-2-1602(4);
- 1044 (D) levies for debt service voted on by the public;
- 1045 (E) levies imposed for special purposes under Section 10-6-133.4;
- 1046 (F) for a fiscal year that begins on or after July 1, 2023, the combined basic rate as defined in Section
53F-2-301; and
- 1048 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 1049 (vii) the tax impact on the property;
- 1050 (viii) the date, time, and place of the required public hearing for each entity;
- 1051 (ix) property tax information pertaining to:
- 1052 (A) taxpayer relief;
- 1053 (B) options for payment of taxes;
- 1054 (C) collection procedures; and
- 1055 (D) the residential exemption described in Section 59-2-103;
- 1056 (x) information specifically authorized to be included on the notice under this chapter;
- 1057 (xi) the last property review date of the property as described in Subsection 59-2-303.1(1)(c);
- 1059 (xii) instructions on how the taxpayer may obtain additional information regarding the valuation of the
property, including the characteristics and features of the property, from at least one the following
sources:
- 1062 (A) a website maintained by the county; or
- 1063 (B) the county assessor's office; and
- 1064 (xiii) other information approved by the commission.
- 1065 (3) If a taxing entity that is subject to the voter approval requirement of Section 59-2-911.5 receives a
favorable vote on the opinion question or that is subject to the notice and hearing requirements of

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Subsection 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in addition to the information required by Subsection (2):

- 1070 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- 1071 (b) the difference between the dollar amount of the taxpayer's tax liability if the proposed increase is approved and the dollar amount of the taxpayer's tax liability under the current rate, placed in close proximity to the information described in Subsection (2)(c)(viii);
- 1075 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the proposed tax rate represents as compared to the dollar amount of the taxpayer's tax liability under the current tax rate; and
- 1078 (d) for each taxing entity proposing a tax increase, the dollar amount of additional ad valorem tax revenue, as defined in Section 59-2-919, that would be generated each year if the proposed tax increase is approved.
- 1081 (4)
- (a) Subject to the other provisions of this Subsection (4), a county auditor may, at the county auditor's discretion, provide the notice required by this section to a taxpayer by electronic means if a taxpayer makes an election, according to procedures determined by the county auditor, to receive the notice by electronic means.
- 1085 (b)
- (i) If a notice required by this section is sent by electronic means, a county auditor shall attempt to verify whether a taxpayer receives the notice.
- 1087 (ii) If receipt of the notice sent by electronic means cannot be verified 14 days or more before the county board of equalization meets and the taxing entity holds a public hearing on a proposed increase in the certified tax rate, the notice required by this section shall also be sent by mail as provided in Subsection (2).
- 1091 (c) A taxpayer may revoke an election to receive the notice required by this section by electronic means if the taxpayer provides written notice to the county auditor on or before April 30.
- 1094 (d) An election or a revocation of an election under this Subsection (4):
- 1095 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or before the due date for paying the tax; or
- 1097

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(ii) does not alter the requirement that a taxpayer appealing the valuation or the equalization of the taxpayer's real property submit the application for appeal within the time period provided in Subsection 59-2-1004(3).

1100 (e) A county auditor shall provide the notice required by this section as provided in Subsection (2), until
a taxpayer makes a new election in accordance with this Subsection (4), if:

1103 (i) the taxpayer revokes an election in accordance with Subsection (4)(c) to receive the notice required
by this section by electronic means; or

1105 (ii) the county auditor finds that the taxpayer's electronic contact information is invalid.

1107 (f) A person is considered to be a taxpayer for purposes of this Subsection (4) regardless of whether the
property that is the subject of the notice required by this section is exempt from taxation.

1112 Section 14. Section **59-2-920** is amended to read:

1113 **59-2-920. Resolution and levy to be forwarded to commission.**

1112 (1) If a taxing entity, after fulfilling the requirements of Section 59-2-911.5 or 59-2-919, adopts a
resolution to levy a tax rate that exceeds the taxing entity's certified tax rate, the taxing entity shall
forward the resolution to the tax commission along with the statement of the amount and purpose of
the levy required under Sections 59-2-912 and 59-2-913.

1116 [~~(2) No tax rate in excess of the certified tax rate may be certified by the commission or implemented
by the taxing entity until the resolution described in Subsection (1) is adopted by the governing
authority of the taxing entity and submitted to the commission.~~]

1119 (2) The commission may not certify and a taxing entity may not implement a tax rate that exceeds the
certified tax rate until the governing authority of the taxing entity adopts the resolution described in
Subsection (1) and submits the resolution to the commission.

1124 Section 15. Section **59-2-921** is amended to read:

1125 **59-2-921. Changes in assessment roll -- Rate adjustments -- Exemption from notice and
public hearing provisions.**

1125 (1) On or before September 15 the county board of equalization and, in cases involving the original
jurisdiction of the commission or an appeal from the county board of equalization, the commission,
shall annually notify each taxing entity of the following changes resulting from actions by the
commission or the county board of equalization:

1129 (a) a change in the taxing entity's assessment roll; and

1130 (b) a change in the taxing entity's adopted tax rate.

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1131 (2) A taxing entity is not required to comply with the voter approval requirement in Section 59-2-911.5
1132 or the notice and public hearing provisions of Section 59-2-919 if the commission, the county board
1133 of equalization, or a court of competent jurisdiction:

1134 (a) changes a taxing entity's adopted tax rate; or

1135 (b)

(i) makes a reduction in the taxing entity's assessment roll; and

1136 (ii) the taxing entity adopts by resolution an increase in [its] the taxing entity's tax rate above the
certified tax rate as a result of the reduction under Subsection (2)(b)(i).

1138 (3) A rate adjustment under this section for:

1139 (a) a taxing entity shall be:

1140 (i) made by the county auditor;

1141 (ii) aggregated;

1142 (iii) reported by the county auditor to the commission; and

1143 (iv) certified by the commission; and

1144 (b) the state shall be made by the commission.

1147 Section 16. Section **59-2-922** is amended to read:

1148 **59-2-922. Replacement resolution for greater tax rate.**

Except as provided in Section 59-2-921, if, after a taxing entity approves an initial tax
rate, the taxing entity determines that a greater tax rate is required, the taxing entity shall adopt
a replacement resolution after the taxing entity meets the voter approval requirement in
Section 59-2-911.5 or the notice and public hearing requirements of Section 59-2-919 to the
extent required by Section 59-2-919.

1154 Section 17. Section **59-2-926** is amended to read:

1155 **59-2-926. Proposed tax increase by state -- Notice -- Contents -- Dates.**

If the state authorizes a tax rate that exceeds the combined basic rate described in
Section 53F-2-301, or authorizes a levy [~~pursuant to~~] in accordance with Section 59-2-1602
that exceeds the certified revenue levy as defined in Section 59-2-102, the state shall publish a
notice no later than 10 days after the last day of the annual legislative general session that
meets the following requirements:

1159 (1)

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

1164 (i) in a newspaper of general circulation in the state; and

1165 (ii) as required in Section 45-1-101.

1166 (b) Except an advertisement published on a website, the advertisement described in Subsection (1)(a):

1168 (i) shall be no less than 1/4 page in size and the type used shall be no smaller than 18 point, and surrounded by a 1/4-inch border;

1170 (ii) may not be placed in that portion of the newspaper where legal notices and classified advertisements appear; and

1172 (iii) shall be run once.

1173 (2) The form and content of the notice shall be substantially as follows:

1174

"NOTICE OF TAX INCREASE

1175 The state has budgeted an increase in its property tax revenue from \$_____ to \$_____ or ____%. The increase in property tax revenues will come from the following sources (include all of the following provisions):

1178 (a) \$_____ of the increase will come from (provide an explanation of the cause of adjustment or increased revenues, such as reappraisals or factoring orders);

1180 (b) \$_____ of the increase will come from natural increases in the value of the tax base due to (explain cause of eligible new growth, such as new building activity, annexation, etc.); and

1183 (c) a home valued at \$100,000 in the state of Utah which based on last year's (levy for the basic state-supported school program, applicable tax rate for the Property Tax Valuation Fund, or both) paid \$_____ in property taxes would pay the following:

1187 (i) \$_____ if the state of Utah did not budget an increase in property tax revenue exclusive of eligible new growth; and

1189 (ii) \$_____ under the increased property tax revenues exclusive of eligible new growth budgeted by the state of Utah."

1193 Section 18. **Effective date.**

This bill takes effect on January 1, 2026.

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