

Daniel McCay proposes the following substitute bill:

Truth in Taxation Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Karen M. Peterson

Senate Sponsor: Daniel McCay

LONG TITLE

General Description:

This bill addresses property tax increases through truth in taxation.

Highlighted Provisions:

This bill:

- defines terms;
- requires fiscal year taxing entities proposing a property tax rate increase to make a preliminary statement in a public meeting regarding the taxing entity's consideration of a tax rate increase;
- clarifies notice and publication requirements for towns proposing a tax rate increase that do not have public websites;
- clarifies the State Tax Commission's authority to deny a taxing entity's proposed tax rate increase for failing to meet truth in taxation requirements;
- provides for a one-year period in which the State Tax Commission is not required to deny a fiscal year taxing entity's proposed tax rate increase for failure to comply with certain truth in taxation requirements;
- requires fiscal year taxing entities proposing a property tax increase to:
 - prepare and adopt an interim budget that includes a property tax impact schedule; and
 - reserve a certain amount of the taxing entity's general fund revenue in a restricted budget account for a limited period of time;
- includes a coordination clause to incorporate changes made to Section 59-2-919 in S.B. 238, Property Tax Adjustments; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

29 This bill provides a coordination clause.

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **59-2-919**, as last amended by Laws of Utah 2025, First Special Session, Chapter 17

33 **59-2-923**, as last amended by Laws of Utah 2009, Chapter 204

34 **59-2-924**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

35 **Utah Code Sections affected by Coordination Clause:**

36 **59-2-919 (05/06/26)**, as last amended by Laws of Utah 2025, First Special Session,

37 Chapter 17

38

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

40 *The following section is affected by a coordination clause at the end of this bill.*

41 Section 1. Section **59-2-919** is amended to read:

42 **59-2-919 . Notice and public hearing requirements for certain tax increases --**

43 **Exceptions -- Audit.**

44 (1) As used in this section:

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

48 (b) "Ad valorem tax revenue" means ad valorem property tax revenue not including
49 revenue from:

50 (i) eligible new growth; or

51 (ii) personal property that is:

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

54 (B) semiconductor manufacturing equipment.

55 (c) "Base year" means a taxing entity's fiscal year that immediately precedes the fiscal
56 year in which the taxing entity first adopted a budget below last year's property tax
57 budgeted revenue.

58 (d) "Base year budgeted revenue" means the property tax budgeted revenue, excluding
59 eligible new growth, for the base year.

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

62 (f) "County executive calendar year taxing entity" means a calendar year taxing entity

- 63 that operates under the county executive-council form of government described in
64 Section 17-62-203.
- 65 (g) "Current calendar year" means the calendar year immediately preceding the calendar
66 year for which a calendar year taxing entity seeks to levy a tax rate that exceeds the
67 calendar year taxing entity's certified tax rate.
- 68 (h) "Eligible new growth" means the same as that term is defined in Section 59-2-924.
- 69 (i) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that
70 begins on July 1 and ends on June 30.
- 71 (j) "Meeting" means the same as that term is defined in Section 52-4-103.
- 72 (k) "Last year's property tax budgeted revenue" does not include:
- 73 (i) revenue received by a taxing entity from a debt service levy voted on by the public;
74 (ii) revenue generated by the combined basic rate as defined in Section 53F-2-301; or
75 (iii) revenue generated by the charter school levy described in Section 53F-2-703.
- 76 (l) "Truth-in-taxation exemption period" means a six-year period that begins with the
77 base year.
- 78 (2) Except as provided in Subsection (11), a taxing entity may not levy a tax rate that
79 exceeds the taxing entity's certified tax rate unless the taxing entity meets:
- 80 (a) the requirements of this section that apply to the taxing entity; and
81 (b) all other requirements as may be required by law.
- 82 (3)(a) Subject to Subsection (3)(b) and except as provided in Subsection (5), a calendar
83 year taxing entity may levy a tax rate that exceeds the calendar year taxing entity's
84 certified tax rate if the calendar year taxing entity:
- 85 (i) 14 or more days before the date of the regular general election or municipal
86 general election held in the current calendar year, states at a public meeting:
- 87 (A) that the calendar year taxing entity intends to levy a tax rate that exceeds the
88 calendar year taxing entity's certified tax rate;
- 89 (B) the dollar amount of and purpose for additional ad valorem tax revenue that
90 would be generated by the proposed increase in the certified tax rate; and
91 (C) the approximate percentage increase in ad valorem tax revenue for the taxing
92 entity based on the proposed increase described in Subsection (3)(a)(i)(B);
- 93 (ii) provides notice for the public meeting described in Subsection (3)(a)(i) in
94 accordance with Title 52, Chapter 4, Open and Public Meetings Act, including
95 providing a separate item on the meeting agenda that notifies the public that the
96 calendar year taxing entity intends to make the statement described in Subsection

- 97 (3)(a)(i);
- 98 (iii) meets the advertisement requirements of Subsections (6) and (7) before the
- 99 calendar year taxing entity conducts the public hearing required by Subsection
- 100 (3)(a)(v);
- 101 (iv) provides notice by mail:
- 102 (A) seven or more days before the regular general election or municipal general
- 103 election held in the current calendar year; and
- 104 (B) as provided in Subsection (3)(c); and
- 105 (v) conducts a public hearing that is held:
- 106 (A) in accordance with Subsections (8) and (9); and
- 107 (B) in conjunction with the public hearing required by Section 17-63-304 or
- 108 17B-1-610.
- 109 (b)(i) For a county executive calendar year taxing entity, the statement described in
- 110 Subsection (3)(a)(i) shall be made by the:
- 111 (A) county council;
- 112 (B) county executive; or
- 113 (C) both the county council and county executive.
- 114 (ii) If the county council makes the statement described in Subsection (3)(a)(i) or the
- 115 county council states a dollar amount of additional ad valorem tax revenue that is
- 116 greater than the amount of additional ad valorem tax revenue previously stated by
- 117 the county executive in accordance with Subsection (3)(a)(i), the county executive
- 118 calendar year taxing entity shall:
- 119 (A) make the statement described in Subsection (3)(a)(i) 14 or more days before
- 120 the county executive calendar year taxing entity conducts the public hearing
- 121 under Subsection (3)(a)(v); and
- 122 (B) provide the notice required by Subsection (3)(a)(iv) 14 or more days before
- 123 the county executive calendar year taxing entity conducts the public hearing
- 124 required by Subsection (3)(a)(v).
- 125 (c) The notice described in Subsection (3)(a)(iv):
- 126 (i) shall be mailed to each owner of property:
- 127 (A) within the calendar year taxing entity; and
- 128 (B) listed on the assessment roll;
- 129 (ii) shall be printed on a separate form that:
- 130 (A) is developed by the commission;

- 131 (B) states at the top of the form, in bold upper-case type no smaller than 18 point
132 "NOTICE OF PROPOSED TAX INCREASE"; and
- 133 (C) may be mailed with the notice required by Section 59-2-1317;
- 134 (iii) shall contain for each property described in Subsection (3)(c)(i):
- 135 (A) the value of the property for the current calendar year;
- 136 (B) the tax on the property for the current calendar year; and
- 137 (C) subject to Subsection (3)(d), for the calendar year for which the calendar year
138 taxing entity seeks to levy a tax rate that exceeds the calendar year taxing
139 entity's certified tax rate, the estimated tax on the property;
- 140 (iv) shall contain the following statement:
- 141 "[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar
142 year]. This notice contains estimates of the tax on your property and the proposed tax increase
143 on your property as a result of this tax increase. These estimates are calculated on the basis of
144 [insert previous applicable calendar year] data. The actual tax on your property and proposed
145 tax increase on your property may vary from this estimate.";
- 146 (v) shall state the dollar amount of additional ad valorem tax revenue that would be
147 generated each year by the proposed increase in the certified tax rate;
- 148 (vi) shall include a brief statement of the primary purpose for the proposed tax
149 increase, including the taxing entity's intended use of additional ad valorem tax
150 revenue described in Subsection (3)(c)(v);
- 151 (vii) shall state the date, time, and place of the public hearing described in Subsection
152 (3)(a)(v);
- 153 (viii) shall state the Internet address for the taxing entity's public website;
- 154 (ix) may contain other information approved by the commission; and
- 155 (x) if sent in calendar year 2024, 2025, or 2026, shall contain:
- 156 (A) notice that the taxpayer may request electronic notice as described in
157 Subsection 17-71-302(1)(m); and
- 158 (B) instructions describing how to elect to receive a notice as described in
159 Subsection 17-71-302(1)(m).
- 160 (d) For purposes of Subsection (3)(c)(iii)(C), a calendar year taxing entity shall calculate
161 the estimated tax on property on the basis of:
- 162 (i) data for the current calendar year; and
- 163 (ii) the amount of additional ad valorem tax revenue stated in accordance with this
164 section.

- 165 (4) Except as provided in Subsection (5), a fiscal year taxing entity may levy a tax rate that
166 exceeds the fiscal year taxing entity's certified tax rate if ~~the fiscal year taxing entity~~ ,
167 before the fiscal year taxing entity conducts the public meeting at which the fiscal year
168 taxing entity's budget is adopted:
- 169 ~~[(a) provides notice by meeting the advertisement requirements of Subsections (6) and~~
170 ~~(7) before the fiscal year taxing entity conducts the public meeting at which the fiscal~~
171 ~~year taxing entity's annual budget is adopted; and]~~
- 172 (a)(i) in the public meeting at which the taxing entity's tentative budget is first
173 presented to the governing body of the taxing entity, an executive officer of the
174 taxing entity states that the tentative budget includes a proposed tax rate increase;
175 and
- 176 (ii) the fiscal year taxing entity includes, on the agenda for the public meeting
177 described in Subsection (4)(a)(i), a separate item notifying the public that an
178 executive officer of the taxing entity intends to state in the public meeting that the
179 tentative budget includes a proposed tax rate increase;
- 180 (b)(i) on or after May 1 but on or before June 13, the fiscal year taxing entity states at
181 a subsequent public meeting:
- 182 (A) that the fiscal year taxing entity is considering levying a tax rate that exceeds
183 the fiscal year taxing entity's certified tax rate;
- 184 (B) the approximate dollar amount of and purpose for additional ad valorem tax
185 revenue that would be generated by the proposed tax rate increase described in
186 Subsection (4)(b)(i)(A);
- 187 (C) the approximate percentage increase in ad valorem tax revenue for the fiscal
188 year taxing entity based on the proposed tax rate increase described in
189 Subsection (4)(b)(i)(A); and
- 190 (D) that if the fiscal year taxing entity proceeds with the proposed tax rate
191 increase, the fiscal year taxing entity will provide notice of and conduct a
192 public hearing, as required by Subsection (4)(b), at which members of the
193 public will have an opportunity to provide comments on the proposed tax rate
194 increase; and
- 195 (ii) the fiscal year taxing entity provides notice for the public meeting described in
196 Subsection (4)(b)(i) in accordance with Title 52, Chapter 4, Open and Public
197 Meetings Act, including providing a separate item on the meeting agenda that
198 notifies the public that the fiscal year taxing entity intends to make the statement

199 described in Subsection (4)(b)(i);
 200 ~~[(b)]~~ (c) the fiscal year taxing entity conducts a public hearing in accordance with
 201 Subsections (8) and (9)~~[before the fiscal year taxing entity's annual budget is adopted]~~
 202 ; and
 203 (d) the fiscal year taxing entity provides notice for the public hearing described in
 204 Subsection (4)(c) by meeting the advertisement requirements of Subsections (6) and
 205 (7).

206 (5)(a) A taxing entity is not required to meet the notice or public hearing requirements of
 207 Subsection (3) or (4) if the taxing entity is expressly exempted by law from
 208 complying with the requirements of this section.

209 (b) A taxing entity is not required to meet the notice requirements of Subsection (3) or
 210 (4) if:

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

214 (ii) the taxing entity:

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

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

219 (6)(a) Before holding the public hearing described in Subsection (3)(a)(v) or (4)(b), a
 220 taxing entity proposing a tax rate increase under this section shall publish an
 221 advertisement regarding the proposed tax increase:

222 (i) electronically in accordance with Section 45-1-101; and

223 (ii) as a class A notice under Section 63G-30-102.

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

225 (i) be published for at least 14 days before the day on which the taxing entity
 226 conducts the public hearing described in Subsection (3)(a)(v) or (4)(b); and

227 (ii) substantially be in the following form and content:

228 "NOTICE OF PROPOSED TAX INCREASE

229 (NAME OF TAXING ENTITY)

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

231 • The (name of the taxing entity) tax on a (insert the average value of a residence in
 232 the taxing entity rounded to the nearest thousand dollars) residence would increase from

233 \$_____ to \$_____, which is \$_____ per year.

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

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

239 • If the proposed budget is approved, (name of the taxing entity) would increase its
240 property tax budgeted revenue by ___% above last year's property tax budgeted revenue
241 excluding eligible new growth.

242 The (name of the taxing entity) invites all concerned citizens to a public hearing for the
243 purpose of hearing comments regarding the proposed tax increase and to explain the reasons
244 for the proposed tax increase. You have the option to attend or participate in the public hearing
245 in person or online.

246 PUBLIC HEARING

247 Date/Time: (date) (time)

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

249 Virtual Meeting Link: (Internet address for remote participation and live streaming
250 options)

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

254 (c)(i) This Subsection (6)(c) applies to a fiscal year taxing entity that:

255 (A) is a municipality classified by population as a town under Section 10-2-301;
256 and

257 (B) does not have a public website as of May 1 of the calendar year in which the
258 taxing entity proposes a tax rate increase.

259 (ii) Notwithstanding the other provisions of this section:

260 (A) if a provision of this section requires a fiscal year taxing entity to state the
261 internet address for the taxing entity's public website, a fiscal year taxing entity
262 described in Subsection (6)(c)(i) shall instead state the physical address of the
263 fiscal year taxing entity's town hall or principal place of business; and

264 (B) if a provision of this section requires a fiscal year taxing entity to post
265 information on the taxing entity's public website within a specific time frame, a
266 fiscal year taxing entity described in Subsection (6)(c)(i) shall instead post that

267 information at the fiscal year taxing entity's town hall or principal place of
 268 business within that specific time frame.

269 (iii) A fiscal year taxing entity described in Subsection (6)(c)(i) shall provide to the
 270 commission evidence of compliance with the requirements of Subsection (6)(c)(ii),
 271 as required by the commission.

272 (7) The commission:

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

276 (b) subject to Section 45-1-101, may authorize a taxing entity's use of a
 277 commission-approved direct notice to each taxpayer if:

278 (i) the direct notice is different and separate from the notice required under Section
 279 59-2-919.1; and

280 (ii) the taxing entity petitions the commission for the use of a commission-approved
 281 direct notice.

282 (8)(a)(i) On or before June 1, a fiscal year taxing entity shall notify the commission
 283 and the county auditor of the date, time, and place of the public hearing described
 284 in Subsection (4)(b).

285 (ii) On or before October 1 of the current calendar year, a calendar year taxing entity
 286 shall notify the commission and the county auditor of the date, time, and place of
 287 the public hearing described in Subsection (3)(a)(v).

288 (b)(i) A public hearing described in Subsection (3)(a)(v) or (4)(b) shall be:

289 (A) open to the public;

290 (B) held at a meeting of the taxing entity with no items on the agenda other than
 291 discussion and action on the taxing entity's intent to levy a tax rate that exceeds
 292 the taxing entity's certified tax rate, the taxing entity's budget, a special
 293 district's or special service district's fee implementation or increase, or a
 294 combination of these items; and

295 (C) available for individuals to attend or participate either in person or remotely
 296 through electronic means.

297 (ii) The governing body of a taxing entity conducting a public hearing described in
 298 Subsection (3)(a)(v) or (4)(b) shall:

299 (A) state the dollar amount of additional ad valorem tax revenue that would be
 300 generated each year by the proposed increase in the certified tax rate;

- 301 (B) explain the reasons for the proposed tax increase, including the taxing entity's
302 intended use of additional ad valorem tax revenue described in Subsection
303 (8)(b)(ii)(A);
- 304 (C) if the county auditor compiles the list required by Section 59-2-919.2, present
305 the list at the public hearing and make the list available on the taxing entity's
306 public website; and
- 307 (D) provide an interested party desiring to be heard an opportunity to present oral
308 testimony within reasonable time limits and without unreasonable restriction
309 on the number of individuals allowed to make public comment.
- 310 (c)(i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a
311 public hearing described in Subsection (3)(a)(v) or (4)(b) at the same time as the
312 public hearing of another overlapping taxing entity in the same county.
- 313 (ii) The taxing entities in which the power to set tax levies is vested in the same
314 governing board or authority may consolidate the public hearings described in
315 Subsection (3)(a)(v) or (4)(b) into one public hearing.
- 316 (d) The county auditor shall resolve any conflict in public hearing dates and times after
317 consultation with each affected taxing entity.
- 318 (e)(i) A taxing entity shall hold a public hearing described in Subsection (3)(a)(v) or
319 (4)(b) beginning at or after 6 p.m.
- 320 (ii) If a taxing entity holds a public meeting for the purpose of addressing general
321 business of the taxing entity on the same date as a public hearing described in
322 Subsection (3)(a)(v) or (4)(b), the public meeting addressing general business
323 items shall conclude before the beginning of the public hearing described in
324 Subsection (3)(a)(v) or (4)(b).
- 325 (f)(i) Except as provided in Subsection (8)(f)(ii), a taxing entity may not hold the
326 public hearing described in Subsection (3)(a)(v) or (4)(b) on the same date as
327 another public hearing of the taxing entity.
- 328 (ii) A taxing entity may hold the following hearings on the same date as a public
329 hearing described in Subsection (3)(a)(v) or (4)(b):
- 330 (A) a budget hearing;
- 331 (B) if the taxing entity is a special district or a special service district, a fee
332 hearing described in Section 17B-1-643;
- 333 (C) if the taxing entity is a town, an enterprise fund hearing described in Section
334 10-5-107.5; or

335 (D) if the taxing entity is a city, an enterprise fund hearing described in Section
336 10-6-135.5.

337 (9)(a) If a taxing entity does not make a final decision on budgeting additional ad
338 valorem tax revenue at a public hearing described in Subsection (3)(a)(v) or (4)(b),
339 the taxing entity shall:

340 (i) announce at that public hearing the scheduled time and place of the next public
341 meeting at which the taxing entity will consider budgeting the additional ad
342 valorem tax revenue; and

343 (ii) if the taxing entity is a fiscal year taxing entity, hold the public meeting described
344 in Subsection (9)(a)(i) before September 1.

345 (b) A calendar year taxing entity may not adopt a final budget that budgets an amount of
346 additional ad valorem tax revenue that exceeds the largest amount of additional ad
347 valorem tax revenue stated at a public meeting under Subsection (3)(a)(i).

348 (c) A public hearing on levying a tax rate that exceeds a fiscal year taxing entity's
349 certified tax rate may coincide with a public hearing on the fiscal year taxing entity's
350 proposed annual budget.

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

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

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

361 (11) For a fiscal year within a truth-in-taxation exemption period, a taxing entity may adopt
362 a budget that is equal to or less than the base year budgeted revenue without complying
363 with this section.

364 (12) Notwithstanding Subsection (10)(c), if the commission determines that a fiscal year
365 taxing entity proposing a tax rate increase for the fiscal year beginning on July 1, 2026,
366 has failed to meet the requirements of Subsection (4)(a) or (b):

367 (a) Subsection (10)(c) does not apply, unless the commission determines that the taxing
368 entity has failed to meet a requirement in this section other than the requirements of

- 369 Subsection (4)(a) or (b); and
 370 (b) the commission shall provide notice to the taxing entity:
 371 (i) notifying the taxing entity of the taxing entity's failure to meet the requirements of
 372 Subsection (4)(a) or (b); and
 373 (ii) explaining to the taxing entity that failure to meet the requirements of Subsection
 374 (4)(a) or (b) for a subsequent fiscal year will result in the commission not
 375 certifying the taxing entity's proposed tax rate increase.

376 Section 2. Section **59-2-923** is amended to read:

377 **59-2-923 . Expenditures of money prior to adoption of budget or tax rate.**

378 ~~[A]~~ Except as provided in Subsection 59-2-924(8), a taxing entity may, before the taxing
 379 entity adopts a final annual budget or a tax rate, expend money on the basis of the taxing
 380 entity's:

- 381 (1) tentative budget after adoption of the tentative budget; or
 382 (2) prior year's adopted final budget as amended, which shall be readopted by resolution at
 383 a meeting of the taxing entity's governing body.

384 Section 3. Section **59-2-924** is amended to read:

385 **59-2-924 . Definitions -- Report of valuation of property to county auditor and**
 386 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**
 387 **rate -- Rulemaking authority -- Budgeting requirements -- Notice provided by the**
 388 **commission.**

389 (1) As used in this section:

- 390 (a) "Additional ad valorem tax revenue" means the same as that term is defined in
 391 Section 59-2-919.

392 ~~[(a)]~~ (b)(i) "Ad valorem property tax revenue" means revenue collected in accordance
 393 with this chapter.

394 (ii) "Ad valorem property tax revenue" does not include:

- 395 (A) interest;
 396 (B) penalties;
 397 (C) collections from redemptions; or
 398 (D) revenue received by a taxing entity from personal property that is
 399 semiconductor manufacturing equipment assessed by a county assessor in
 400 accordance with Part 3, County Assessment.

401 ~~[(b)]~~ (c) "Adjusted tax increment" means the same as that term is defined in Section
 402 17C-1-102.

- 403 ~~[(e)]~~ (d)(i) "Aggregate taxable value of all property taxed" means:
- 404 (A) the aggregate taxable value of all real property a county assessor assesses in
405 accordance with Part 3, County Assessment, for the current year;
- 406 (B) the aggregate taxable value of all real and personal property the commission
407 assesses in accordance with Part 2, Assessment of Property, for the current
408 year; and
- 409 (C) the aggregate year end taxable value of all personal property a county assessor
410 assesses in accordance with Part 3, County Assessment, contained on the prior
411 year's tax rolls of the taxing entity.
- 412 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
413 year end taxable value of personal property that is:
- 414 (A) semiconductor manufacturing equipment assessed by a county assessor in
415 accordance with Part 3, County Assessment; and
- 416 (B) contained on the prior year's tax rolls of the taxing entity.
- 417 ~~[(d)]~~ (e) "Base taxable value" means:
- 418 (i) for an authority created under Section 11-58-201, the same as that term is defined
419 in Section 11-58-102;
- 420 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
421 the same as that term is defined in Section 11-59-207;
- 422 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
423 11-70-201, the same as that term is defined in Section 11-70-101;
- 424 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
425 defined in Section 17C-1-102;
- 426 (v) for an authority created under Section 63H-1-201, the same as that term is defined
427 in Section 63H-1-102;
- 428 (vi) for a host local government, the same as that term is defined in Section
429 63N-2-502;
- 430 (vii) for a housing and transit reinvestment zone or convention center reinvestment
431 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
432 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 433 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
434 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
435 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
436 upon the assessment roll last equalized during the base year, as that term is

- 437 defined in Section 10-21-101 or Section 17-80-101;
- 438 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
439 First Home Investment Zone Act, a property's taxable value as shown upon the
440 assessment roll last equalized during the base year, as that term is defined in
441 Section 63N-3-1601;
- 442 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
443 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
444 upon the assessment roll last equalized during the property tax base year, as that
445 term is defined in Section 63N-3-1701; or
- 446 (xi) for an electrical energy development zone created under Section 79-6-1104, the
447 value of the property within an electrical energy development zone, as shown on
448 the assessment roll last equalized before the creation of the electrical development
449 zone, as that term is defined in Section 79-6-1104.
- 450 [(e)] (f) "Centrally assessed benchmark value" means an amount equal to the average
451 year end taxable value of real and personal property the commission assesses in
452 accordance with Part 2, Assessment of Property, for the previous three calendar
453 years, adjusted for taxable value attributable to:
- 454 (i) an annexation to a taxing entity;
- 455 (ii) an incorrect allocation of taxable value of real or personal property the
456 commission assesses in accordance with Part 2, Assessment of Property; or
- 457 (iii) a change in value as a result of a change in the method of apportioning the value
458 prescribed by the Legislature, a court, or the commission in an administrative rule
459 or administrative order.
- 460 [(f)] (g) "Centrally assessed industry" means the following industry classes the
461 commission assesses in accordance with Part 2, Assessment of Property:
- 462 (i) air carrier;
- 463 (ii) coal;
- 464 (iii) coal load out property;
- 465 (iv) electric generation;
- 466 (v) electric rural;
- 467 (vi) electric utility;
- 468 (vii) gas utility;
- 469 (viii) ground access property;
- 470 (ix) land only property;

- 471 (x) liquid pipeline;
 472 (xi) metalliferous mining;
 473 (xii) nonmetalliferous mining;
 474 (xiii) oil and gas gathering;
 475 (xiv) oil and gas production;
 476 (xv) oil and gas water disposal;
 477 (xvi) railroad;
 478 (xvii) sand and gravel; and
 479 (xviii) uranium.

480 [~~(g)~~] (h)(i) "Centrally assessed new growth" means the greater of:

- 481 (A) for each centrally assessed industry, zero; or
 482 (B) the amount calculated by subtracting the centrally assessed benchmark value
 483 for each centrally assessed industry, adjusted for prior year end incremental
 484 value, from the taxable value of real and personal property the commission
 485 assesses in accordance with Part 2, Assessment of Property, for each centrally
 486 assessed industry for the current year, adjusted for current year incremental
 487 value.

- 488 (ii) "Centrally assessed new growth" does not include a change in value for a
 489 centrally assessed industry as a result of a change in the method of apportioning
 490 the value prescribed by the Legislature, a court, or the commission in an
 491 administrative rule or administrative order.

492 [(h)] (i) "Certified tax rate" means a tax rate that will provide the same ad valorem
 493 property tax revenue for a taxing entity as was budgeted by that taxing entity for the
 494 prior year.

495 [(i)] (j) "Community reinvestment agency" means the same as that term is defined in
 496 Section 17C-1-102.

497 (k) "Department" means a functional unit within a taxing entity that, in accordance with
 498 the Uniform Accounting Manual for Utah Cities, carries on a specific activity.

499 [(j)] (l) "Eligible new growth" means the greater of:

- 500 (i) zero; or
 501 (ii) the sum of:
 502 (A) locally assessed new growth;
 503 (B) centrally assessed new growth; and
 504 (C) project area new growth or hotel property new growth.

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

507 [~~(k)~~] (n) "Host local government" means the same as that term is defined in Section
508 63N-2-502.

509 [~~(h)~~] (o) "Hotel property" means the same as that term is defined in Section 63N-2-502.

510 [~~(m)~~] (p) "Hotel property new growth" means an amount equal to the incremental value
511 that is no longer provided to a host local government as incremental property tax
512 revenue.

513 [~~(n)~~] (q) "Incremental property tax revenue" means the same as that term is defined in
514 Section 63N-2-502.

515 [~~(o)~~] (r) "Incremental value" means:

516 (i) for an authority created under Section 11-58-201, the amount calculated by
517 multiplying:

518 (A) the difference between the taxable value and the base taxable value of the
519 property that is located within a project area and on which property tax
520 differential is collected; and

521 (B) the number that represents the percentage of the property tax differential that
522 is paid to the authority;

523 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
524 an amount calculated by multiplying:

525 (A) the difference between the current assessed value of the property and the base
526 taxable value; and

527 (B) the number that represents the percentage of the property tax augmentation, as
528 defined in Section 11-59-207, that is paid to the Point of the Mountain State
529 Land Authority;

530 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
531 11-70-201, the amount calculated by multiplying:

532 (A) the difference between the taxable value for the current year and the base
533 taxable value of the property that is located within a project area; and

534 (B) the number that represents the percentage of enhanced property tax revenue,
535 as defined in Section 11-70-101;

536 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
537 multiplying:

538 (A) the difference between the taxable value and the base taxable value of the

- 539 property located within a project area and on which tax increment is collected;
540 and
- 541 (B) the number that represents the adjusted tax increment from that project area
542 that is paid to the agency;
- 543 (v) for an authority created under Section 63H-1-201, the amount calculated by
544 multiplying:
- 545 (A) the difference between the taxable value and the base taxable value of the
546 property located within a project area and on which property tax allocation is
547 collected; and
- 548 (B) the number that represents the percentage of the property tax allocation from
549 that project area that is paid to the authority;
- 550 (vi) for a housing and transit reinvestment zone or convention center reinvestment
551 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
552 Reinvestment Zone Act, an amount calculated by multiplying:
- 553 (A) the difference between the taxable value and the base taxable value of the
554 property that is located within a housing and transit reinvestment zone or
555 convention center reinvestment zone and on which tax increment is collected;
556 and
- 557 (B) the number that represents the percentage of the tax increment that is paid to
558 the housing and transit reinvestment zone or convention center reinvestment
559 zone;
- 560 (vii) for a host local government, an amount calculated by multiplying:
- 561 (A) the difference between the taxable value and the base taxable value of the
562 hotel property on which incremental property tax revenue is collected; and
- 563 (B) the number that represents the percentage of the incremental property tax
564 revenue from that hotel property that is paid to the host local government;
- 565 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
566 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
567 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 568 (A) the difference between the taxable value and the base taxable value of the
569 property that is located within a home ownership promotion zone and on which
570 tax increment is collected; and
- 571 (B) the number that represents the percentage of the tax increment that is paid to
572 the home ownership promotion zone;

- 573 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
574 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
575 (A) the difference between the taxable value and the base taxable value of the
576 property that is located within a first home investment zone and on which tax
577 increment is collected; and
578 (B) the number that represents the percentage of the tax increment that is paid to
579 the first home investment zone;
- 580 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with
581 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
582 calculated by multiplying:
583 (A) the difference between the taxable value and the base taxable value of the
584 property located within a qualified development zone for a major sporting
585 event venue zone and upon which property tax increment is collected; and
586 (B) the number that represents the percentage of tax increment that is paid to the
587 major sporting event venue zone, as approved by a major sporting event venue
588 zone committee described in Section 63N-1a-1706; or
- 589 (xi) for an electrical energy development zone created under Section 79-6-1104, the
590 amount calculated by multiplying:
591 (A) the difference between the taxable value and the base taxable value of the
592 property that is located within the electrical energy developmental zone; and
593 (B) the number that represents the percentage of the tax increment that is paid to a
594 community reinvestment agency and the Electrical Energy Development
595 Investment Fund created in Section 79-6-1105.
- 596 (s) "Interim budget" means the final tentative budget for a fiscal year taxing entity that in
597 accordance with Subsection (8)(a), proposes a tax rate increase for the ensuing fiscal
598 year period that is in effect for the period beginning July 1 and ending after the date
599 on which the taxing entity, before September 1, adopts a final budget.
- 600 ~~[(p)]~~ (t)(i) "Locally assessed new growth" means the greater of:
601 (A) zero; or
602 (B) the amount calculated by subtracting the year end taxable value of real
603 property the county assessor assesses in accordance with Part 3, County
604 Assessment, for the previous year, adjusted for prior year end incremental
605 value from the taxable value of real property the county assessor assesses in
606 accordance with Part 3, County Assessment, for the current year, adjusted for

- 607 current year incremental value.
- 608 (ii) "Locally assessed new growth" does not include a change in:
- 609 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
- 610 or another adjustment;
- 611 (B) assessed value based on whether a property is allowed a residential exemption
- 612 for a primary residence under Section 59-2-103;
- 613 (C) assessed value based on whether a property is assessed under Part 5, Farmland
- 614 Assessment Act; or
- 615 (D) assessed value based on whether a property is assessed under Part 17, Urban
- 616 Farming Assessment Act.

617 ~~[(q)]~~ (u) "Project area" means:

- 618 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 619 in Section 11-58-102;
- 620 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 621 11-70-201, the same as that term is defined in Section 11-70-101;
- 622 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
- 623 defined in Section 17C-1-102;
- 624 (iv) for an authority created under Section 63H-1-201, the same as that term is
- 625 defined in Section 63H-1-102;
- 626 (v) for a housing and transit reinvestment zone or convention center reinvestment
- 627 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 628 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 629 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 630 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 631 5, Home Ownership Promotion Zone, the same as that term is defined in Section
- 632 10-21-101 or Section 17-80-101;
- 633 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 634 First Home Investment Zone Act, the same as that term is defined in Section
- 635 63N-3-1601; or
- 636 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
- 637 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
- 638 as defined in Section 63N-3-1701.

639 ~~[(r)]~~ (v) "Project area new growth" means:

- 640 (i) for an authority created under Section 11-58-201, an amount equal to the

- 641 incremental value that is no longer provided to an authority as property tax
642 differential;
- 643 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
644 an amount equal to the incremental value that is no longer provided to the Point of
645 the Mountain State Land Authority as property tax augmentation, as defined in
646 Section 11-59-207;
- 647 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
648 11-70-201, an amount equal to the incremental value that is no longer provided to
649 the Utah Fairpark Area Investment and Restoration District;
- 650 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
651 incremental value that is no longer provided to an agency as tax increment;
- 652 (v) for an authority created under Section 63H-1-201, an amount equal to the
653 incremental value that is no longer provided to an authority as property tax
654 allocation;
- 655 (vi) for a housing and transit reinvestment zone or convention center reinvestment
656 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
657 Reinvestment Zone Act, an amount equal to the incremental value that is no
658 longer provided to a housing and transit reinvestment zone or convention center
659 reinvestment zone as tax increment;
- 660 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
661 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
662 5, Home Ownership Promotion Zone, an amount equal to the incremental value
663 that is no longer provided to a home ownership promotion zone as tax increment;
- 664 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
665 First Home Investment Zone Act, an amount equal to the incremental value that is
666 no longer provided to a first home investment zone as tax increment; or
- 667 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
668 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental
669 value that is no longer provided to the creating entity of a major sporting event
670 venue zone as property tax increment.
- 671 ~~(s)~~ (w) "Project area incremental revenue" means the same as that term is defined in
672 Section 17C-1-1001.
- 673 ~~(t)~~ (x) "Property tax allocation" means the same as that term is defined in Section
674 63H-1-102.

- 675 ~~[(t)]~~ (y) "Property tax differential" means the same as that term is defined in Sections
676 11-58-102 and 79-6-1104.
- 677 (z) "Property tax impact schedule" means a schedule of expenditures that, in accordance
678 with Subsection (8)(b), is included in the interim budget for a fiscal year taxing entity
679 that proposes a tax rate increase for the ensuing fiscal year period.
- 680 ~~[(v)]~~ (aa) "Tax increment" means:
- 681 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
682 in Section 17C-1-102;
- 683 (ii) for a housing and transit reinvestment zone or convention center reinvestment
684 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
685 Reinvestment Zone Act, the same as the term "property tax increment" is defined
686 in Section 63N-3-602;
- 687 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
688 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
689 5, Home Ownership Promotion Zone, the same as that term is defined in Section
690 10-21-101 or Section 17-80-101;
- 691 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
692 First Home Investment Zone Act, the same as that term is defined in Section
693 63N-3-1601; or
- 694 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
695 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
696 defined in Section 63N-3-1701.
- 697 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
698 the commission the following statements:
- 699 (a) a statement containing the aggregate valuation of all taxable real property a county
700 assessor assesses in accordance with Part 3, County Assessment, for each taxing
701 entity; and
- 702 (b) a statement containing the taxable value of all personal property a county assessor
703 assesses in accordance with Part 3, County Assessment, from the prior year end
704 values.
- 705 (3) The county auditor shall, on or before June [8] 13, transmit to the governing body of
706 each taxing entity:
- 707 (a) the statements described in Subsections (2)(a) and (b);
- 708 (b) an estimate of the revenue from personal property;

- 709 (c) the certified tax rate; and
- 710 (d) all forms necessary to submit a tax levy request.
- 711 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
- 712 calculated by dividing the ad valorem property tax revenue that a taxing entity
- 713 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 714 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
- 715 calculate an amount as follows:
- 716 (i) calculate for the taxing entity the difference between:
- 717 (A) the aggregate taxable value of all property taxed; and
- 718 (B) any adjustments for current year incremental value;
- 719 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
- 720 determined by increasing or decreasing the amount calculated under Subsection
- 721 (4)(b)(i) by the average of the percentage net change in the value of taxable
- 722 property for the equalization period for the three calendar years immediately
- 723 preceding the current calendar year;
- 724 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
- 725 product of:
- 726 (A) the amount calculated under Subsection (4)(b)(ii); and
- 727 (B) the percentage of property taxes collected for the five calendar years
- 728 immediately preceding the current calendar year; and
- 729 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
- 730 amount determined by:
- 731 (A) multiplying the percentage of property taxes collected for the five calendar
- 732 years immediately preceding the current calendar year by eligible new growth;
- 733 and
- 734 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
- 735 amount calculated under Subsection (4)(b)(iii).
- 736 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
- 737 as follows:
- 738 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
- 739 tax rate is zero;
- 740 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 741 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
- 742 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services

- 743 to Unincorporated Areas; and
- 744 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
745 purposes and such other levies imposed solely for the municipal-type services
746 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 747 (c) for a community reinvestment agency that received all or a portion of a taxing
748 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
749 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
750 Subsection (4) except that the commission shall treat the total revenue transferred to
751 the community reinvestment agency as ad valorem property tax revenue that the
752 taxing entity budgeted for the prior year; and
- 753 (d) for debt service voted on by the public, the certified tax rate is the actual levy
754 imposed by that section, except that a certified tax rate for the following levies shall
755 be calculated in accordance with Section 59-2-913 and this section:
- 756 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
757 (ii) a levy to pay for the costs of state legislative mandates or judicial or
758 administrative orders under Section 59-2-1602.
- 759 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
760 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
761 one or more eligible judgments.
- 762 (b) The ad valorem property tax revenue generated by a judgment levy described in
763 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
764 certified tax rate.
- 765 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 766 (i) the taxable value of real property:
- 767 (A) the county assessor assesses in accordance with Part 3, County Assessment;
768 and
- 769 (B) contained on the assessment roll;
- 770 (ii) the year end taxable value of personal property:
- 771 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
772 (B) contained on the prior year's assessment roll; and
- 773 (iii) the taxable value of real and personal property the commission assesses in
774 accordance with Part 2, Assessment of Property.
- 775 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
776 growth.

- 777 (8)(a) On or before June 30~~[of each year]~~, a fiscal year taxing entity that proposes an
778 increase to the certified tax rate for the ensuing fiscal year period shall~~[adopt a~~
779 ~~tentative budget.]~~ :
- 780 (i) prepare and adopt an interim budget that:
- 781 (A) is based on the taxing entity's proposed tax rate increase;
- 782 (B) includes a property tax impact schedule, subject to the requirements of
783 Subsection (8)(b); and
- 784 (C) is in effect for the period beginning on July 1 and ending after the date on
785 which the taxing entity, subject to the requirements of Section 59-2-919, adopts
786 a budget;
- 787 (ii) present and make available to the public the property tax impact schedule
788 described in Subsection (8)(a)(i)(B):
- 789 (A) at each public hearing or meeting held prior to June 30 at which the taxing
790 entity discusses the taxing entity's proposed budget for the ensuing fiscal year
791 period; and
- 792 (B) as a separate document from all other budget documents; and
- 793 (iii) subject to Subsection (8)(c), set aside, in a restricted budget account, an amount
794 of the taxing entity's general fund revenue that is no less than the amount of
795 additional ad valorem tax revenue that would be generated by the taxing entity's
796 proposed tax rate increase.
- 797 (b) The property tax impact schedule described in Subsection (8)(a)(i)(B) shall:
- 798 (i) specify:
- 799 (A) the approximate dollar amount of additional ad valorem tax revenue that
800 would be generated by the proposed tax rate increase;
- 801 (B) the approximate percentage increase in tax revenue based on the proposed tax
802 rate increase;
- 803 (C) the approximate percentage increase to the amount of property taxes paid on
804 an average residence per year as a result of the proposed tax rate increase; and
- 805 (D) the approximate percentage increase to the amount of property taxes paid on
806 an average commercial property per year as a result of the proposed tax rate
807 increase; and
- 808 (ii) for each department of the taxing entity whose budget would be affected by the
809 proposed tax rate increase:
- 810 (A) outline the budget increase or decrease to the department as a result of the

- 811 proposed tax rate increase; and
- 812 (B) articulate the operational impact to the department in the event that the taxing
- 813 entity does not approve the proposed tax rate increase.
- 814 (c) A taxing entity subject to this Subsection (8) may not expend or otherwise obligate
- 815 the revenue that the taxing entity sets aside in a restricted budget account, as required
- 816 by Subsection (8)(a)(iii), for the period beginning on July 1 and ending after the date
- 817 on which the taxing entity, subject to the requirements of Section 59-2-919, adopts a
- 818 budget.
- 819 (d) A county shall include the property tax impact schedule described in Subsection
- 820 (8)(a)(i)(B) as part of the county notice provided under Section 59-2-919.1, if
- 821 requested and paid for by the taxing entity.
- 822 ~~(b)~~ (e) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall
- 823 notify the county auditor of:
- 824 (i) the taxing entity's intent to exceed the certified tax rate; and
- 825 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 826 ~~(e)~~ (f) The county auditor shall notify property owners of any intent to levy a tax rate
- 827 that exceeds the certified tax rate in accordance with Sections 59-2-919 and
- 828 59-2-919.1.
- 829 (9) On or before June 30, a fiscal year taxing entity shall adopt a budget if the taxing entity
- 830 does not propose an increase to the certified tax rate for the ensuing fiscal year period.
- 831 ~~(9)~~ (10)(a) Subject to Subsection ~~(9)(d)~~ (10)(d), the commission shall provide notice,
- 832 through electronic means on or before July 31, to a taxing entity and the Revenue and
- 833 Taxation Interim Committee if:
- 834 (i) the amount calculated under Subsection ~~(9)(b)~~ (10)(b) is 10% or more of the year
- 835 end taxable value of the real and personal property the commission assesses in
- 836 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 837 for prior year end incremental value; and
- 838 (ii) the amount calculated under Subsection ~~(9)(e)~~ (10)(c) is 50% or more of the total
- 839 year end taxable value of the real and personal property of a taxpayer the
- 840 commission assesses in accordance with Part 2, Assessment of Property, for the
- 841 previous year.
- 842 (b) For purposes of Subsection ~~(9)(a)(i)~~ (10)(a)(i), the commission shall calculate an
- 843 amount by subtracting the taxable value of real and personal property the commission
- 844 assesses in accordance with Part 2, Assessment of Property, for the current year,

845 adjusted for current year incremental value, from the year end taxable value of the
846 real and personal property the commission assesses in accordance with Part 2,
847 Assessment of Property, for the previous year, adjusted for prior year end
848 incremental value.

849 (c) For purposes of Subsection [~~(9)(a)(ii)~~] (10)(a)(ii), the commission shall calculate an
850 amount by subtracting the total taxable value of real and personal property of a
851 taxpayer the commission assesses in accordance with Part 2, Assessment of Property,
852 for the current year, from the total year end taxable value of the real and personal
853 property of a taxpayer the commission assesses in accordance with Part 2,
854 Assessment of Property, for the previous year.

855 (d) The notification under Subsection [~~(9)(a)~~] (10)(a) shall include a list of taxpayers that
856 meet the requirement under Subsection [~~(9)(a)(ii)~~] (10)(a)(ii).

857 **Section 4. Effective Date.**

858 This bill takes effect on May 6, 2026.

859 **Section 5. Coordinating H.B. 236 with S.B. 238.**

860 If H.B. 236, Truth in Taxation Amendments, and S.B. 238, Property Tax Adjustments,
861 both pass and become law, the Legislature intends that, on May 6, 2026, Subsection
862 59-2-919(12), enacted in H.B. 236, be renumbered and amended to read:

863 "(13) Notwithstanding Subsection (12)(c), if the commission determines that a fiscal year
864 taxing entity proposing a tax rate increase for the fiscal year beginning on July 1, 2026, has
865 failed to meet the requirements of Subsection (4)(a) or (b):

866 (a) Subsection (12)(c) does not apply, unless the commission determines that the taxing
867 entity has failed to meet a requirement in this section other than the requirements of
868 Subsection (4)(a) or (b); and

869 (b) the commission shall provide notice to the taxing entity:

870 (i) notifying the taxing entity of the taxing entity's failure to meet the requirements of
871 Subsection (4)(a) or (b); and

872 (ii) explaining to the taxing entity that failure to meet the requirements of Subsection (4)(a)
873 or (b) for a subsequent fiscal year will result in the commission not certifying the taxing
874 entity's proposed tax rate increase."