

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

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**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

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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 or  
174 budget officer of the taxing entity states that the tentative budget includes a  
175 proposed tax rate increase and presents a property tax impact schedule as defined  
176 in Section 59-2-924; and
- 177 (ii) the fiscal year taxing entity includes, on the agenda for the public meeting  
178 described in Subsection (4)(a)(i), a separate item notifying the public that an  
179 executive officer or budget officer of the taxing entity intends to state in the public  
180 meeting that the tentative budget includes a proposed tax rate increase;
- 181 (b)(i) on or after May 1 but on or before June 13, the fiscal year taxing entity states at  
182 a public meeting:
- 183 (A) that the fiscal year taxing entity is considering levying a tax rate that exceeds  
184 the fiscal year taxing entity's certified tax rate;
- 185 (B) the approximate dollar amount of and purpose for additional ad valorem tax  
186 revenue that would be generated by the proposed tax rate increase described in  
187 Subsection (4)(b)(i)(A);
- 188 (C) the approximate percentage increase in ad valorem tax revenue for the fiscal  
189 year taxing entity based on the proposed tax rate increase described in  
190 Subsection (4)(b)(i)(A); and
- 191 (D) that if the fiscal year taxing entity proceeds with the proposed tax rate  
192 increase, the fiscal year taxing entity will provide notice of and conduct a  
193 public hearing, as required by Subsection (4)(b), at which members of the  
194 public will have an opportunity to provide comments on the proposed tax rate  
195 increase; and
- 196 (ii) the fiscal year taxing entity provides notice for the public meeting described in  
197 Subsection (4)(b)(i) in accordance with Title 52, Chapter 4, Open and Public  
198 Meetings Act, including providing a separate item on the meeting agenda that

199 notifies the public that the fiscal year taxing entity intends to make the statement  
 200 described in Subsection (4)(b)(i);

201 [~~(b)~~] (c) the fiscal year taxing entity conducts a public hearing in accordance with  
 202 Subsections (8) and (9)[~~before the fiscal year taxing entity's annual budget is adopted~~]  
 203 ; and

204 (d) the fiscal year taxing entity provides notice for the public hearing described in  
 205 Subsection (4)(c) by meeting the advertisement requirements of Subsections (6) and  
 206 (7).

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

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

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

215 (ii) the taxing entity:

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

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

220 (c) The requirements of Subsection (4)(a) do not apply if the tentative budget presented  
 221 during or prior to the first meeting in May does not include a proposed tax increase.

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

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

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

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

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

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

231 "NOTICE OF PROPOSED TAX INCREASE

232 (NAME OF TAXING ENTITY)

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

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

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

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

242 • If the proposed budget is approved, (name of the taxing entity) would increase its  
243 property tax budgeted revenue by \_\_\_% above last year's property tax budgeted revenue  
244 excluding eligible new growth.

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

#### 249 PUBLIC HEARING

250 Date/Time: (date) (time)

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

252 Virtual Meeting Link: (Internet address for remote participation and live streaming  
253 options)

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

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

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

259 and

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

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

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

267 (B) if a provision of this section requires a fiscal year taxing entity to post  
 268 information on the taxing entity's public website within a specific time frame, a  
 269 fiscal year taxing entity described in Subsection (6)(c)(i) shall instead post that  
 270 information at the fiscal year taxing entity's town hall or principal place of  
 271 business within that specific time frame.

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

275 (7) The commission:

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

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

281 (i) the direct notice is different and separate from the notice required under Section  
 282 59-2-919.1; and

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

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

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

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

292 (A) open to the public;

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

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

300 (ii) The governing body of a taxing entity conducting a public hearing described in

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

- 335 hearing described in Section 17B-1-643;
- 336 (C) if the taxing entity is a town, an enterprise fund hearing described in Section  
337 10-5-107.5; or
- 338 (D) if the taxing entity is a city, an enterprise fund hearing described in Section  
339 10-6-135.5.
- 340 (9)(a) If a taxing entity does not make a final decision on budgeting additional ad  
341 valorem tax revenue at a public hearing described in Subsection (3)(a)(v) or (4)(b),  
342 the taxing entity shall:
- 343 (i) announce at that public hearing the scheduled time and place of the next public  
344 meeting at which the taxing entity will consider budgeting the additional ad  
345 valorem tax revenue; and
- 346 (ii) if the taxing entity is a fiscal year taxing entity, hold the public meeting described  
347 in Subsection (9)(a)(i) before September 1.
- 348 (b) A calendar year taxing entity may not adopt a final budget that budgets an amount of  
349 additional ad valorem tax revenue that exceeds the largest amount of additional ad  
350 valorem tax revenue stated at a public meeting under Subsection (3)(a)(i).
- 351 (c) A public hearing on levying a tax rate that exceeds a fiscal year taxing entity's  
352 certified tax rate may coincide with a public hearing on the fiscal year taxing entity's  
353 proposed annual budget.
- 354 (10)(a) A county auditor may conduct an audit to verify a taxing entity's compliance  
355 with Subsection (8).
- 356 (b) If the county auditor, after completing an audit, finds that a taxing entity has failed to  
357 meet the requirements of Subsection (8), the county auditor shall prepare and submit  
358 a report of the auditor's findings to the commission.
- 359 (c) The commission may not certify a tax rate that exceeds a taxing entity's certified tax  
360 rate if, on or before September 15 of the year in which the taxing entity is required to  
361 hold the public hearing described in Subsection (3)(a)(v) or (4)(b), the commission  
362 determines that the taxing entity has failed to meet the requirements of [~~Subsection~~  
363 ~~(8)] this section.~~
- 364 (11) For a fiscal year within a truth-in-taxation exemption period, a taxing entity may adopt  
365 a budget that is equal to or less than the base year budgeted revenue without complying  
366 with this section.
- 367 (12) Notwithstanding Subsection (10)(c), if the commission determines that a fiscal year  
368 taxing entity proposing a tax rate increase for the fiscal year beginning on July 1, 2026,

- 369 has failed to meet the requirements of Subsection (4)(a) or (b):
- 370 (a) Subsection (10)(c) does not apply, unless the commission determines that the taxing
- 371 entity has failed to meet a requirement in this section other than the requirements of
- 372 Subsection (4)(a) or (b); and
- 373 (b) the commission shall provide notice to the taxing entity:
- 374 (i) notifying the taxing entity of the taxing entity's failure to meet the requirements of
- 375 Subsection (4)(a) or (b); and
- 376 (ii) explaining to the taxing entity that failure to meet the requirements of Subsection
- 377 (4)(a) or (b) for a subsequent fiscal year will result in the commission not
- 378 certifying the taxing entity's proposed tax rate increase.

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

380 **59-2-923 . Expenditures of money prior to adoption of budget or tax rate.**

381 [A] Except as provided in Subsection 59-2-924(8), a taxing entity may, before the taxing

382 entity adopts a final annual budget or a tax rate, expend money on the basis of the taxing

383 entity's:

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

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

388 **59-2-924 . Definitions -- Report of valuation of property to county auditor and**

389 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**

390 **rate -- Rulemaking authority -- Budgeting requirements -- Notice provided by the**

391 **commission.**

392 (1) As used in this section:

- 393 (a) "Additional ad valorem tax revenue" means the same as that term is defined in
- 394 Section 59-2-919.
- 395 [(a)] (b)(i) "Ad valorem property tax revenue" means revenue collected in accordance
- 396 with this chapter.
- 397 (ii) "Ad valorem property tax revenue" does not include:
- 398 (A) interest;
- 399 (B) penalties;
- 400 (C) collections from redemptions; or
- 401 (D) revenue received by a taxing entity from personal property that is
- 402 semiconductor manufacturing equipment assessed by a county assessor in

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

- 437 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,  
438 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown  
439 upon the assessment roll last equalized during the base year, as that term is  
440 defined in Section 10-21-101 or Section 17-80-101;
- 441 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
442 First Home Investment Zone Act, a property's taxable value as shown upon the  
443 assessment roll last equalized during the base year, as that term is defined in  
444 Section 63N-3-1601;
- 445 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
446 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown  
447 upon the assessment roll last equalized during the property tax base year, as that  
448 term is defined in Section 63N-3-1701; or
- 449 (xi) for an electrical energy development zone created under Section 79-6-1104, the  
450 value of the property within an electrical energy development zone, as shown on  
451 the assessment roll last equalized before the creation of the electrical development  
452 zone, as that term is defined in Section 79-6-1104.
- 453 [(e)] (f) "Centrally assessed benchmark value" means an amount equal to the average  
454 year end taxable value of real and personal property the commission assesses in  
455 accordance with Part 2, Assessment of Property, for the previous three calendar  
456 years, adjusted for taxable value attributable to:
- 457 (i) an annexation to a taxing entity;
- 458 (ii) an incorrect allocation of taxable value of real or personal property the  
459 commission assesses in accordance with Part 2, Assessment of Property; or
- 460 (iii) a change in value as a result of a change in the method of apportioning the value  
461 prescribed by the Legislature, a court, or the commission in an administrative rule  
462 or administrative order.
- 463 [(f)] (g) "Centrally assessed industry" means the following industry classes the  
464 commission assesses in accordance with Part 2, Assessment of Property:
- 465 (i) air carrier;
- 466 (ii) coal;
- 467 (iii) coal load out property;
- 468 (iv) electric generation;
- 469 (v) electric rural;
- 470 (vi) electric utility;

- 471 (vii) gas utility;  
 472 (viii) ground access property;  
 473 (ix) land only property;  
 474 (x) liquid pipeline;  
 475 (xi) metalliferous mining;  
 476 (xii) nonmetalliferous mining;  
 477 (xiii) oil and gas gathering;  
 478 (xiv) oil and gas production;  
 479 (xv) oil and gas water disposal;  
 480 (xvi) railroad;  
 481 (xvii) sand and gravel; and  
 482 (xviii) uranium.

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

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

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

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

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

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

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

- 503 (i) zero; or  
 504 (ii) the sum of:

- 505 (A) locally assessed new growth;
- 506 (B) centrally assessed new growth; and
- 507 (C) project area new growth or hotel property new growth.
- 508 (m) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that
- 509 begins on July 1 and ends on June 30.
- 510 [~~(k)~~] (n) "Host local government" means the same as that term is defined in Section
- 511 63N-2-502.
- 512 [~~(t)~~] (o) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 513 [~~(m)~~] (p) "Hotel property new growth" means an amount equal to the incremental value
- 514 that is no longer provided to a host local government as incremental property tax
- 515 revenue.
- 516 [~~(n)~~] (q) "Incremental property tax revenue" means the same as that term is defined in
- 517 Section 63N-2-502.
- 518 [~~(o)~~] (r) "Incremental value" means:
- 519 (i) for an authority created under Section 11-58-201, the amount calculated by
- 520 multiplying:
- 521 (A) the difference between the taxable value and the base taxable value of the
- 522 property that is located within a project area and on which property tax
- 523 differential is collected; and
- 524 (B) the number that represents the percentage of the property tax differential that
- 525 is paid to the authority;
- 526 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 527 an amount calculated by multiplying:
- 528 (A) the difference between the current assessed value of the property and the base
- 529 taxable value; and
- 530 (B) the number that represents the percentage of the property tax augmentation, as
- 531 defined in Section 11-59-207, that is paid to the Point of the Mountain State
- 532 Land Authority;
- 533 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 534 11-70-201, the amount calculated by multiplying:
- 535 (A) the difference between the taxable value for the current year and the base
- 536 taxable value of the property that is located within a project area; and
- 537 (B) the number that represents the percentage of enhanced property tax revenue,
- 538 as defined in Section 11-70-101;

- 539 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by  
540 multiplying:
- 541 (A) the difference between the taxable value and the base taxable value of the  
542 property located within a project area and on which tax increment is collected;  
543 and
- 544 (B) the number that represents the adjusted tax increment from that project area  
545 that is paid to the agency;
- 546 (v) for an authority created under Section 63H-1-201, the amount calculated by  
547 multiplying:
- 548 (A) the difference between the taxable value and the base taxable value of the  
549 property located within a project area and on which property tax allocation is  
550 collected; and
- 551 (B) the number that represents the percentage of the property tax allocation from  
552 that project area that is paid to the authority;
- 553 (vi) for a housing and transit reinvestment zone or convention center reinvestment  
554 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit  
555 Reinvestment Zone Act, an amount calculated by multiplying:
- 556 (A) the difference between the taxable value and the base taxable value of the  
557 property that is located within a housing and transit reinvestment zone or  
558 convention center reinvestment zone and on which tax increment is collected;  
559 and
- 560 (B) the number that represents the percentage of the tax increment that is paid to  
561 the housing and transit reinvestment zone or convention center reinvestment  
562 zone;
- 563 (vii) for a host local government, an amount calculated by multiplying:
- 564 (A) the difference between the taxable value and the base taxable value of the  
565 hotel property on which incremental property tax revenue is collected; and
- 566 (B) the number that represents the percentage of the incremental property tax  
567 revenue from that hotel property that is paid to the host local government;
- 568 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part  
569 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,  
570 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 571 (A) the difference between the taxable value and the base taxable value of the  
572 property that is located within a home ownership promotion zone and on which

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

607 Assessment, for the previous year, adjusted for prior year end incremental  
 608 value from the taxable value of real property the county assessor assesses in  
 609 accordance with Part 3, County Assessment, for the current year, adjusted for  
 610 current year incremental value.

611 (ii) "Locally assessed new growth" does not include a change in:

612 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,  
 613 or another adjustment;

614 (B) assessed value based on whether a property is allowed a residential exemption  
 615 for a primary residence under Section 59-2-103;

616 (C) assessed value based on whether a property is assessed under Part 5, Farmland  
 617 Assessment Act; or

618 (D) assessed value based on whether a property is assessed under Part 17, Urban  
 619 Farming Assessment Act.

620 ~~[(t)]~~ (u) "Project area" means:

621 (i) for an authority created under Section 11-58-201, the same as that term is defined  
 622 in Section 11-58-102;

623 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section  
 624 11-70-201, the same as that term is defined in Section 11-70-101;

625 (iii) for an agency created under Section 17C-1-201.5, the same as that term is  
 626 defined in Section 17C-1-102;

627 (iv) for an authority created under Section 63H-1-201, the same as that term is  
 628 defined in Section 63H-1-102;

629 (v) for a housing and transit reinvestment zone or convention center reinvestment  
 630 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit

631 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;

632 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,

633 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part

634 5, Home Ownership Promotion Zone, the same as that term is defined in Section

635 10-21-101 or Section 17-80-101;

636 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,

637 First Home Investment Zone Act, the same as that term is defined in Section

638 63N-3-1601; or

639 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,

640 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,

641 as defined in Section 63N-3-1701.

642 [(+) (v)] "Project area new growth" means:

- 643 (i) for an authority created under Section 11-58-201, an amount equal to the  
644 incremental value that is no longer provided to an authority as property tax  
645 differential;
- 646 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
647 an amount equal to the incremental value that is no longer provided to the Point of  
648 the Mountain State Land Authority as property tax augmentation, as defined in  
649 Section 11-59-207;
- 650 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section  
651 11-70-201, an amount equal to the incremental value that is no longer provided to  
652 the Utah Fairpark Area Investment and Restoration District;
- 653 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the  
654 incremental value that is no longer provided to an agency as tax increment;
- 655 (v) for an authority created under Section 63H-1-201, an amount equal to the  
656 incremental value that is no longer provided to an authority as property tax  
657 allocation;
- 658 (vi) for a housing and transit reinvestment zone or convention center reinvestment  
659 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
660 Reinvestment Zone Act, an amount equal to the incremental value that is no  
661 longer provided to a housing and transit reinvestment zone or convention center  
662 reinvestment zone as tax increment;
- 663 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,  
664 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
665 5, Home Ownership Promotion Zone, an amount equal to the incremental value  
666 that is no longer provided to a home ownership promotion zone as tax increment;
- 667 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
668 First Home Investment Zone Act, an amount equal to the incremental value that is  
669 no longer provided to a first home investment zone as tax increment; or
- 670 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
671 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental  
672 value that is no longer provided to the creating entity of a major sporting event  
673 venue zone as property tax increment.

674 [(s)] (w) "Project area incremental revenue" means the same as that term is defined in

675 Section 17C-1-1001.

676 [(†)] (x) "Property tax allocation" means the same as that term is defined in Section  
677 63H-1-102.

678 [(†)] (y) "Property tax differential" means the same as that term is defined in Sections  
679 11-58-102 and 79-6-1104.

680 (z) "Property tax impact schedule" means a schedule of expenditures that, in accordance  
681 with Subsection (8)(b), is included in the interim budget for a fiscal year taxing entity  
682 that proposes a tax rate increase for the ensuing fiscal year period.

683 [(†)] (aa) "Tax increment" means:

684 (i) for a project created under Section 17C-1-201.5, the same as that term is defined  
685 in Section 17C-1-102;

686 (ii) for a housing and transit reinvestment zone or convention center reinvestment  
687 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
688 Reinvestment Zone Act, the same as the term "property tax increment" is defined  
689 in Section 63N-3-602;

690 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,  
691 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
692 5, Home Ownership Promotion Zone, the same as that term is defined in Section  
693 10-21-101 or Section 17-80-101;

694 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
695 First Home Investment Zone Act, the same as that term is defined in Section  
696 63N-3-1601; or

697 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
698 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is  
699 defined in Section 63N-3-1701.

700 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and  
701 the commission the following statements:

702 (a) a statement containing the aggregate valuation of all taxable real property a county  
703 assessor assesses in accordance with Part 3, County Assessment, for each taxing  
704 entity; and

705 (b) a statement containing the taxable value of all personal property a county assessor  
706 assesses in accordance with Part 3, County Assessment, from the prior year end  
707 values.

708 (3) The county auditor shall, on or before June [8] 13, transmit to the governing body of

- 709 each taxing entity:
- 710 (a) the statements described in Subsections (2)(a) and (b);
- 711 (b) an estimate of the revenue from personal property;
- 712 (c) the certified tax rate; and
- 713 (d) all forms necessary to submit a tax levy request.
- 714 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
- 715 calculated by dividing the ad valorem property tax revenue that a taxing entity
- 716 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 717 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
- 718 calculate an amount as follows:
- 719 (i) calculate for the taxing entity the difference between:
- 720 (A) the aggregate taxable value of all property taxed; and
- 721 (B) any adjustments for current year incremental value;
- 722 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
- 723 determined by increasing or decreasing the amount calculated under Subsection
- 724 (4)(b)(i) by the average of the percentage net change in the value of taxable
- 725 property for the equalization period for the three calendar years immediately
- 726 preceding the current calendar year;
- 727 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
- 728 product of:
- 729 (A) the amount calculated under Subsection (4)(b)(ii); and
- 730 (B) the percentage of property taxes collected for the five calendar years
- 731 immediately preceding the current calendar year; and
- 732 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
- 733 amount determined by:
- 734 (A) multiplying the percentage of property taxes collected for the five calendar
- 735 years immediately preceding the current calendar year by eligible new growth;
- 736 and
- 737 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
- 738 amount calculated under Subsection (4)(b)(iii).
- 739 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
- 740 as follows:
- 741 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
- 742 tax rate is zero;

- 743 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 744 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
- 745 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
- 746 to Unincorporated Areas; and
- 747 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
- 748 purposes and such other levies imposed solely for the municipal-type services
- 749 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 750 (c) for a community reinvestment agency that received all or a portion of a taxing
- 751 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
- 752 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
- 753 Subsection (4) except that the commission shall treat the total revenue transferred to
- 754 the community reinvestment agency as ad valorem property tax revenue that the
- 755 taxing entity budgeted for the prior year; and
- 756 (d) for debt service voted on by the public, the certified tax rate is the actual levy
- 757 imposed by that section, except that a certified tax rate for the following levies shall
- 758 be calculated in accordance with Section 59-2-913 and this section:
- 759 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
- 760 (ii) a levy to pay for the costs of state legislative mandates or judicial or
- 761 administrative orders under Section 59-2-1602.
- 762 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
- 763 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
- 764 one or more eligible judgments.
- 765 (b) The ad valorem property tax revenue generated by a judgment levy described in
- 766 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
- 767 certified tax rate.
- 768 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 769 (i) the taxable value of real property:
- 770 (A) the county assessor assesses in accordance with Part 3, County Assessment;
- 771 and
- 772 (B) contained on the assessment roll;
- 773 (ii) the year end taxable value of personal property:
- 774 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 775 (B) contained on the prior year's assessment roll; and
- 776 (iii) the taxable value of real and personal property the commission assesses in

777 accordance with Part 2, Assessment of Property.

778 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new  
779 growth.

780 (8)(a) On or before June 30~~[of each year]~~, a fiscal year taxing entity that proposes an  
781 increase to the certified tax rate for the ensuing fiscal year period shall~~[adopt a~~  
782 ~~tentative budget.]~~ :

783 (i) prepare and adopt an interim budget that:

784 (A) is based on the taxing entity's proposed tax rate increase;

785 (B) includes a property tax impact schedule, subject to the requirements of  
786 Subsection (8)(b); and

787 (C) is in effect for the period beginning on July 1 and ending after the date on  
788 which the taxing entity, subject to the requirements of Section 59-2-919, adopts  
789 a budget;

790 (ii) present and make available to the public the property tax impact schedule  
791 described in Subsection (8)(a)(i)(B):

792 (A) at each public hearing held prior to June 30 at which the taxing entity  
793 discusses the taxing entity's proposed general fund budget for the ensuing fiscal  
794 year period; and

795 (B) as a separate document from all other budget documents; and

796 (iii) subject to Subsection (8)(c), set aside, in a restricted budget account, an amount  
797 of the taxing entity's general fund revenue that is no less than the amount of  
798 additional ad valorem tax revenue that would be generated by the taxing entity's  
799 proposed tax rate increase.

800 (b) The property tax impact schedule described in Subsection (8)(a)(i)(B) shall:

801 (i) specify:

802 (A) the approximate dollar amount of additional ad valorem tax revenue that  
803 would be generated by the proposed tax rate increase;

804 (B) the approximate percentage increase in tax revenue based on the proposed tax  
805 rate increase;

806 (C) the approximate percentage increase to the amount of property taxes paid on  
807 an average residence per year as a result of the proposed tax rate increase; and

808 (D) the approximate percentage increase to the amount of property taxes paid on  
809 an average commercial property per year as a result of the proposed tax rate  
810 increase; and

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

845 (b) For purposes of Subsection [~~(9)(a)(i)~~] (10)(a)(i), the commission shall calculate an  
 846 amount by subtracting the taxable value of real and personal property the commission  
 847 assesses in accordance with Part 2, Assessment of Property, for the current year,  
 848 adjusted for current year incremental value, from the year end taxable value of the  
 849 real and personal property the commission assesses in accordance with Part 2,  
 850 Assessment of Property, for the previous year, adjusted for prior year end  
 851 incremental value.

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

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

860 **Section 4. Effective Date.**

861 This bill takes effect on May 6, 2026.

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

863 If H.B. 236, Truth in Taxation Amendments, and S.B. 238, Property Tax Adjustments,

864 both pass and become law, the Legislature intends that, on May 6, 2026, Subsection

865 59-2-919(12), enacted in H.B. 236, be renumbered and amended to read:

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

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

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

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

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