

Utah Taxpayer Oversight of Government Spending Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Tiara Auxier

Senate Sponsor:

LONG TITLE**General Description:**

This bill establishes taxpayer oversight of government spending.

Highlighted Provisions:

This bill:

- establishes taxpayer oversight of government spending as required by a proposed amendment to the Utah Constitution, including:
 - requiring voters to approve an increase in state or local government revenue through most taxes or government debt;
 - limiting the amount of revenue a government entity may spend in a fiscal year unless voters approve increased spending;
 - eliminating automatic increases to taxes; and
 - requiring a refund of excess revenue to taxpayers;
- repeals provisions requiring residential property to be assessed using any method other than the sales comparison approach;
- modifies elections provisions to accommodate voting requirements;
- exempts business personal property that is not subject to a uniform fee from property tax;
- makes technical and conforming changes; and
- makes these changes contingent upon passage of a proposed constitutional amendment.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

10-5-102.5 (Contingently Effective 01/01/27), as enacted by Laws of Utah 2014, Chapters 176, 253 and 377 and last amended by Coordination Clause, Laws of Utah 2014, Chapter 253

31 **10-5-109 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2019,
32 Chapter 322

33 **10-5-112 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2021,
34 Chapter 434

35 **10-5-113 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2021,
36 Chapter 52

37 **10-6-106 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2019,
38 Chapter 136

39 **10-6-116 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2021,
40 Chapter 52

41 **10-6-118 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2019,
42 Chapter 322

43 **10-6-133 (Effective 01/01/27)**, as last amended by Laws of Utah 2021, Chapter 434

44 **10-6-135 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2019,
45 Chapter 322

46 **10-6-136 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 354

47 **11-13-509 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 435

48 **11-13-514 (Effective 01/01/27)**, as enacted by Laws of Utah 2015, Chapter 265

49 **17-63-101 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
50 First Special Session, Chapter 13

51 **17-63-305 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
52 First Special Session, Chapter 13

53 **17-63-306 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
54 First Special Session, Chapter 13

55 **17B-1-609 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapters 15, 435

56 **17B-1-614 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 15

57 **17B-1-627 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 15

58 **17B-1-629 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 15

59 **17B-2a-608 (Effective 01/01/27)**, as last amended by Laws of Utah 2017, Chapter 112

60 **17B-2a-705 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 435

61 **17B-2a-1009 (Effective 01/01/27)**, as last amended by Laws of Utah 2017, Chapters 112,
62 418

63 **17C-1-1002 (Effective 01/01/27)**, as enacted by Laws of Utah 2021, Chapter 214

64 **17C-1-1005 (Effective 01/01/27)**, as enacted by Laws of Utah 2021, Chapter 214

65 **17D-1-105 (Effective 01/01/27)**, as enacted by Laws of Utah 2008, Chapter 360
66 **17D-3-107 (Effective 01/01/27)**, as last amended by Laws of Utah 2021, Chapter 84
67 **17D-4-301 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 347
68 **20A-1-203 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
69 Session, Chapter 16
70 **20A-1-204 (Effective 01/01/27)**, as last amended by Laws of Utah 2022, Chapter 170
71 **20A-3a-202 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 381,
72 448
73 **20A-3a-702 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2020,
74 Chapter 31
75 **20A-5-400.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 15
76 **20A-7-101 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
77 Session, Chapter 16
78 **20A-7-103 (Effective 01/01/27) (Contingently Superseded 01/01/27)**, as last amended by
79 Laws of Utah 2025, Chapter 448
80 **20A-7-103 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2025,
81 Chapter 492
82 **20A-7-601 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
83 Session, Chapter 15
84 **20A-7-607 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
85 Session, Chapter 16
86 **20A-7-702 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 465
87 **20A-7-703.1 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 448
88 **53F-8-201 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 186
89 **53F-8-301 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2018,
90 Chapter 2
91 **53F-8-302 (Effective 01/01/27)**, as last amended by Laws of Utah 2018, Chapter 456 and
92 renumbered and amended by Laws of Utah 2018, Chapter 2
93 **53G-3-304 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 526
94 **53G-7-303 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
95 Session, Chapter 16
96 **53G-7-306 (Effective 01/01/27)**, as last amended by Laws of Utah 2021, Chapter 214
97 **59-2-102 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 234
98 **59-2-103 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 234

99 **59-2-103.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 234
100 **59-2-110 (Effective 01/01/27)**, as enacted by Laws of Utah 2020, Chapter 105
101 **59-2-306 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 315
102 **59-2-307 (Effective 01/01/27)**, as last amended by Laws of Utah 2022, Chapter 239
103 **59-2-909 (Effective 01/01/27)**, as last amended by Laws of Utah 1993, Chapter 227
104 **59-2-911 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
105 Session, Chapter 17
106 **59-2-912 (Effective 01/01/27)**, as last amended by Laws of Utah 2013, Chapter 183
107 **59-2-913 (Effective 01/01/27)**, as last amended by Laws of Utah 2018, Chapter 368
108 **59-2-918.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 246
109 **59-2-919 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
110 Session, Chapter 17
111 **59-2-919.1 [~~(Effective 07/01/26)~~] (Effective 01/01/27)**, as last amended by Laws of Utah
112 2025, Chapter 518
113 **59-2-920 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 322
114 **59-2-921 (Effective 01/01/27)**, as last amended by Laws of Utah 2009, Chapter 204
115 **59-2-924 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
116 Session, Chapter 15
117 **59-2-924.2 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 29
118 **59-2-1004 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 337
119 **59-2-1006 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 172
120 **59-2-1330 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 172
121 **59-2-1602 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 337,
122 484
123 **59-12-703 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
124 Session, Chapter 17
125 **59-12-704 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 290
126 **59-12-1402 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 290,
127 399
128 **59-12-1403 (Effective 01/01/27)**, as last amended by Laws of Utah 2011, Chapters 309,
129 416
130 **59-12-2208 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 435
131 **59-12-2213 (Effective 01/01/27)**, as last amended by Laws of Utah 2011, Chapter 223
132 **59-12-2214 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 29

133 **59-12-2215 (Effective 01/01/27)**, as last amended by Laws of Utah 2020, Chapter 377
134 **59-12-2216 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 501
135 **59-12-2218 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 479
136 **59-12-2219 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 400
137 **59-12-2220 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
138 Session, Chapter 15
139 **59-12-2402 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, First Special
140 Session, Chapter 12
141 **59-13-201 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 464
142 **59-13-301 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 479
143 **63G-7-704 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
144 Session, Chapter 17
145 **72-2-121.1 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 479

ENACTS:

147 **11-72-101 (Effective 01/01/27)**, Utah Code Annotated 1953
148 **11-72-102 (Effective 01/01/27)**, Utah Code Annotated 1953
149 **11-72-103 (Effective 01/01/27)**, Utah Code Annotated 1953
150 **17-63-810 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
151 **17B-1-646 (Effective 01/01/27)**, Utah Code Annotated 1953
152 **20A-7-901 (Effective 01/01/27)**, Utah Code Annotated 1953
153 **20A-7-902 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
154 **20A-7-903 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
155 **20A-7-904 (Effective 01/01/27)**, Utah Code Annotated 1953
156 **53G-7-310 (Effective 01/01/27)**, Utah Code Annotated 1953
157 **59-1-1901 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
158 **59-1-1902 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
159 **59-1-1903 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
160 **59-1-1904 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
161 **59-1-1905 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
162 **59-1-1906 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
163 **59-1-1907 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
164 **59-1-1908 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953

REPEALS AND REENACTS:

166 **59-2-1115 (Effective 01/01/27)**, as last amended by Laws of Utah 2022, Chapters 41,

275 and 293

RENUMBERS AND AMENDS:

20A-7-905 (Effective 01/01/27), (Renumbered from 59-1-1604, as last amended by Laws of Utah 2016, Chapter 53)

20A-7-906 (Effective 01/01/27), (Renumbered from 59-1-1605, as last amended by Laws of Utah 2016, Chapter 53)

REPEALS:

20A-7-609.5 (Contingently Effective 01/01/27), as last amended by Laws of Utah 2025, Chapters 381, 448

20A-7-613 (Contingently Effective 01/01/27), as last amended by Laws of Utah 2025, Chapter 448

53F-8-402 (Effective 01/01/27), as last amended by Laws of Utah 2019, Chapter 186

59-1-1602 (Effective 01/01/27), as enacted by Laws of Utah 2014, Chapter 356

59-1-1603 (Effective 01/01/27), as enacted by Laws of Utah 2014, Chapter 356

59-2-301.3 (Contingently Effective 01/01/27), as last amended by Laws of Utah 2022, Chapter 267

59-2-301.8 (Contingently Effective 01/01/27), as enacted by Laws of Utah 2020, Chapter 86

59-2-306.5 (Effective 01/01/27), as last amended by Laws of Utah 2024, Chapter 315

59-2-402 (Effective 01/01/27), as last amended by Laws of Utah 2007, Chapter 210

59-2-918.6 (Effective 01/01/27), as last amended by Laws of Utah 2018, Chapter 415

59-2-919.2 (Effective 01/01/27), as last amended by Laws of Utah 2025, Chapter 337

59-2-922 (Effective 01/01/27), as last amended by Laws of Utah 2009, Chapter 204

59-2-923 (Effective 01/01/27), as last amended by Laws of Utah 2009, Chapter 204

59-12-2212.1 (Effective 01/01/27), as enacted by Laws of Utah 2010, Chapter 263

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

Section 1. Section **10-5-102.5** is amended to read:

10-5-102.5 (Contingently Effective 01/01/27). Definitions.

As used in this chapter:

- (1) "Enterprise fund" means a fund as defined by the Governmental Accounting Standards Board that is used by a municipality to report an activity for which a fee is charged to users for goods or services.
- (2) "Fund" [is-as] means the same as that term is defined by the Governmental Accounting

Standards Board as reflected in the Uniform Accounting Manual for All Local Governments prepared by the Office of the [Utah] State Auditor.

(3) "General fund" [is-as] means the same as that term is defined by the Governmental Accounting Standards Board as reflected in the Uniform Accounting Manual for All Local Governments prepared by the Office of the [Utah] State Auditor.

(4) "Interfund loan" means a loan of cash from one fund to another, subject to future repayment.

(5) "Total political subdivision revenue" means the same as that term is defined in Section 59-1-1902.

~~[(5)]~~ (6) "Town general fund" means the general fund used by a town.

~~[(6)]~~ (7) "Utility" means a utility owned by a town, in whole or in part, that provides electricity, gas, water, or sewer, or any combination of them.

Section 2. Section **10-5-109** is amended to read:

10-5-109 (Contingently Effective 01/01/27). Adoption of budgets -- Filing.

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

(2) The final budget may not exceed the town's fiscal year spending limit described in Section 59-1-1904.

~~[(2)]~~ (3) The council shall file a copy of the final budget for each fund with the state auditor within 30 days after ~~[adoption]~~ the day on which the council adopts the budget for the fund.

Section 3. Section **10-5-112** is amended to read:

10-5-112 (Contingently Effective 01/01/27). Property tax levy set by ordinance -- Maximum -- Certification.

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

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

(2) The combined levies for each town, for all purposes in any year, excluding the

retirement of general obligation bonds and the payment of any interest, and taxes expressly authorized by law to be levied in addition, may not exceed .007 per dollar of taxable value of taxable property.

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

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

Section 4. Section **10-5-113** is amended to read:

10-5-113 (Contingently Effective 01/01/27). Accumulation of retained earnings or fund balance -- Limit as to general fund -- Reserve for capital improvements.

(1) A town may accumulate retained earnings or fund balances, as appropriate, in any fund.

(2) The accumulation of a fund balance in the town general fund may not exceed 100% of the total revenue of the town general fund for the current fiscal period.

(3)(a) The town council may appropriate, in a budget year, ~~[appropriate]~~ from estimated revenue or excess fund balance in the town general fund to a reserve for capital improvements:

(i) for the purpose of financing future specified capital improvements; and

(ii) in accordance with a formal long-range capital plan adopted by the governing body.

(b) The reserves described in Subsection (3)(a) may accumulate from year to year in a capital improvements fund until the accumulated total is sufficient to permit economical expenditure for the specified purposes.

(4)(a) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the town council shall refund revenue that exceeds the town's fiscal year spending limit to taxpayers.

(b) The preferred form of refund is a property tax rate reduction, but the town council shall determine the form of refund, at the lowest cost and by any reasonable method.

(c)(i) A refund of tax revenue other than a property tax revenue need not be proportional if tax payments are impractical to identify or return.

(ii) A refund of property tax revenue shall be proportional.

(d)(i) Except as provided in Subsection (4)(d)(ii), the town council shall make a refund during the next fiscal year.

(ii) The town council may reserve the revenue that exceeds the town's fiscal year spending limit for one additional fiscal year if the cost of administration, as determined by the town council, exceeds the amount of refunds.

Section 5. Section **10-6-106** is amended to read:

10-6-106 (Contingently Effective 01/01/27). Definitions.

As used in this chapter:

- (1) "Account group" is defined by generally accepted accounting principles as reflected in the Uniform Accounting Manual for Utah Cities.
- (2) "Appropriation" means an allocation of money by the governing body for a specific purpose.
- (3)(a) "Budget" means a plan of financial operations for a fiscal period which embodies estimates of proposed expenditures for given purposes and the proposed means of financing them.
- (b) "Budget" may refer to the budget of a particular fund for which a budget is required by law or it may refer collectively to the budgets for all such funds.
- (4) "Budget officer" means the city auditor in a city of the first and second class, the mayor or some person appointed by the mayor with the approval of the city council in a city of the third, fourth, or fifth class, the mayor in the council-mayor optional form of government, or the person designated by the charter in a charter city.
- (5) "Budget period" means the fiscal period for which a budget is prepared.
- (6) "Budgetary fund" means a fund for which a budget is required.
- (7) "Check" means an order in a specific amount drawn upon a depository by an authorized officer of a city.
- (8) "City general fund" means the general fund used by a city.
- (9) "Current period" means the fiscal period in which a budget is prepared and adopted, i.e., the fiscal period next preceding the budget period.
- (10) "Department" means any functional unit within a fund that carries on a specific activity, such as a fire or police department within a city general fund.
- (11) "Encumbrance system" means a method of budgetary control in which part of an appropriation is reserved to cover a specific expenditure by charging obligations, such as purchase orders, contracts, or salary commitments to an appropriation account at ~~their~~ the time of origin. Such obligations cease to be encumbrances when paid or when the

actual liability is entered on the city's books of account.

(12) "Enterprise fund" means a fund as defined by the Governmental Accounting Standards Board that is used by a municipality to report an activity for which a fee is charged to users for goods or services.

(13) "Estimated revenue" means the amount of revenue estimated to be received from all sources during the budget period in each fund for which a budget is being prepared.

(14) "Financial officer" means the mayor in the council-mayor optional form of government or the city official as authorized by Section 10-6-158.

(15) "Fiscal period" means the annual or biennial period for accounting for fiscal operations in each city.

(16) "Fund" is as defined by generally accepted accounting principles as reflected in the Uniform Accounting Manual for Utah Cities.

(17) "Fund balance," "retained earnings," and "deficit" have the meanings commonly accorded such terms under generally accepted accounting principles as reflected in the Uniform Accounting Manual for Utah Cities.

(18) "General fund" [~~is-as~~] means the same as that term is defined by the Governmental Accounting Standards Board as reflected in the Uniform Accounting Manual for All Local Governments prepared by the Office of the [~~Utah~~]State Auditor.

(19) "Governing body" means a city council, or city commission, as the case may be, but the authority to make any appointment to any position created by this chapter is vested in the mayor in the council-mayor optional form of government.

(20) "Interfund loan" means a loan of cash from one fund to another, subject to future repayment.

(21) "Last completed fiscal period" means the fiscal period next preceding the current period.

(22)(a) "Public funds" means any money or payment collected or received by an officer or employee of the city acting in an official capacity and includes money or payment to the officer or employee for services or goods provided by the city, or the officer or employee while acting within the scope of employment or duty.

(b) "Public funds" does not include money or payments collected or received by an officer or employee of a city for charitable purposes if the mayor or city council has consented to the officer's or employee's participation in soliciting contributions for a charity.

(23) "Special fund" means any fund other than the city general fund.

(24) "Total political subdivision revenue" means the same as that term is defined in Section 59-1-1902.

~~[(24)]~~ (25) "Utility" means a utility owned by a city, in whole or in part, that provides electricity, gas, water, or sewer, or any combination of them.

~~[(25)]~~ (26) "Warrant" means an order drawn upon the city treasurer, in the absence of sufficient money in the city's depository, by an authorized officer of a city for the purpose of paying a specified amount out of the city treasury to the person named or to the bearer as money becomes available.

Section 6. Section **10-6-116** is amended to read:

10-6-116 (Contingently Effective 01/01/27). Accumulated fund balances -- Limitations -- Excess balances -- Unanticipated excess of revenues -- Reserves for capital improvements.

(1)(a) A city may accumulate retained earnings or fund balances, as appropriate, in any fund.[–]

(b) With respect to the city general fund only, any accumulated fund balance is restricted to the following purposes:

- (i) to provide working capital to finance expenditures from the beginning of the budget period until general property taxes, sales taxes, or other applicable revenues are collected, thereby reducing the amount the city must borrow during the period;
- (ii) to provide a resource to meet emergency expenditures under Section 10-6-129; and
- (iii) to cover a pending year-end excess of expenditures over revenues from an unavoidable shortfall in revenues.

~~[(b)]~~ (c) Notwithstanding Subsection ~~[(1)(a)(i)]~~ (1)(b)(i), a city may not appropriate a fund balance for budgeting purposes except as provided in Subsection (4).

~~[(c)]~~ (d) Notwithstanding Subsection ~~[(1)(a)(iii)]~~ (1)(b)(iii), a city may not appropriate a fund balance to avoid an operating deficit during any budget period except as provided under Subsection (4)[–]or for emergency purposes under Section 10-6-129.

(2) The accumulation of a fund balance in the city general fund may not exceed 35% of the total revenue of the city general fund for the current fiscal period.

(3) If the fund balance at the close of any fiscal period exceeds the amount permitted under Subsection (2), the city shall appropriate the excess ~~[shall be appropriated]~~ in the manner provided in Section 10-6-117.

- (4) ~~[Any]~~ The city may use a fund balance in excess of 5% of the total revenues of the city general fund ~~[may be utilized]~~ for budget purposes.
- (5)(a) Within a capital improvements fund, the governing body may appropriate, in any budget period, ~~[appropriate]~~ from estimated revenue or fund balance to a reserve for capital improvements for the purpose of financing future specific capital improvements, under a formal long-range capital plan adopted by the governing body.
- (b) The reserves described in Subsection (5)(a) may accumulate from fiscal period to fiscal period until the accumulated total is sufficient to permit economical expenditure for the specified purposes.
- (c) Disbursements from reserves described in Subsection (5)(a) shall be made only by transfer to a revenue or transfer account within the capital improvements fund, under a budget appropriation in a budget for the fund adopted in the manner provided by this chapter.
- (d) Expenditures from the above appropriation budget accounts shall conform to all requirements of this chapter relating to execution and control of budgets.
- (6)(a) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the governing body shall refund revenue that exceeds the city's fiscal year spending limit to taxpayers.
- (b) The preferred form of refund is a property tax rate reduction, but the governing body shall determine the form of refund, at the lowest cost and by any reasonable method.
- (c)(i) A refund of tax revenue other than a property tax revenue need not be proportional if tax payments are impractical to identify or return.
- (ii) A refund of property tax revenue shall be proportional.
- (d)(i) Except as provided in Subsection (6)(d)(ii), the governing body shall make a refund during the next fiscal year.
- (ii) The governing body may reserve the revenue that exceeds the city's fiscal year spending limit one additional fiscal year if the cost of administration, as determined by the governing body, exceeds the amount of refunds.

Section 7. Section **10-6-118** is amended to read:

10-6-118 (Contingently Effective 01/01/27). Adoption of final budget --

Certification and filing.

- (1) Before June 30 of each fiscal period, ~~[or, in the case of a property tax increase under Sections 59-2-919 through 59-2-923, before September 1 of the year for which a~~

property tax increase is proposed,]the governing body shall by resolution or ordinance adopt a budget for the ensuing fiscal period for each fund for which this chapter requires a budget[~~is required under this chapter~~].

(2) The final budget may not exceed the city's fiscal year spending limit described in Section 59-1-1904.

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

Section 8. Section **10-6-133** is amended to read:

**10-6-133 (Effective 01/01/27). Property tax levy -- Time for setting --
Computation of total levy -- Apportionment of proceeds -- Maximum levy.**

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

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

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

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

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

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

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

Section 9. Section **10-6-135** is amended to read:

10-6-135 (Contingently Effective 01/01/27). Operating and capital budgets.

- (1)(a) As used in this section, "operating and capital budget" means a plan of financial operation for an enterprise fund or other required special fund that includes estimates of operating resources, expenses, and other outlays for a fiscal period.
- (b) Except as otherwise expressly provided, any reference to "budget" or "budgets" and the procedures and controls relating to a budget or budgets in other sections of this chapter do not apply or refer to the operating and capital budgets described in this section.
- (2) At or before the time the governing body adopts budgets for the funds described in Section 10-6-109, the governing body shall adopt:
- (a) an operating and capital budget for each enterprise fund for the ensuing fiscal period; and
- (b) the type of budget for other special funds as required by the Uniform Accounting Manual for Utah Cities.
- (3)(a) The governing body shall adopt and administer an operating and capital budget in accordance with this Subsection (3).
- (b) At or before the first regularly scheduled meeting of the governing body in the last May of the current fiscal period, the budget officer shall:
- (i) prepare for the ensuing fiscal period and file with the governing body a tentative operating and capital budget for:
- (A) each enterprise fund; and
- (B) other required special funds;
- (ii) include with the tentative operating and capital budget described in Subsection [(3)(e)] (3)(b)(i) specific work programs as submitted by each department head; and
- (iii) include any other supporting data required by the governing body.
- (c) Each city of the first or second class shall, and each city of the third, fourth, or fifth class may, submit a supplementary estimate of all capital projects which a department head believes should be undertaken within the three next succeeding fiscal periods.
- (d)(i) Subject to Subsection (3)(d)(ii), the budget officer shall prepare all estimates after review and consultation with each department head described in Subsection (3)(c).
- (ii) After complying with Subsection (3)(d)(i), the budget officer may revise any departmental estimate before ~~[it is filed]~~ the budget officer files the departmental

- 473 estimate with the governing body.
- 474 (4)(a) ~~[Each]~~ The governing body shall review and consider each tentative budget,
475 amendment to a budget, or budget ~~[shall be reviewed and considered by the~~
476 ~~governing body at any]~~ at a regular meeting or a special meeting called for that
477 purpose.
- 478 (b) The governing body may make changes in the tentative budgets.
- 479 (5) Budgets for enterprise or other required special funds shall comply with the public
480 hearing requirements established in Sections 10-6-113 and 10-6-114.
- 481 (6)(a) Before the last June 30 of each fiscal period, ~~[or, in the case of a property tax~~
482 ~~increase under Sections 59-2-919 through 59-2-923, before September 1 of the year~~
483 ~~for which a property tax increase is proposed,]~~ the governing body shall adopt an
484 operating and capital budget for each applicable fund for the ensuing fiscal period.
- 485 (b) A copy of the budget as finally adopted for each fund shall be:
- 486 (i) certified by the budget officer;
- 487 (ii) filed by the budget officer in the office of the city auditor or city recorder;
- 488 (iii) available to the public during regular business hours; and
- 489 (iv) filed with the state auditor within 30 days after the day on which the governing
490 body adopts the budget~~[is adopted]~~.
- 491 (7)(a) Upon final adoption, the operating and capital budget is in effect for the budget
492 period, subject to later amendment.
- 493 (b) During the budget period the governing body may, in ~~[any]~~ a regular meeting or a
494 special meeting called for that purpose, review any one or more of the operating and
495 capital budgets for the purpose of determining if the ~~[total of any of them should be~~
496 ~~increased]~~ governing body should increase the total of any operating and capital
497 budget.
- 498 (c) If the governing body decides that the governing body should increase the budget
499 total of one or more of the ~~[funds should be increased under Subsection (7)(b)]~~
500 operating and capital budgets, the governing body shall follow the procedures set
501 forth in Section 10-6-136.
- 502 (8) Expenditures from operating and capital budgets shall conform to the requirements
503 relating to budgets specified in Sections 10-6-121 through 10-6-126.
- 504 Section 10. Section **10-6-136** is amended to read:
- 505 **10-6-136 (Effective 01/01/27). Increase in appropriations for operating and**
506 **capital budget funds -- Notice.**

(1) The governing body may increase the total budget appropriation of any fund described in Section 10-6-135 [may be increased by resolution of the governing body] by resolution at any regular meeting, or special meeting called for that purpose, provided that the governing body:

(a) mails or delivers written notice of the time, place and purpose of the meeting [shall have been mailed or delivered] to all members of the governing body at least five days [prior to] before the meeting; and

(b) complies with the limitations imposed by Section 59-2-1904.

(2) [The] A member of the governing body may waive notice [may be waived] in writing or orally during attendance at the meeting [by any member of the governing body].

Section 11. Section **11-13-509** is amended to read:

11-13-509 (Effective 01/01/27). Hearing to consider adoption -- Notice.

(1) At the meeting at which the tentative budget is adopted, the governing board shall:

(a) establish the time and place of a public hearing to consider [its] the budget's adoption; and

(b) [except as provided in Subsection (2),] order that notice of the hearing be published, for at least seven days before the day of the hearing, for the interlocal entity's service area, as a class A notice under Section 63G-30-102.

~~[(2) If the budget hearing is held in conjunction with a tax increase hearing, the notice required in Subsection (1)(b):]~~

~~[(a) may be combined with the notice required under Section 59-2-919; and]~~

~~[(b) shall be published in accordance with the advertisement provisions of Section 59-2-919.]~~

~~[(3)]~~ (2) Proof that notice was given in accordance with Subsection (1)(b) ~~[, or (2)]~~ is prima facie evidence that notice was properly given.

~~[(4)]~~ (3) If a notice required under Subsection (1)(b) ~~[, or (2)]~~ is not challenged within 30 days after the day on which the hearing is held, the notice is adequate and proper.

Section 12. Section **11-13-514** is amended to read:

11-13-514 (Effective 01/01/27). Adoption of final budget -- Certification and filing.

(1) ~~[Except as provided in Sections 59-2-919 through 59-2-923, the]~~ The governing board of an interlocal entity shall by resolution adopt [prior to] before the beginning of the fiscal year a budget for the ensuing fiscal year for each fund for which this part requires a budget [is required under this part].

(2) The final budget may not exceed the interlocal entity's fiscal year spending limit described in Section 59-1-1904.

[(2)] (3) The interlocal entity's budget officer shall file, within 30 days after adoption, the final budget with the members and the state auditor.

Section 13. Section **11-72-101** is enacted to read:

CHAPTER 72. Budgetary Constraints for Political Subdivisions Outside of Titles 10,

17, 17B, 17D, and 53E

Part 1. Taxpayer Bill of Rights

11-72-101 (Effective 01/01/27). Definitions.

As used in this section:

(1) "Governing body" means the entity that imposes a tax on behalf of a political subdivision.

(2) "LEA" means the same as that term is defined in Section 53E-1-102.

(3) "Municipality" means the same as that term is defined in Section 10-1-104.

(4) "Political subdivision" means an entity that:

(a) is designated as a political subdivision;

(b) has taxing authority;

(c) is not controlled by a municipality, county, LEA, or service district; and

(d) is created in a title other than:

(i) Title 10, Utah Municipal Code;

(ii) Title 17, Counties;

(iii) Title 17B, Limited Purpose Local Government Entities - Special Districts;

(iv) Title 17D, Limited Purpose Local Government Entities - Other Entities; or

(v) Title 53E, Public Education System -- State Administration.

(5) "Special district" means a limited purpose local government entity created under the authority of Title 17B, Limited Purpose Local Government Entities - Special Districts, or Title 17D, Limited Purpose Local Government Entities - Other Entities.

(6) "Total political subdivision revenue" means the same as that term is defined in Section 59-1-1902.

Section 14. Section **11-72-102** is enacted to read:

11-72-102 (Effective 01/01/27). Spending limits.

A political subdivision's final budget may not exceed the political subdivision's fiscal

year spending limit described in Section 59-1-1904.

Section 15. Section **11-72-103** is enacted to read:

11-72-103 (Effective 01/01/27). Tax refunds.

(1) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the governing body shall refund revenue that exceeds the political subdivision's fiscal year spending limit to taxpayers.

(2) The preferred form of refund is a property tax rate reduction, but the governing body shall determine the form of refund, at the lowest cost and by any reasonable method.

(3)(a) A refund of tax revenue other than a property tax revenue need not be proportional if tax payments are impractical to identify or return.

(b) A refund of property tax revenue shall be proportional.

(4)(a) Except as provided in Subsection (4)(b), the governing body shall make a refund during the next fiscal year.

(b) The governing body may reserve the revenue that exceeds the political subdivision's fiscal year spending limit for one additional fiscal year if the cost of administration, as determined by the governing body, exceeds the amount of refunds.

Section 16. Section **17-63-101** is amended to read:

17-63-101 (Effective 01/01/27). Definitions.

As used in this chapter:

(1) "Accrual basis of accounting" means a method where revenues are recorded when earned and expenditures recorded when they become liabilities notwithstanding that the receipt of the revenue or payment of the expenditure may take place in another accounting period.

(2) "Appropriation" means an allocation of money for a specific purpose.

(3)(a) "Budget" means a plan for financial operations for a fiscal period, embodying estimates for proposed expenditures for given purposes and the means of financing the expenditures.

(b) "Budget" may refer to the budget of a fund for which a budget is required by law, or collectively to the budgets for all those funds.

(4) "Budgetary fund" means a fund for which a budget is required, such as those described in Section 17-63-301.

(5) "Budget period" means the fiscal period for which a budget is prepared.

(6) "Check" means an order in a specific amount drawn upon the depositary by any

authorized officer in accordance with:

(a) Section 17-69-307; or

(b) Section 17-74-301.

(7) "County general fund" means the general fund used by a county.

(8) "Countywide service" means a service provided in both incorporated and unincorporated areas of a county.

(9) "Current period" means the fiscal period in which a budget is prepared and adopted.

(10) "Department" means any functional unit within a fund which carries on a specific activity.

(11) "Encumbrance system" means a method of budgetary control where part of an appropriation is reserved to cover a specific expenditure by charging obligations, such as purchase orders, contracts, or salary commitments to an appropriation account. An expenditure ceases to be an encumbrance when paid or when the actual liability is entered in the books of account.

(12) "Estimated revenue" means any revenue estimated to be received during the budget period in any fund for which a budget is prepared.

(13) "Finance officer" means:

(a)(i) the county auditor; or

(ii) the person selected to provide accounting services for the county in accordance with Section 17-69-304; or

(b) notwithstanding Subsection (13)(a), for the purposes of preparing a tentative budget in a county operating under a county executive-council form of county government, the county executive.

(14) "Fiscal period" means the annual or biennial period for recording county fiscal operations.

(15) "Fund" means an independent fiscal and accounting entity comprised of a sum of money or other resources segregated for a specific purpose or objective.

(16) "Fund balance" means the excess of the assets over liabilities, reserves, and contributions, as reflected by [its] the fund's books of account.

(17) "Fund deficit" means the excess of liabilities, reserves, and contributions over [its] assets, as reflected by [its] the fund's books of account.

(18) "General fund" means the same as that term is defined by the Governmental Accounting Standards Board as reflected in the Uniform Accounting Manual for All Local Governments prepared by the Office of the ~~Utah~~ State Auditor.

- (19) "Interfund loan" means a loan of cash from one fund to another, subject to future repayment.
- (20) "Last completed fiscal period" means the fiscal period immediately before the current period.
- (21) "Modified accrual basis of accounting" means a method under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when they become measurable and available to finance expenditures of the current period.
- (22) "Municipal capital project" means the acquisition, construction, or improvement of capital assets that facilitate providing municipal service.
- (23) "Municipal service" means a service not provided on a countywide basis and not accounted for in an enterprise fund, and includes police patrol, fire protection, culinary or irrigation water retail service, water conservation, local parks, sewers, sewage treatment and disposal, cemeteries, garbage and refuse collection, street lighting, airports, planning and zoning, local streets and roads, curb, gutter, and sidewalk maintenance, and ambulance service.
- (24) "Retained earnings" means that part of the net earnings retained by an enterprise or internal service fund ~~[which]~~ that is not segregated or reserved for any specific purpose.
- (25) "Special fund" means any fund other than the county general fund.
- (26) "Total political subdivision revenue" means the same as that term is defined in Section 59-1-1902.
- ~~[(26)]~~ (27) "Unappropriated surplus" means that part of a fund ~~[which]~~ that is not appropriated for an ensuing budget period.
- ~~[(27)]~~ (28) "Warrant" means an order for payment in a specific amount, issued by a county officer or county employee with the authority to make the order, directing the disbursement of funds.
- Section 17. Section **17-63-305** is amended to read:
- 17-63-305 (Effective 01/01/27). Adoption of final budget -- Appropriations in final budget -- Addressing deficits.**
- (1)(a) On or before the last day of each fiscal period, the governing body by resolution shall adopt the final budget.
- (b) The final budget may not exceed the county's fiscal year spending limit described in Section 59-1-1904.
- (2) A final budget adopted in accordance with Subsection (1) is, unless amended, in effect

for the next fiscal period.

(3) The finance officer shall:

(a) certify a copy of the final budget, and of any subsequent budget amendment; and

(b) file a copy with the state auditor not later than 30 days after the day on which the governing body adopts the budget.

(4) The finance officer shall file a certified copy of the budget in the office of the finance officer for inspection by the public during business hours.

(5) The governing body may not make any appropriation in the final budget of any fund in excess of the estimated expendable revenue of the fund for the budget period.

(6) If there is a deficit in any fund as of the close of the last completed fiscal period, there shall be included as an item of appropriation in the budget of the fund of:

(a) at least 5% of the total revenue of the fund in the last completed fiscal period; or

(b) if the deficit is less than 5% of the total revenue, an amount equal to the deficit.

Section 18. Section **17-63-306** is amended to read:

17-63-306 (Effective 01/01/27). Review of second year's budget for biennial budgets.

(1) In a county that has adopted a fiscal period that is a biennial period under Section 17-63-201, the governing body shall, in a public hearing before December 31 of the first year of the biennial period, review the individual budgets of the funds set forth in Sections 17-63-301 and 17-63-802 for the second year of the biennial period.

(2) In each review under Subsection (1), the governing body shall:

(a) follow the procedures of Section 17-63-304 for holding a public hearing[-] ; and

(b) using the best information available, determine whether the budgets for the second year of the biennial period exceed the county's fiscal year spending limit.

(3) If a county later determines that the budgets for the second year biennial period exceed the county's fiscal year spending limit, the county shall:

(a) amend the budget; and

(b) make necessary budget appropriation reductions in accordance with Section 17-63-401.

Section 19. Section **17-63-810** is enacted to read:

17-63-810 (Contingently Effective 01/01/27). Tax refunds.

(1) In accordance with Utah Constitution, Article XIII, Section 9, the county governing body shall refund revenue that exceeds the county's fiscal year spending limit to taxpayers.

(2) The preferred form of refund is a property tax rate reduction, but the county governing body shall determine the form of refund, at the lowest cost and by any reasonable method.

(3)(a) A refund of tax revenue other than a property tax revenue need not be proportional if tax payments are impractical to identify or return.

(b) A refund of property tax revenue shall be proportional.

(4)(a) Except as provided in Subsection (4)(b), the county governing body shall make a refund during the next fiscal year.

(b) The county governing body may reserve the revenue that exceeds the county's fiscal year spending limit for one additional fiscal year if the cost of administration, as determined by the county governing body, exceeds the amount of refunds.

Section 20. Section **17B-1-609** is amended to read:

17B-1-609 (Effective 01/01/27). Hearing to consider adoption -- Notice.

(1) At the meeting at which the tentative budget is adopted, the board of trustees shall:

(a) establish the time and place of a public hearing to consider [its] the final budget's adoption; and

(b) except as provided in Subsection (5) or (6) ~~or (7)~~, order that notice of the hearing be published for the district, as a class A notice under Section 63G-30-102, for at least seven days before the day of the hearing.

~~[(2) If the budget hearing is held in conjunction with a tax increase hearing, the notice required in Subsection (1)(b):]~~

~~[(a) may be combined with the notice required under Section 59-2-919; and]~~

~~[(b) shall be published in accordance with the advertisement provisions of Section 59-2-919.]~~

~~[(3)]~~ (2) If the budget hearing is to be held in conjunction with a fee increase hearing, the notice required in Subsection (1)(b):

(a) may be combined with the notice required under Section 17B-1-643; and

(b) shall be published or mailed in accordance with the notice provisions of Section 17B-1-643.

~~[(4)]~~ (3) Proof that notice was given in accordance with Subsection (1)(b), (2), ~~[(3), or (6)]~~ or (5) is prima facie evidence that notice was properly given.

~~[(5)]~~ (4) If a notice required under Subsection (1)(b), (2), ~~[(3), or (6)]~~ or (5) is not challenged within 30 days after the day on which the hearing is held, the notice is adequate and proper.

743 [(6)] (5) A board of trustees of a special district with an annual operating budget of less than
 744 \$250,000 may satisfy the notice requirements in Subsection (1)(b) by:

- 745 (a) mailing a written notice, postage prepaid, to each voter in the special district; and
- 746 (b) posting the notice in three public places within the district.

747 [(7)] (6) The notice described in this section is exempt from the physical posting
 748 requirement described in Subsection 63G-30-102(1)(c).

749 Section 21. Section **17B-1-614** is amended to read:

750 **17B-1-614 (Effective 01/01/27). Adoption of final budget -- Certification and**
 751 **filing.**

752 (1) The board of trustees of each special district shall by resolution adopt a budget for the
 753 ensuing fiscal year for each fund for which a budget is required under this part [~~prior to~~]
 754 before the beginning of the fiscal year[~~, except as provided in Sections 59-2-919 through~~
 755 ~~59-2-923~~].

756 (2) A special district's final budget may not exceed the special district's fiscal year spending
 757 limit described in Section 59-1-1904.

758 [(2)] (3) The special district's budget officer shall certify a copy of the final budget for each
 759 fund and file it with the state auditor within 30 days after adoption.

760 Section 22. Section **17B-1-627** is amended to read:

761 **17B-1-627 (Effective 01/01/27). Property tax levy -- Time for setting --**
 762 **Computation of total levy -- Apportionment of proceeds -- Maximum levy.**

763 (1) The board of trustees of each special district authorized to levy a property tax, at a
 764 regular meeting or special meeting called for that purpose, shall, by resolution, set the
 765 real and personal property tax rate for various district purposes by the date set under
 766 Section 59-2-912[~~, but the rate may be set at an appropriate later date in accordance with~~
 767 ~~Sections 59-2-919 through 59-2-923~~].

768 (2) In [~~its~~] the computation of the total levy, the board of trustees shall determine the
 769 requirements of each fund for which the special district levies property taxes [~~are to be~~
 770 ~~levied~~]and shall specify in [~~its~~] the resolution adopting the tax rate the amount
 771 apportioned to each fund.

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

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

776 (5) The combined levies for each district for all purposes in any year, excluding the

777 retirement of general obligation bonds and the payment of any interest on the bonds, and
778 any taxes expressly authorized by law to be levied in addition, may not exceed the limit
779 enumerated by the laws governing each district.

780 Section 23. Section **17B-1-629** is amended to read:

781 **17B-1-629 (Effective 01/01/27). Operating and capital budgets.**

- 782 (1)(a) As used in this section, "operating and capital budget" means a plan of financial
783 operation for a proprietary or other required special fund, embodying estimates of
784 operating resources and expenses and other outlays for a fiscal year.
- 785 (b) Except as otherwise expressly provided, the reference to "budget" or "budgets" and
786 the procedures and controls relating to ~~[them]~~ the budget or budgets in other sections
787 of this part do not apply or refer to the "operating and capital budgets" provided for in
788 this section.
- 789 (2) On or before the time the board of trustees adopts budgets for the governmental funds
790 under Section 17B-1-605, ~~[it]~~ the board of trustees shall adopt for the ensuing year an
791 operating and capital budget for each proprietary fund and shall adopt the type of budget
792 for other special funds which is required by the Uniform Accounting Manual for Special
793 Districts.
- 794 (3) Operating and capital budgets shall be adopted and administered in the following
795 manner:
- 796 (a)(i) On or before the first regularly scheduled meeting of the board of trustees, in
797 November for calendar year entities and May for fiscal year entities, the budget
798 officer shall prepare for the ensuing fiscal year, and file with the board of trustees,
799 a tentative operating and capital budget for each proprietary fund and for other
800 required special funds, together with specific work programs and any other
801 supporting data required by the board.
- 802 (ii) If, within any proprietary fund, allocations or transfers that are not reasonable
803 allocations of costs between funds are included in a tentative budget, a written
804 notice of the date, time, place, and purpose of the hearing shall be mailed to utility
805 fund customers at least seven days before the hearing.
- 806 (iii) The purpose portion of the notice required under Subsection (3)(a)(ii) shall
807 identify:
- 808 (A) the enterprise utility fund from which money is being transferred;
809 (B) the amount being transferred; and
810 (C) the fund to which the money is being transferred.

- (b)(i) The board of trustees shall review and consider the tentative budgets at any regular meeting or special meeting called for that purpose.
- (ii) The board of trustees may make any changes in the tentative budgets that ~~[it]~~ the board of trustees considers advisable.
- (c) Budgets for proprietary or other required special funds shall comply with the public hearing requirements established in Sections 17B-1-609 and 17B-1-610.
- (d)(i) The board of trustees shall adopt an operating and capital budget for each proprietary fund for the ensuing fiscal year before the beginning of each fiscal year ~~[except as provided in Sections 59-2-919 through 59-2-923].~~
- (ii)(A) ~~[A]~~ The budget officer shall certify a copy of the budget as finally adopted for each proprietary fund [shall be certified by the budget officer] and [filed by the officer] file a copy of the budget as finally adopted for each proprietary fund in the district office[-and shall be] .
- (B) A special district shall make a copy of the budget as finally adopted for each proprietary fund available to the public during regular business hours.
- (iii) A copy of the budget shall also be filed with the state auditor within 30 days after adoption.
- (e)(i) Upon final adoption, the operating and capital budget is in effect for the budget year, subject to later amendment.
- (ii) During the budget year, the board of trustees may, in any regular meeting or special meeting called for that purpose, review any one or more of the operating and capital budgets for the purpose of determining if the total of any of them should be increased.
- (iii) If the board of trustees decides that the budget total of one or more of these proprietary funds should be increased, the board shall follow the procedures established in Section 17B-1-630.

- (f) Expenditures from operating and capital budgets shall conform to the requirements relating to budgets specified in Sections 17B-1-617 through 17B-1-620.

Section 24. Section **17B-1-646** is enacted to read:

17B-1-646 (Effective 01/01/27). Tax refunds.

- (1) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the board of trustees of each special district shall refund revenue that exceeds the special district's fiscal year spending limit to taxpayers.

- 845 (2) The preferred form of refund is a property tax rate reduction, but the board of trustees
846 shall determine the form of refund, at the lowest cost and by any reasonable method.
- 847 (3) A refund of property tax shall be proportional.
- 848 (4)(a) Except as provided in Subsection (4)(b), the board of trustees of a special district
849 shall make a refund of a deposit during the next fiscal year.
- 850 (b) The board of trustees of a special district may reserve the revenue that exceeds the
851 special district's fiscal year spending limit for one additional fiscal year if the cost of
852 administration, as determined by the board of trustees, exceeds the amount of refunds.

853 Section 25. Section **17B-2a-608** is amended to read:

854 **17B-2a-608 (Effective 01/01/27). Limit on property tax authority -- Exceptions.**

- 855 (1) As used in this section, "elected official" means a metropolitan water district board of
856 trustee member who is elected to the board of trustees by metropolitan water district
857 voters at an election held for that purpose.
- 858 (2) The board of trustees of a metropolitan water district may not collect property tax
859 revenue [~~in a tax year beginning on or after January 1, 2015,~~]that would exceed the
860 certified tax rate under Section 59-2-924 unless:
- 861 (a) the members of the board of trustees are all elected officials; or
- 862 (b) the proposed tax levy has previously been approved by:
- 863 (i)(A) before January 1, 2027, a majority of the metropolitan water district voters
864 who vote in an election held for that purpose on a date specified in Section
865 20A-1-204; or
- 866 (B) on or after January 1, 2027, a majority of the metropolitan water district voters
867 who vote in an election held in accordance with Title 20A, Chapter 7, Part 9,
868 Tax Increase Voting Requirements; or
- 869 (ii) the legislative body of each municipality that appoints a member to the board of
870 trustees under Section 17B-2a-604.

871 Section 26. Section **17B-2a-705** is amended to read:

872 **17B-2a-705 (Effective 01/01/27). Taxation -- Additional levy -- Election -- Notice.**

- 873 (1) If a mosquito abatement district board of trustees determines that the funds required
874 during the next ensuing fiscal year will exceed the maximum amount that the district is
875 authorized to levy under Subsection 17B-1-103(2)(g), the board of trustees may [~~call an~~
876 ~~election on a date specified in Section 20A-1-204 and]submit, in accordance with Title~~
877 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, to district voters the question
878 of whether the district should be authorized to impose an additional tax to raise the

necessary additional funds.

(2) The board shall provide notice of the election for the district, as a class A notice under Section 63G-30-102, for at least four weeks before the day of the election.

(3) No particular form of ballot is required, and no informalities in conducting the election may invalidate the election, if it is otherwise fairly conducted.

~~[(4) At the election each ballot shall contain the words, "Shall the district be authorized to impose an additional tax to raise the additional sum of \$_____?"]~~

[(5)] (4) The board of trustees shall canvass the votes cast at the election, and, if a majority of the votes cast are in favor of the imposition of the tax, the district is authorized to impose an additional levy to raise the additional amount of money required.

Section 27. Section **17B-2a-1009** is amended to read:

17B-2a-1009 (Effective 01/01/27). Limit on property tax authority -- Exceptions.

(1) As used in this section:

(a) "Appointed board of trustees" means a board of trustees of a water conservancy district that includes a member who is appointed to the board of trustees in accordance with this part.

(b) "Elected board of trustees" means a board of trustees of a water conservancy district that consists entirely of members who are elected to the board of trustees in accordance with this part.

(2)(a) ~~[For a taxable year beginning on or after January 1, 2018, a]~~ A water conservancy district may not collect property tax revenue that would exceed the certified tax rate under Section 59-2-924 unless the proposed tax levy has been previously approved by:

(i) an elected board of trustees;

(ii) subject to Subsection (2)(b), an appointed board of trustees;

(iii)(A) before January 1, 2027, a majority of the water conservancy district voters who vote in an election held for that purpose on a date specified in Section 20A-1-204; or

(B) on or after January 1, 2027, a majority of the metropolitan water district voters who vote in an election held in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements; or

(iv) for a district described in Subsection 17B-2a-1005(2)(b), the appointing authority.

(b) For a water conservancy district with an appointed board of trustees, each appointed member of the board of trustees shall comply with the trustee reporting requirements

described in Section 17B-1-1003 before the water conservancy district may impose a property tax levy that exceeds the certified tax rate.

Section 28. Section **17C-1-1002** is amended to read:

17C-1-1002 (Effective 01/01/27). Transferring project area incremental revenue

-- Agency may levy a property tax.

- (1) An agency and an eligible taxing entity may enter into an interlocal agreement for the purpose of transferring all or a portion of the eligible taxing entity's project area incremental revenue.
- (2) An agency shall ensure that an interlocal agreement described in Subsection (1):
 - (a) identifies each project area that is subject to the interlocal agreement;
 - (b) is adopted by the board and the taxing entity in accordance with Section 17C-1-1003;
 - (c) for each project area:
 - (i) states the amount of project area incremental revenue that the eligible taxing entity agrees to transfer to the agency;
 - (ii) states the year in which the eligible taxing entity will transfer the amount described in Subsection (2)(c)(i); and
 - (iii) for the year described in Subsection (2)(c)(ii), requires the agency to add the project area incremental revenue transferred in the agency's budget;
 - (d) includes a copy of the implementation plan described in Section 17C-1-1004;
 - (e) requires the agency to dissolve, in accordance with Section 17C-1-702, any project area:
 - (i) that is subject to the interlocal agreement; and
 - (ii) for which the project area funds collection period will expire; and
 - (f) is filed with the county auditor, the State Tax Commission, and the eligible taxing entity.
- (3) If an agency and an eligible taxing entity enter into an interlocal agreement under this section:
 - (a) subject to Subsection (4) and Section 17C-1-1004, the agency may levy a property tax on taxable property within the agency's geographic boundaries; and
 - (b) except as provided in Subsection (5), the agency may not:
 - (i) create a new community reinvestment project area within the taxing entity's geographic boundaries; or
 - (ii) amend a project area plan or budget if the amendment:
 - (A) enlarges the project area from which tax increment is collected;

- 947 (B) permits the agency to receive a greater amount of tax increment; or
948 (C) extends the project area funds collection period.
- 949 (4)(a) An agency may levy a property tax for a fiscal year that:
950 (i) is after the year in which the agency receives project area incremental revenue; and
951 (ii) begins on or after the January 1 on which the agency has authority to impose a
952 property tax under this section.
- 953 (b) An agency board shall calculate the agency's certified tax rate in accordance with
954 Section 59-2-924.
- 955 (c) An agency may levy a property tax rate that exceeds the agency's certified rate only
956 if the agency complies with ~~[Sections 59-2-919 through 59-2-923]~~ Title 20A, Chapter
957 7, Part 9, Tax Increase Voting Requirements.
- 958 (5) For a cooperative development project or an economic development project, an agency
959 may, in accordance with Chapter 5, Community Reinvestment:
960 (a) create a new community reinvestment project area; or
961 (b) amend a community reinvestment project area plan or budget.
- 962 Section 29. Section **17C-1-1005** is amended to read:
963 **17C-1-1005 (Effective 01/01/27). Agency property tax levy -- Budget --**
964 **Accounting for property tax revenue.**
- 965 (1)(a) Each agency that levies and collects property tax under this part shall levy and
966 collect the property tax in accordance with Title 59, Chapter 2, Property Tax Act.
- 967 (b) ~~[Except as provided in Subsection (1)(c), an]~~ An agency, at a regular meeting or
968 special meeting called for that purpose, shall, by resolution, set the property tax rate
969 by the date described in Section 59-2-912.
- 970 ~~[(c) An agency may set the rate described in Subsection (1)(b) at an appropriate later~~
971 ~~date in accordance with Sections 59-2-919 through 59-2-923.]~~
- 972 (2)(a) An agency shall include in the agency's budget any project area incremental
973 revenue transferred by an eligible taxing entity under this part.
- 974 (b) The amount of project area incremental revenue described in Subsection (2)(a) plus
975 the ad valorem property tax revenue that the agency budgeted for the prior year shall
976 constitute the basis for determining the property tax levy that the agency sets for the
977 corresponding tax year.
- 978 (3)(a) An agency shall create a property tax revenue fund and separately account for
979 property tax revenue generated under this part.
- 980 (b) An agency shall include revenue and expenditures of the property tax revenue fund

described in Subsection (3)(a) in the annual budget adopted in accordance with
Section 17C-1-601.5.

Section 30. Section **17D-1-105** is amended to read:

**17D-1-105 (Effective 01/01/27). Authority of county or municipality to levy
property tax on property within a special service district.**

- (1) Subject to Subsections (2) and (3), a county or municipality that has created a special service district may levy a tax on the taxable property in the special service district.
- (2) Each levy under Subsection (1) is subject to the prior approval of a majority of the registered voters of the special service district voting in an election held for that purpose [~~under Title 11, Chapter 14, Local Government Bonding Act, in the same manner as for an election for the issuance of bonds~~] in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.
- (3) A tax levied under this section for a special service district that provides jail service as provided in Subsection 17D-1-201(10) is considered to be levied by the county for purposes of the county's tax limitation under Section 59-2-908.

Section 31. Section **17D-3-107** is amended to read:

**17D-3-107 (Effective 01/01/27). Annual budget and financial reports
requirements.**

- (1) Upon agreement with the commission, the state auditor may modify:
 - (a) for filing a budget, a requirement in Subsection [~~17B-1-614(2)~~] 17B-1-614(3) or 17B-1-629(3)(d); or
 - (b) for filing a financial report, a requirement in Section 17B-1-639.
- (2) Beginning on July 1, 2019, a conservation district is a participating local entity, as that term is defined in Section 67-3-12, and is subject to Section 67-3-12.

Section 32. Section **17D-4-301** is amended to read:

17D-4-301 (Effective 01/01/27). Public infrastructure district bonds.

- (1)(a) Subject to Subsection (1)(b), a public infrastructure district may issue negotiable bonds or other debt instruments for the purposes described in Section 17D-4-203, as provided in, as applicable:
 - (i) Title 11, Chapter 14, Local Government Bonding Act;
 - (ii) Title 11, Chapter 27, Utah Refunding Bond Act;
 - (iii) Title 11, Chapter 42, Assessment Area Act;
 - (iv) Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act; and
 - (v) this section.

(b) A public infrastructure district created by a bonding political subdivision, as defined in Section 63C-25-101, may not issue bonds under this part unless the board first:

(i) adopts a parameters resolution for the bonds that sets forth:

(A) the maximum:

(I) amount of bonds;

(II) term; and

(III) interest rate; and

(B) the expected security for the bonds; and

(ii) submits the parameters resolution for review and recommendation to the State Finance Review Commission created in Section 63C-25-201.

(2) A public infrastructure district bond shall mature within 40 years of the date of issuance.

(3)(a) A public infrastructure district may issue a limited tax bond, in the same manner as a general obligation bond:

(i)(A) with the consent of 100% of surface property owners within the boundaries of the public infrastructure district; and

(B) with the consent of a majority of the registered voters, if any, within the boundaries of the proposed public infrastructure district as of the day on which the board finds that the consent of a majority of registered voters has been obtained; or

(ii) upon approval of a majority of the registered voters within the boundaries of the public infrastructure district voting in an election held for that purpose under Title 11, Chapter 14, Local Government Bonding Act.

(b) A limited tax bond described in Subsection (3)(a):

(i) is not subject to the limitation on a general obligation bond described in Subsection 17B-1-1102(4); and

(ii) is subject to a limitation, if any, on the principal amount of indebtedness as described in the governing document.

(c) Unless limited tax bonds are initially purchased exclusively by one or more qualified institutional buyers as defined in Rule 144A, 17 C.F.R. Sec. 230.144A, or an investment grade rating is obtained for the limited tax bonds by one or more nationally recognized rating agencies, the public infrastructure district may only issue limited tax bonds in denominations of not less than \$500,000, and in integral multiples above \$500,000 of not less than \$1,000 each.

(d)(i) Without any further election or consent of property owners or registered voters,

a public infrastructure district may convert a limited tax bond described in Subsection (3)(a) to a general obligation bond if the principal amount of the related limited tax bond together with the principal amount of other related outstanding general obligation bonds of the public infrastructure district does not exceed 15% of the fair market value of taxable property in the public infrastructure district securing the general obligation bonds, determined by:

(A) an appraisal from an appraiser who is a member of the Appraisal Institute that is addressed to the public infrastructure district or a financial institution; or

(B) the most recent market value of the property from the assessor of the county in which the property is located.

(ii) The consent to the issuance of a limited tax bond described in Subsection (3)(a) is sufficient to meet any statutory or constitutional election requirement necessary for the issuance of the limited tax bond and any general obligation bond to be issued in place of the limited tax bond upon meeting the requirements of this Subsection (3)(d).

(e) A public infrastructure district that levies a property tax for payment of debt service on a limited tax bond issued under this section on or after January 1, 2027, is ~~[not required to comply with the notice and hearing requirements of Section 59-2-919 unless the rate exceeds the rate established in:]~~ required to comply with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.

~~[(i) Section 17D-4-303, except as provided in Subsection (13);]~~

~~[(ii) the governing document; or]~~

~~[(iii) the documents relating to the issuance of the limited tax bond.]~~

(4)(a) For a public infrastructure district seeking the consent described in Subsection

(3)(a)(i)(B), a public infrastructure district may:

(i) post a class A notice under Section 63G-30-102 for at least 30 days; and

(ii) mail a request for consent to each registered voter within the boundaries of the public infrastructure district according to voter registration records.

(b) The request for consent described in Subsection (4)(a)(ii) shall include:

(i) the purpose for the issuance of the bonds;

(ii) the maximum principal amount of the bonds to be issued;

(iii) the maximum tax rate proposed to be pledged for the repayment of the bonds;

(iv) the words "For the issuance of bonds" and "Against the issuance of bonds," with appropriate boxes in which the voter may indicate the voter's choice; and

- 1083 (v) a return address and phone number where additional information may be obtained
1084 from the public infrastructure district.
- 1085 (c) Any registered voter who does not return the request for consent within 30 days of
1086 the day they are mailed to the voter is considered:
- 1087 (i) non-participatory in the request for consent; and
1088 (ii) shall not be included in a calculation to determine the percentage of registered
1089 voters who consent to the issuance of bonds.
- 1090 (d) If a majority of the registered voters who return the request for consent under this
1091 Subsection (4) indicate "For the issuance of bonds," or if no registered voters return
1092 the request for consent within the time frame described in Subsection (4)(c), the
1093 requirement described in Subsection (3)(a)(i)(B) is met.
- 1094 (e) Nothing in this Subsection (4):
- 1095 (i) prevents a public infrastructure district from obtaining the consent of registered
1096 voters for the issuance of a bond through another method; or
1097 (ii) shall be interpreted to affect or otherwise interfere with any consents of registered
1098 voters obtained before the effective date of this bill.
- 1099 (5) Nothing in this section shall be interpreted to:
- 1100 (a) prevent a public infrastructure district from withdrawing property from the public
1101 infrastructure district's boundaries where the property owners or registered voters
1102 associated with that property do not consent to the issuance of bonds or vote against
1103 the issuance of bonds; or
- 1104 (b) require a public infrastructure district to withdraw property from the public
1105 infrastructure district's boundaries where the property owners or registered voters
1106 associated with that property do not consent to the issuance of bonds or vote against
1107 the issuance of bonds.
- 1108 (6)(a) Beginning on the effective date of this bill, once consent or approval is obtained
1109 under Subsection (3)(a), the consent or approval is valid for a period of 10 years from
1110 the day on which the board:
- 1111 (i) adopts a resolution or ordinance finding that the consent or approval is obtained;
1112 and
1113 (ii) publishes a notice of the resolution or ordinance described in Subsection (6)(a)(i)
1114 as a class A notice under Section 63G-30-102 for at least 30 days.
- 1115 (b) The tolling provisions of Section 11-14-301 apply during the 10-year period
1116 described in Subsection (6)(a).

- 1117 (c) After a public infrastructure district obtains consent or approval under Subsection
1118 (3)(a), the public infrastructure district does not require any additional consent to or
1119 approval of the issuance of bonds, and the subsequent annexation of property to, or
1120 withdrawal of property from, the public infrastructure district does not impact:
1121 (i) the validity of already obtained consent or approval;
1122 (ii) the 10-year period described in Subsection (6)(a); or
1123 (iii) any bond issued, or to be issued, pursuant to the consent or approval that was
1124 obtained under Subsection (3)(a).
- 1125 (d) Subsection (6)(a) does not invalidate or alter any consent or approval, or finding of
1126 consent or approval, that occurred before the effective date of this bill.
- 1127 (7)(a) Except as provided in Subsection (7)(b), there is no limitation on the duration of
1128 revenues that a public infrastructure district may receive to cover any shortfall in the
1129 payment of principal of and interest on a bond that the public infrastructure district
1130 issues.
- 1131 (b) A public infrastructure governing document or bond documents may limit the
1132 duration of time described in Subsection (7)(a).
- 1133 (8) Section 11-42-106 governs any action to challenge an assessment imposed by a public
1134 infrastructure district or any proceeding to designate an assessment area conducted by a
1135 public infrastructure district.
- 1136 (9) A public infrastructure district is not a municipal corporation for purposes of the debt
1137 limitation of Utah Constitution, Article XIV, Section 4.
- 1138 (10) Notwithstanding any other provision, the board may directly or by resolution delegate
1139 to one or more officers of the public infrastructure district the authority to:
1140 (a) in accordance and within the parameters set forth in a resolution adopted in
1141 accordance with Section 11-14-302, approve the final interest rate, price, principal
1142 amount, maturity, redemption features, and other terms of the bond;
1143 (b) approve and execute any document or contract relating to the issuance of a bond; and
1144 (c) approve any contract related to the acquisition and construction of the improvements,
1145 facilities, or property to be financed with a bond.
- 1146 (11)(a) Subject to Subsection (11)(b), before a public infrastructure district may issue a
1147 limited tax bond or assessment bond, the public infrastructure district shall engage a
1148 municipal advisor who, in connection with the issuance of bonds, shall deliver a
1149 certificate stating that:
1150 (i) the municipal advisor qualifies to serve as a municipal advisor, as defined in

- 1151 Section 17D-4-102, including the basis for the municipal advisor's qualifications;
 1152 (ii) the structure of the limited tax bond or assessment bond the public infrastructure
 1153 district is about to issue is a reasonable structure, as of the date of the issuance of
 1154 the limited tax bond or assessment bond, as applicable; and
 1155 (iii) the interest rate of the limited tax bond or assessment bond the public
 1156 infrastructure district is about to offer is a reasonable market rate, as of the date of
 1157 the issuance of the limited tax bond or assessment bond, as applicable.
- 1158 (b) The provisions of this Subsection (11) do not apply to a public infrastructure district
 1159 created by a development authority.
- 1160 (12)(a) Any person may contest the legality of the issuance of a public infrastructure
 1161 district bond or any provisions for the security and payment of the bond for a period
 1162 of 30 days after:
- 1163 (i) posting the resolution authorizing the bond as a class A notice under Section
 1164 63G-30-102; or
 1165 (ii) posting a notice of bond containing substantially the items required under
 1166 Subsection 11-14-316(2) as a class A notice under Section 63G-30-102.
- 1167 (b) After the 30-day period described in Subsection (12)(a), no person may bring a
 1168 lawsuit or other proceeding contesting the regularity, formality, or legality of the
 1169 bond for any reason.
- 1170 (13)(a) ~~[In the event of any]~~ If there is a statutory change in the methodology of
 1171 assessment or collection of property taxes in a manner that reduces the amounts [
 1172 ~~which~~] that are devoted or pledged to the repayment of limited tax bonds, a public
 1173 infrastructure district may charge a rate sufficient to receive the amount of property
 1174 taxes or assessment the public infrastructure district would have received before the
 1175 statutory change in order to pay the debt service on outstanding limited tax bonds.
- 1176 (b) The rate increase described in Subsection (13)(a) may exceed the limit described in
 1177 Section 17D-4-303.
- 1178 (c) The public infrastructure district may charge the rate increase described in
 1179 Subsection (13)(a) until the bonds, including any associated refunding bonds, or other
 1180 securities, together with applicable interest, are fully met and discharged.
- 1181 (14) No later than 60 days after the closing of any bonds by a public infrastructure district
 1182 created by a bonding political subdivision, as defined in Section 63C-25-101, the public
 1183 infrastructure district shall report the bond issuance, including the amount of the bonds,
 1184 terms, interest rate, and security, to:

- (a) the Executive Appropriations Committee; and
(b) the State Finance Review Commission created in Section 63C-25-201.

Section 33. Section **20A-1-203** is amended to read:

**20A-1-203 (Effective 01/01/27). Calling and purpose of special elections --
Two-thirds vote limitations.**

- (1) Statewide and local special elections may be held for any purpose authorized by law.
- (2)(a) Statewide special elections shall be conducted using the procedure for regular general elections.
- (b) Except as otherwise provided in this title, local special elections shall be conducted using the procedures for regular municipal elections.
- (3) The governor may call a statewide special election by issuing an executive order that designates:
- (a) the date for the statewide special election; and
- (b) the purpose for the statewide special election.
- (4) The Legislature may call a statewide special election by passing a joint or concurrent resolution that designates:
- (a) the date for the statewide special election; and
- (b) the purpose for the statewide special election.
- (5)(a) The legislative body of a local political subdivision may call a local special election only for:
- (i) a vote on a bond or debt issue;
- ~~[(ii) a vote on a voted local levy authorized by Section 53F-8-402 or 53F-8-301;]~~
- ~~[(iii)]~~ (ii) an initiative authorized by Chapter 7, Part 5, Local Initiatives - Procedures;
- ~~[(iv)]~~ (iii) a referendum authorized by Chapter 7, Part 6, Local Referenda - Procedures;
- ~~[(v)]~~ (iv) if required or authorized by federal law, a vote to determine whether Utah's legal boundaries should be changed;
- ~~[(vi) a vote authorized or required by Title 59, Chapter 12, Sales and Use Tax Act;]~~
- ~~[(vii)]~~ (v) a vote on a municipality providing a broadband service, a cable television service, or a public telecommunications service under Section 10-18-204;
- ~~[(viii)]~~ (vi) a vote to create a new county under Section 17-61-401; or
- ~~[(ix) a vote on a special property tax under Section 53F-8-402; or]~~
- ~~[(x)]~~ (vii) a vote on the incorporation of a municipality in accordance with Section 10-2a-210.
- (b) The legislative body of a local political subdivision may call a local special election

by adopting an ordinance or resolution that designates:

(i) the date for the local special election as authorized by Section 20A-1-204; and

(ii) the purpose for the local special election.

(c) A local political subdivision may not call a local special election unless the ordinance or resolution calling a local special election under Subsection (5)(b) is adopted by a two-thirds majority of all members of the legislative body, if the local special election is for[.]

~~[(i)] a vote on a bond or debt issue as described in Subsection (5)(a)(i)[.];~~ .

~~[(ii) a vote on a voted leeway or levy program as described in Subsection (5)(a)(ii); or]~~

~~[(iii) a vote authorized or required for a sales tax issue as described in Subsection~~

~~(5)(a)(vi).]~~

Section 34. Section **20A-1-204** is amended to read:

20A-1-204 (Effective 01/01/27). Date of special election -- Legal effect.

(1)(a) Except as provided by Subsection (1)(d), the governor, Legislature, or the legislative body of a local political subdivision calling a statewide special election or local special election under Section 20A-1-203 shall schedule the special election to be held on:

(i) in an even-numbered year:

(A) the fourth Tuesday in June; or

(B) the first Tuesday after the first Monday in November; or

(ii) in an odd-numbered year:

(A) the second Tuesday after the first Monday in August; or

(B) the first Tuesday after the first Monday in November.

(b) Except as provided in Subsection (1)(c), the governor, Legislature, or the legislative body of a local political subdivision calling a statewide special election or local special election under Section 20A-1-203 may not schedule a special election to be held on any other date.

(c)(i) Notwithstanding the requirements of Subsection (1)(b) or (1)(d), the legislative body of a local political subdivision may call a local special election on a date other than those specified in this section if the legislative body:

(A) determines and declares that there is a disaster, as defined in Section 53-2a-102, requiring that a special election be held on a date other than the ones authorized in statute;

(B) identifies specifically the nature of the disaster, as defined in Section

- 1253 53-2a-102, and the reasons for holding the special election on that other date;
1254 and
1255 (C) votes unanimously to hold the special election on that other date.
- 1256 (ii) The legislative body of a local political subdivision may not hold a local special
1257 election on the same date as the presidential primary election conducted under
1258 Chapter 9, Part 8, Presidential Primary Election.
- 1259 (d) The legislative body of a local political subdivision may only call a special election
1260 for a ballot proposition related to a bond[;] or debt[, ~~leeway, levy, or tax~~] on the first
1261 Tuesday after the first Monday in November.
- 1262 (e) Nothing in this section prohibits:
- 1263 (i) the governor or Legislature from submitting a matter to the voters at the regular
1264 general election if authorized by law; or
- 1265 (ii) a local government from submitting a matter to the voters at the regular municipal
1266 election if authorized by law.
- 1267 (2)(a) Two or more entities shall comply with Subsection (2)(b) if those entities hold a
1268 special election within a county on the same day as:
- 1269 (i) another special election;
1270 (ii) a regular general election; or
1271 (iii) a municipal general election.
- 1272 (b) Entities described in Subsection (2)(a) shall, to the extent practicable, coordinate:
- 1273 (i) polling places;
1274 (ii) ballots;
1275 (iii) election officials; and
1276 (iv) other administrative and procedural matters connected with the election.
- 1277 Section 35. Section **20A-3a-202** is amended to read:
- 1278 **20A-3a-202 (Effective 01/01/27). Conducting election in person and by mail --**
1279 **Mailing ballots to voters -- Exceptions by mail.**
- 1280 (1)(a) [~~Except as otherwise provided for an election conducted entirely by mail under~~
1281 ~~Section 20A-7-609.5, an~~] An election officer shall administer an election primarily by
1282 mail, in accordance with this section.
- 1283 (b) An individual who did not provide valid voter identification at the time the voter
1284 registered to vote shall provide valid voter identification before voting.
- 1285 (2) An election officer who administers an election:
- 1286 (a) shall in accordance with Subsection (3), no sooner than 21 calendar days before

- election day and no later than seven calendar days before election day, mail to the applicable voters, in accordance with Subsection 20A-3a-202.5(3), and subject to Subsection 20A-3a-202.5(4):
- (i) a manual ballot;
 - (ii) a return envelope;
 - (iii) instructions for returning the ballot that include an express notice about any relevant deadlines that the voter [~~must~~] shall meet in order for the voter's vote to be counted;
 - (iv) information regarding the location and hours of operation of any election day voting center at which the voter may vote or a website address where the voter may view this information; and
 - (v) instructions on how a voter may sign up to receive electronic ballot status notifications via the ballot tracking system described in Section 20A-3a-401.5;
- (b) may not mail a ballot under this section to:
- (i) an inactive voter, unless the inactive voter requests a manual ballot; or
 - (ii) a voter whom the election officer is prohibited from sending a ballot under Subsection 20A-3a-202.5(4);
- (c) shall, on the outside of the envelope in which the election officer mails the ballot, include instructions for returning the ballot if the individual to whom the election officer mails the ballot does not live at the address to which the ballot is sent;
- (d) shall provide a method of accessible voting to a voter with a disability who is not able to vote by mail; and
- (e) shall include, on the election officer's website and with each ballot mailed, instructions regarding how a voter described in Subsection (2)(d) may vote.
- (3)(a) An election officer who mails a manual ballot under Subsection (2) shall mail the manual ballot to the address:
- (i) provided at the time of registration or updated by the voter after the time of registration; or
 - (ii) if, at or after the time of registration, the voter files an alternate address request form described in Subsection (3)(b), the alternate address indicated on the form.
- (b) The lieutenant governor shall make available to voters an alternate address request form that permits a voter to request that the election officer mail the voter's ballot to a location other than the voter's residence.
- (c) A voter shall provide the completed alternate address request form to the election

officer no later than 11 calendar days before the day of the election.

- (d) Beginning on November 5, 2025, through December 31, 2028, an election officer shall include, with each ballot mailed to a voter, a separate paper document containing the following statements:

"WARNING

If you have a valid Utah driver license or a valid Utah state identification card, failure to provide the last four digits of the license or card number may result in your ballot not being counted. You also have the option of providing the last four digits of your social security number as identification. If you do not have any of these identification types, your ballot will still be counted if your signature on the affidavit on this envelope matches your signature on file with the election officer.

NOTICE

Beginning in 2029, you will not receive a ballot by mail unless you request to receive a ballot by mail. You may request to receive a ballot by mail at [insert a uniform resource locator where the voter can make the request online]. If you are unable to make a request online, contact your county clerk's office at the following number for instructions on how to make the request in person or by mail [insert phone number here]."

- (e) Beginning on January 1, 2029, an election officer shall include, with each ballot mailed to a voter, a separate paper document containing the following statement:

"WARNING

If you have a valid Utah driver license or a valid Utah state identification card, failure to provide the last four digits of your license or card number will result in your ballot not being counted.

If you do not have a license or card described above, you may enter the last four digits of your social security number as identification, or include a photocopy of one of the following in the return envelope:

- a currently valid identification card that is issued by the state or a branch, department, or agency of the United States;
- a currently valid Utah permit to carry a concealed weapon;
- a currently valid United States passport;
- a currently valid United States military identification card; or
- a currently valid tribal identification card, Bureau of Indian Affairs card, or tribal treaty card.

If you do not have any of the forms of identification listed above, you must vote in person

at a polling place, unless you qualify for an exemption from this requirement. You may obtain information regarding an exemption at [insert a uniform resource locator where the voter can view this information] or by calling [insert a phone number that a voter may call to access this information]."

(4) The return envelope shall include:

(a) the name, official title, and post office address of the election officer on the front of the envelope;

(b) subject to Subsection (9), beginning on or before January 1, 2026, a place for the voter to enter the last four digits of the voter's Utah driver license number, Utah state identification card number, or social security number;

(c) the following statement:

"IMPORTANT: See the warning and notice enclosed with your ballot.";

(d) a space where a voter may write an email address and phone number by which the election officer may contact the voter if the voter's ballot is rejected; and

(e) a printed affidavit in substantially the following form:

"County of ____ State of ____

I, ____, solemnly swear that: I am a qualified resident voter of the ____ voting precinct in ____ County, Utah and that I am entitled to vote in this election. I am not a convicted felon currently incarcerated for commission of a felony.

Signature of Voter

WARNING

The above affidavit must be signed by the voter to whom the ballot is addressed. It is a FELONY for any other individual to sign the above affidavit, even if the voter to whom the ballot is addressed gives permission for another to sign the affidavit for the voter."

(5) If the election officer determines that the voter has not yet provided valid voter identification with the voter's voter registration, the election officer may:

(a) mail a ballot to the voter;

(b) instruct the voter to enclose a copy of the voter's valid voter identification in the return envelope; and

(c) provide instructions to the voter on how the voter may sign up to receive electronic ballot status notifications via the ballot tracking system described in Section 20A-3a-401.5.

(6) An election officer who administers an election shall:

- 1389 (a)(i) before the election, obtain the signatures of each voter qualified to vote in the
1390 election; or
- 1391 (ii) obtain the signature of each voter within the voting precinct from the county
1392 clerk; and
- 1393 (b) maintain the signatures on file in the election officer's office.
- 1394 (7) Upon receipt of a returned ballot, the election officer shall review and process the ballot
1395 under Section 20A-3a-401.
- 1396 (8) A county that administers an election:
- 1397 (a) shall provide at least one election day voting center in accordance with Part 7,
1398 Election Day Voting Center, and at least one additional election day voting center for
1399 every 5,000 active voters in the county who, under Section 20A-3a-202.5, will not
1400 receive a ballot by mail;
- 1401 (b) shall ensure that each election day voting center operated by the county has at least
1402 one voting device that is accessible, in accordance with the Help America Vote Act
1403 of 2002, Pub. L. No. 107-252, for individuals with disabilities;
- 1404 (c) may reduce the early voting period described in Section 20A-3a-601, if:
- 1405 (i) the county clerk conducts early voting on at least four days;
- 1406 (ii) the early voting days are within the period beginning on the date that is 14
1407 calendar days before the date of the election and ending on the day before the
1408 election; and
- 1409 (iii) the county clerk provides notice of the reduced early voting period in accordance
1410 with Section 20A-3a-604; and
- 1411 (d) is not required to pay return postage for a return envelope.
- 1412 (9) A return envelope shall be designed in a manner that the information described in
1413 Subsections (4)(b) and (d), and the voter's signature, is covered from view after the
1414 return envelope is sealed.
- 1415 (10) A county clerk shall, at least 90 calendar days before an election administered by the
1416 county clerk, contact local post offices to:
- 1417 (a) coordinate the handling of mail-in ballots for the upcoming election; and
- 1418 (b) take measures to ensure that:
- 1419 (i) ballots are clearly and properly postmarked, or otherwise marked in accordance
1420 with Subsection 20A-3a-204(2)(a)(i), with the date on which the ballot was
1421 mailed; and
- 1422 (ii) ballots are delivered in an expeditious manner to optimize the timely receipt of

1423 ballots.

1424 Section 36. Section **20A-3a-702** is amended to read:

1425 **20A-3a-702 (Effective 01/01/27). Election day voting center -- Hours of operation**
1426 **-- Compliance with Election Code.**

1427 (1) [~~Except as provided in Section 20A-7-609.5, an~~] An election officer may operate an
1428 election day voting center in one or more locations designated under Section 20A-3a-703.

1429 (2) An election officer shall provide for voting at an election day voting center by:

1430 (a) regular ballot if:

1431 (i)(A) the election day voting center is designated under Section 20A-5-403 as the
1432 polling place for the voting precinct in which the voter resides; and

1433 (B) the voter is eligible to vote a regular ballot at the election day voting center in
1434 accordance with this title; or

1435 (ii)(A) the voter resides within the political subdivision holding the election;

1436 (B) the voter is otherwise eligible to vote a regular ballot in accordance with this
1437 title; and

1438 (C) the jurisdiction holding the election uses a method that confirms that the voter
1439 has not voted previously in the election;

1440 (b) voting center ballot if:

1441 (i) the election day voting center is not designated under Section 20A-5-403 as the
1442 polling place for the voting precinct in which the voter resides;

1443 (ii) the voter resides within the political subdivision holding the election; and

1444 (iii) the voter is otherwise eligible to vote a regular ballot in accordance with this
1445 title; or

1446 (c) provisional ballot if the voter is only eligible to vote using a provisional ballot in
1447 accordance with this title.

1448 (3) An election officer shall ensure that an election day voting center:

1449 (a) is open on election day during the time period specified under Section 20A-1-302;

1450 (b) allows an eligible voter to vote if the voter:

1451 (i) resides within the political subdivision holding an election; and

1452 (ii) arrives at the election day voting center by the designated closing time in
1453 accordance with Section 20A-1-302; and

1454 (c) is administered according to the requirements of this title.

1455 (4) An individual may submit a completed manual ballot at an election day voting center
1456 for the political subdivision in which the individual resides.

Section 37. Section **20A-5-400.5** is amended to read:

20A-5-400.5 (Effective 01/01/27). Election officer for bond and leeway elections.

- (1) When a voted leeway or bond election is held on the regular general election date, the county clerk shall serve as the provider election officer to conduct that election.
- (2)(a) When a [~~voted leeway or~~]bond election is held on the municipal general election date or any other election date permitted for special elections under Section 20A-1-204, and the local political subdivision calling the election is entirely within the boundaries of the unincorporated county, the county clerk shall serve as the provider election officer to conduct that election subject to Subsection (3).
- (b) When a [~~voted leeway or~~]bond election is held on the municipal general election date or any other election date permitted for special elections under Section 20A-1-204, and the local political subdivision calling the election is entirely within the boundaries of a municipality, the municipal clerk for that municipality shall, except as provided in Subsection (3), serve as the provider election officer to conduct that election.
- (c) When a [~~voted leeway or~~]bond election is held on the municipal general election date or any other election date permitted for special elections under Section 20A-1-204, and the local political subdivision calling the election extends beyond the boundaries of a single municipality:
 - (i) except as provided in Subsection (3), the municipal clerk shall serve as the provider election officer to conduct the election for those portions of the local political subdivision where the municipal general election or other election is being held; and
 - (ii) except as provided in Subsection (3), the county clerk shall serve as the provider election officer to conduct the election for the unincorporated county and for those portions of any municipality where no municipal general election or other election is being held.
- (3) When a [~~voted leeway or~~]bond election is held on a date when no other election, other than another [~~voted leeway or~~]bond election, is being held in the entire area comprising the local political subdivision calling the [~~voted leeway or~~]bond election:
 - (a) the clerk or chief executive officer of a special district or the business administrator or superintendent of the school district, as applicable, shall serve as the election officer to conduct the bond election for [~~those~~] the portions of the local political subdivision in which no other election, other than another [~~voted leeway or~~]bond

election, is being held, unless the special district or school district has contracted with a provider election officer; and

(b) the county clerk, municipal clerk, or both, as determined by the local political subdivision holding the bond election, shall serve as the provider election officer to conduct the bond election for ~~[those]~~ the portions of the local political subdivision in which another election, other than another ~~[voted leeway or]~~ bond election, is being held.

(4) A provider election officer required by this section to conduct an election for a local political subdivision shall comply with Section 20A-5-400.1.

Section 38. Section **20A-7-101** is amended to read:

20A-7-101 (Effective 01/01/27). Definitions.

As used in this chapter:

- (1) "Approved device" means a device described in Subsection 20A-21-201(4) used to gather signatures for the electronic initiative process, the electronic referendum process, or the electronic candidate qualification process.
- (2) "Budget officer" means:
 - (a) for a county, the person designated as finance officer as defined in Section 17-63-101;
 - (b) for a city, the person designated as budget officer in Subsection 10-6-106(4); or
 - (c) for a town, the town council.
- (3) "Certified" means that the county clerk has acknowledged a signature as being the signature of a registered voter.
- (4) "Circulation" means the process of submitting an initiative petition or a referendum petition to legal voters for their signature.
- (5) "Electronic initiative process" means:
 - (a) ~~[as it relates to]~~ for a statewide initiative, the process, described in Sections 20A-7-215 and 20A-21-201, for gathering signatures; or
 - (b) ~~[as it relates to]~~ for a local initiative, the process, described in Sections 20A-7-514 and 20A-21-201, for gathering signatures.
- (6) "Electronic referendum process" means:
 - (a) ~~[as it relates to]~~ for a statewide referendum, the process, described in Sections 20A-7-313 and 20A-21-201, for gathering signatures; or
 - (b) ~~[as it relates to]~~ for a local referendum, the process, described in Sections 20A-7-614 and 20A-21-201, for gathering signatures.
- (7) "Eligible voter" means a legal voter who resides in the jurisdiction of the county, city, or

town that is holding an election on a ballot proposition.

- (8) "Final fiscal impact statement" means a financial statement prepared after voters approve an initiative that contains the information required by Subsection 20A-7-202.5(2) or 20A-7-502.5(2).
- (9) "Initial fiscal impact statement" means a financial statement prepared under Section 20A-7-202.5 after the filing of a statewide initiative application.
- (10) "Initial fiscal impact and legal statement" means a financial and legal statement prepared under Section 20A-7-502.5 or 20A-7-602.5 for a local initiative or a local referendum.
- (11) "Initiative" means a new law proposed for adoption by the public as provided in this chapter.
- (12) "Initiative application" means:
- (a) for a statewide initiative, an application described in Subsection 20A-7-202(2) that includes all the information, statements, documents, and notarized signatures required under Subsection 20A-7-202(2); or
 - (b) for a local initiative, an application described in Subsection 20A-7-502(2) that includes all the information, statements, documents, and notarized signatures required under Subsection 20A-7-502(2).
- (13) "Initiative packet" means a copy of the initiative petition, a copy of the proposed law, and the signature sheets, all of which have been bound together as a unit.
- (14) "Initiative petition":
- (a) ~~[as it relates to]~~ for a statewide initiative[;] using the manual initiative process:
 - (i) means the form described in Subsection 20A-7-203(2)(a), petitioning for submission of the initiative to the Legislature or the legal voters; and
 - (ii) if the initiative proposes a tax increase, includes the statement described in Subsection 20A-7-203(2)(b);
 - (b) ~~[as it relates to]~~ for a statewide initiative[;] using the electronic initiative process:
 - (i) means the form described in Subsections 20A-7-215(2) and (3), petitioning for submission of the initiative to the Legislature or the legal voters; and
 - (ii) if the initiative proposes a tax increase, includes the statement described in Subsection 20A-7-215(5)(b);
 - (c) ~~[as it relates to]~~ for a local initiative[;] using the manual initiative process:
 - (i) means the form described in Subsection 20A-7-503(2)(a), petitioning for submission of the initiative to the legislative body or the legal voters; and

- 1559 (ii) if the initiative proposes a tax increase, includes the statement described in
1560 Subsection 20A-7-503(2)(b); or
- 1561 (d) ~~[as it relates to]~~ for a local initiative~~[,]~~ using the electronic initiative process:
- 1562 (i) means the form described in Subsection 20A-7-514(2)(a), petitioning for
1563 submission of the initiative to the legislative body or the legal voters; and
- 1564 (ii) if the initiative proposes a tax increase, includes the statement described in
1565 Subsection 20A-7-514(4)(a).
- 1566 (15)(a) "Land use law" means a law of general applicability, enacted based on the
1567 weighing of broad, competing policy considerations, that relates to the use of land,
1568 including a land use regulation, a general plan, a land use development code, an
1569 annexation ordinance, the rezoning of a single property or multiple properties, or a
1570 comprehensive zoning ordinance or resolution.
- 1571 (b) "Land use law" does not include a land use decision, as defined in Section 10-20-102
1572 or 17-79-102.
- 1573 (16) "Legal signatures" means the number of signatures of legal voters that:
- 1574 (a) meet the numerical requirements of this chapter; and
- 1575 (b) have been obtained, certified, and verified as provided in this chapter.
- 1576 (17) "Legal voter" means an individual who is registered to vote in Utah.
- 1577 (18) "Legally referable to voters" means:
- 1578 (a) for a proposed local initiative, that the proposed local initiative is legally referable to
1579 voters under Section 20A-7-502.7; or
- 1580 (b) for a proposed local referendum, that the proposed local referendum is legally
1581 referable to voters under Section 20A-7-602.7.
- 1582 (19) "Local attorney" means the county attorney, city attorney, or town attorney in whose
1583 jurisdiction a local initiative or referendum petition is circulated.
- 1584 (20) "Local clerk" means the county clerk, city recorder, or town clerk in whose jurisdiction
1585 a local initiative or referendum petition is circulated.
- 1586 (21)(a) "Local law" includes:
- 1587 (i) an ordinance;
- 1588 (ii) a resolution;
- 1589 (iii) a land use law;
- 1590 (iv) a land use regulation, as defined in Section 10-20-102; or
- 1591 (v) other legislative action of a local legislative body.
- 1592 (b) "Local law" does not include;

- 1593 (i) a land use decision, as defined in Section 10-20-102; or
- 1594 (ii) a law that is subject to the vote requirements described in Section 59-1-1903.
- 1595 (22) "Local legislative body" means the legislative body of a county, city, or town.
- 1596 (23) "Local obligation law" means a local law passed by the local legislative body
- 1597 regarding a bond that was approved by a majority of qualified voters in an election.
- 1598 [~~(24) "Local tax law" means a law, passed by a political subdivision with an annual or~~
- 1599 ~~biannual calendar fiscal year, that increases a tax or imposes a new tax.~~]
- 1600 [(25)] (24) "Manual initiative process" means the process for gathering signatures for an
- 1601 initiative using paper signature packets that a signer physically signs.
- 1602 [(26)] (25) "Manual referendum process" means the process for gathering signatures for a
- 1603 referendum using paper signature packets that a signer physically signs.
- 1604 [(27)] (26)(a) "Measure" means a proposed constitutional amendment, an initiative, or
- 1605 referendum.
- 1606 (b) "Measure" does not include a ballot proposition for the creation of a new school
- 1607 district under Section 53G-3-301.1, 53G-3-301.3, or 53G-3-301.4.
- 1608 [(28)] (27) "Presiding officers" means the president of the Senate and the speaker of the
- 1609 House of Representatives.
- 1610 [(29)] (28) "Referendum" means a process by which a law passed by the Legislature or by a
- 1611 local legislative body is submitted or referred to the voters for [their] the voters' approval
- 1612 or rejection.
- 1613 [(30)] (29) "Referendum application" means:
- 1614 (a) for a statewide referendum, an application described in Subsection 20A-7-302(2) that
- 1615 includes all the information, statements, documents, and notarized signatures
- 1616 required under Subsection 20A-7-302(2); or
- 1617 (b) for a local referendum, an application described in Subsection 20A-7-602(2) that
- 1618 includes all the information, statements, documents, and notarized signatures
- 1619 required under Subsection 20A-7-602(2).
- 1620 [(31)] (30) "Referendum packet" means a copy of the referendum petition, a copy of the law
- 1621 being submitted or referred to the voters for their approval or rejection, and the signature
- 1622 sheets, all of which have been bound together as a unit.
- 1623 [(32)] (31) "Referendum petition" means:
- 1624 (a) [as it relates to] for a statewide referendum[;] using the manual referendum process,
- 1625 the form described in Subsection 20A-7-303(2)(a), petitioning for submission of a
- 1626 law passed by the Legislature to legal voters for [their] the voters' approval or

rejection;

(b) ~~[as it relates to]~~ for a statewide referendum~~;~~ using the electronic referendum process, the form described in Subsection 20A-7-313(2), petitioning for submission of a law passed by the Legislature to legal voters for ~~[their]~~ the voters' approval or rejection;

(c) ~~[as it relates to]~~ for a local referendum~~;~~ using the manual referendum process, the form described in Subsection 20A-7-603(2)(a), petitioning for submission of a local law to legal voters for ~~[their]~~ the voters' approval or rejection; or

(d) ~~[as it relates to]~~ for a local referendum~~;~~ using the electronic referendum process, the form described in Subsection 20A-7-614(2), petitioning for submission of a local law to legal voters for ~~[their]~~ the voters' approval or rejection.

~~[(33)]~~ (32) "Signature":

(a) for a statewide initiative:

(i) ~~[as it relates to]~~ using the electronic initiative process, means an electronic signature collected under Section 20A-7-215 and Subsection 20A-21-201(6)(c); or

(ii) ~~[as it relates to]~~ using the manual initiative process:

(A) means a holographic signature collected physically on a signature sheet described in Section 20A-7-203;

(B) as it relates to an individual who, due to a qualifying disability under the Americans with Disabilities Act, is unable to fill out the signature sheet or to sign the voter's name consistently, the initials "AV," indicating that the voter's identity will be verified by an alternate verification process described in Section 20A-7-106; and

(C) does not include an electronic signature;

(b) for a statewide referendum:

(i) ~~[as it relates to]~~ using the electronic referendum process, means an electronic signature collected under Section 20A-7-313 and Subsection 20A-21-201(6)(c); or

(ii) ~~[as it relates to]~~ using the manual referendum process:

(A) means a holographic signature collected physically on a signature sheet described in Section 20A-7-303;

(B) as it relates to an individual who, due to a qualifying disability under the Americans with Disabilities Act, is unable to fill out the signature sheet or to sign the voter's name consistently, the initials "AV," indicating that the voter's identity will be verified by an alternate verification process described in

- 1661 Section 20A-7-106; and
- 1662 (C) does not include an electronic signature;
- 1663 (c) for a local initiative:
- 1664 (i) ~~[as it relates to]~~ using the electronic initiative process, means an electronic
- 1665 signature collected under Section 20A-7-514 and Subsection 20A-21-201(6)(c); or
- 1666 (ii) ~~[as it relates to]~~ using the manual initiative process:
- 1667 (A) means a holographic signature collected physically on a signature sheet
- 1668 described in Section 20A-7-503;
- 1669 (B) as it relates to an individual who, due to a qualifying disability under the
- 1670 Americans with Disabilities Act, is unable to fill out the signature sheet or to
- 1671 sign the voter's name consistently, the initials "AV," indicating that the voter's
- 1672 identity will be verified by an alternate verification process described in
- 1673 Section 20A-7-106; and
- 1674 (C) does not include an electronic signature; or
- 1675 (d) for a local referendum:
- 1676 (i) ~~[as it relates to]~~ using the electronic referendum process, means an electronic
- 1677 signature collected under Section 20A-7-614 and Subsection 20A-21-201(6)(c); or
- 1678 (ii) ~~[as it relates to]~~ using the manual referendum process:
- 1679 (A) means a holographic signature collected physically on a signature sheet
- 1680 described in Section 20A-7-603;
- 1681 (B) as it relates to an individual who, due to a qualifying disability under the
- 1682 Americans with Disabilities Act, is unable to fill out the signature sheet or to
- 1683 sign the voter's name consistently, the initials "AV," indicating that the voter's
- 1684 identity will be verified by an alternate verification process described in
- 1685 Section 20A-7-106; and
- 1686 (C) does not include an electronic signature.
- 1687 ~~[(34)]~~ (33) "Signature sheets" means sheets in the form required by this chapter that are used
- 1688 under the manual initiative process or the manual referendum process to collect
- 1689 signatures in support of an initiative or referendum.
- 1690 ~~[(35)]~~ (34)(a) "Special local ballot proposition" means a local ballot proposition that is
- 1691 not a standard local ballot proposition.
- 1692 (b) "Special local ballot proposition" does not include a ballot proposition as that term is
- 1693 defined in Section 20A-7-901.
- 1694 ~~[(36)]~~ (35) "Sponsors" means the legal voters who support the initiative or referendum and

who sign the initiative application or referendum application.

[(37)] (36)(a) "Standard local ballot proposition" means a local ballot proposition for an initiative or a referendum.

(b) "Standard local ballot proposition" does not include a ~~[property tax referendum described in Section 20A-7-613]~~ ballot proposition as that term is defined in Section 20A-7-901.

[(38)] (37) "Tax percentage difference" means the difference between the tax rate proposed by an initiative or an initiative petition and the current tax rate.

[(39)] (38) "Tax percentage increase" means a number calculated by dividing the tax percentage difference by the current tax rate and rounding the result to the nearest thousandth.

[(40)] (39) "Verified" means acknowledged by the person circulating the petition as required in Section 20A-7-105.

Section 39. Section **20A-7-103** is amended to read:

20A-7-103 (Effective 01/01/27) (Contingently Superseded 01/01/27).

Constitutional amendments and other questions submitted by the Legislature --

Publication -- Ballot title -- Procedures for submission to popular vote.

(1) The procedures contained in this section govern when the Legislature submits a proposed constitutional amendment or other question to the voters.

(2) The lieutenant governor shall, not more than 60 calendar days or less than 14 calendar days before the date of the election, publish the full text of the amendment, question, or statute for the state, as a class A notice under Section 63G-30-102, through the date of the election.

(3) The presiding officers shall:

(a) entitle each proposed constitutional amendment "Constitutional Amendment ____" and assign a letter to the constitutional amendment in accordance with the requirements of Section 20A-6-107;

(b) entitle each proposed question "Proposition Number ____" with the number assigned to the proposition under Section 20A-6-107 placed in the blank;

(c) for each proposed amendment or question submitted by the Legislature, other than legislation subject to Part 9, Tax Increase Voting Requirements, draft and designate a ballot title ~~[for each proposed amendment or question submitted by the Legislature-]~~ that:

(i) summarizes the subject matter of the amendment or question; and

- 1729 (ii) for a proposed constitutional amendment, summarizes any legislation that is
1730 enacted and will become effective upon the voters' adoption of the proposed
1731 constitutional amendment; and
- 1732 (d) deliver each letter or number and ballot title to the lieutenant governor.
- 1733 (4) The lieutenant governor shall certify the letter or number and ballot title of each
1734 amendment or question to the county clerk of each county no later than 65 calendar days
1735 before the date of the election.
- 1736 (5) The county clerk of each county shall:
- 1737 (a) ensure that the letter or number and the ballot title of each amendment and question
1738 prepared in accordance with this section or Section 20A-7-903 are included in the
1739 sample ballots and official ballots; and
- 1740 (b) publish the sample ballots and official ballots as provided by law.
- 1741 Section 40. Section **20A-7-103** is amended to read:
- 1742 **20A-7-103 (Contingently Effective 01/01/27). Constitutional amendments and**
1743 **other questions submitted by the Legislature -- Publication -- Ballot title -- Procedures**
1744 **for submission to popular vote.**
- 1745 (1) The procedures contained in this section govern when the Legislature submits a
1746 proposed constitutional amendment or other question to the voters.
- 1747 (2) The lieutenant governor shall:
- 1748 (a) for a proposed constitutional amendment, in accordance with Utah Constitution,
1749 Article XXIII, Section 1, publish the entire text of the proposed constitutional
1750 amendment for 60 calendar days immediately preceding the next general election, as
1751 a class A notice under Section 63G-30-102; or
- 1752 (b) for a question other than a proposed constitutional amendment, publish the question
1753 for 60 calendar days immediately preceding the next general election, as a class A
1754 notice under Section 63G-30-102.
- 1755 (3) The presiding officers shall:
- 1756 (a) entitle each proposed constitutional amendment "Constitutional Amendment ____" and
1757 assign a letter to the constitutional amendment in accordance with the requirements
1758 of Section 20A-6-107;
- 1759 (b) entitle each proposed question "Proposition Number ____" with the number assigned to
1760 the proposition under Section 20A-6-107 placed in the blank;
- 1761 (c) for each proposed amendment or question submitted by the Legislature, other than
1762 legislation subject to Part 9, Tax Increase Voting Requirements, draft and designate a

ballot title [~~for each proposed amendment or question submitted by the Legislature~~]
that:

- (i) summarizes the subject matter of the amendment or question; and
- (ii) for a proposed constitutional amendment, summarizes any legislation that is enacted and will become effective upon the voters' adoption of the proposed constitutional amendment; and

(d) deliver each letter or number and ballot title to the lieutenant governor.

(4) The lieutenant governor shall certify the letter or number and ballot title of each amendment or question to the county clerk of each county no later than 65 calendar days before the date of the election.

(5) The county clerk of each county shall:

(a) ensure that the letter or number and the ballot title of each amendment and question prepared in accordance with this section or Section 20A-7-903 are included in the sample ballots and official ballots; and

(b) publish the sample ballots and official ballots as provided by law.

Section 41. Section **20A-7-601** is amended to read:

20A-7-601 (Effective 01/01/27). Referenda -- General signature requirements -- Signature requirements for land use laws, subjurisdictional laws, and transit area land use laws -- Time requirements.

(1) As used in this section:

(a) "Number of active voters" means the number of active voters in the county, city, or town on the immediately preceding January 1.

(b) "Qualifying county" means a county that has created a small public transit district, as defined in Section 17B-2a-802, on or before January 1, 2022.

(c) "Qualifying transit area" means:

(i) a station area, as defined in Section 10-21-101, for which the municipality with jurisdiction over the station area has satisfied the requirements of Subsection 10-21-203(1)(a)(i), as demonstrated by the adoption of a station area plan or resolution under Subsection 10-21-203(1); or

(ii) a housing and transit reinvestment zone, as defined in Section 63N-3-602, created within a qualifying county.

(d) "Subjurisdiction" means an area comprised of all precincts and subprecincts in the jurisdiction of a county, city, or town that are subject to a subjurisdictional law.

(e)(i) "Subjurisdictional law" means a local law or local obligation law passed by a

1797 local legislative body that imposes a ~~[tax or other]~~ payment obligation, other than
1798 a tax, on property in an area that does not include all precincts and subprecincts
1799 under the jurisdiction of the county, city, or town.

1800 (ii) "Subjurisdictional law" does not include a land use law.

1801 (f) "Transit area land use law" means a land use law that relates to the use of land within
1802 a qualifying transit area.

1803 (g) "Voter participation area" means an area described in Subsection 20A-7-401.3(1)(a)
1804 or (2)(b).

1805 (2) Except as provided in Subsections (3) through (5), an eligible voter seeking to have a
1806 local law passed by the local legislative body submitted to a vote of the people shall,
1807 after filing a referendum application, obtain legal signatures equal to:

1808 (a) for a county of the first class:

1809 (i) 7.75% of the number of active voters in the county; and

1810 (ii) beginning on January 1, 2020, 7.75% of the number of active voters in at least
1811 75% of the county's voter participation areas;

1812 (b) for a city of the first class:

1813 (i) 7.5% of the number of active voters in the city; and

1814 (ii) beginning on January 1, 2020, 7.5% of the number of active voters in at least 75%
1815 of the city's voter participation areas;

1816 (c) for a county of the second class:

1817 (i) 8% of the number of active voters in the county; and

1818 (ii) beginning on January 1, 2020, 8% of the number of active voters in at least 75%
1819 of the county's voter participation areas;

1820 (d) for a city of the second class:

1821 (i) 8.25% of the number of active voters in the city; and

1822 (ii) beginning on January 1, 2020, 8.25% of the number of active voters in at least
1823 75% of the city's voter participation areas;

1824 (e) for a county of the third class:

1825 (i) 9.5% of the number of active voters in the county; and

1826 (ii) beginning on January 1, 2020, 9.5% of the number of active voters in at least 75%
1827 of the county's voter participation areas;

1828 (f) for a city of the third class:

1829 (i) 10% of the number of active voters in the city; and

1830 (ii) beginning on January 1, 2020, 10% of the number of active voters in at least 75%

- 1831 of the city's voter participation areas;
- 1832 (g) for a county of the fourth class:
- 1833 (i) 11.5% of the number of active voters in the county; and
- 1834 (ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least
- 1835 75% of the county's voter participation areas;
- 1836 (h) for a city of the fourth class:
- 1837 (i) 11.5% of the number of active voters in the city; and
- 1838 (ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least
- 1839 75% of the city's voter participation areas;
- 1840 (i) for a city of the fifth class or a county of the fifth class, 25% of the number of active
- 1841 voters in the city or county; or
- 1842 (j) for a town or a county of the sixth class, 35% of the number of active voters in the
- 1843 town or county.
- 1844 (3) Except as provided in Subsection (4) or (5), an eligible voter seeking to have a land use
- 1845 law or local obligation law passed by the local legislative body submitted to a vote of the
- 1846 people shall, after filing a referendum application, obtain legal signatures equal to:
- 1847 (a) for a county of the first, second, third, or fourth class:
- 1848 (i) 16% of the number of active voters in the county; and
- 1849 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
- 1850 of the county's voter participation areas;
- 1851 (b) for a county of the fifth or sixth class:
- 1852 (i) 16% of the number of active voters in the county; and
- 1853 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
- 1854 of the county's voter participation areas;
- 1855 (c) for a city of the first class:
- 1856 (i) 15% of the number of active voters in the city; and
- 1857 (ii) beginning on January 1, 2020, 15% of the number of active voters in at least 75%
- 1858 of the city's voter participation areas;
- 1859 (d) for or a city of the second class:
- 1860 (i) 16% of the number of active voters in the city; and
- 1861 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
- 1862 of the city's voter participation areas;
- 1863 (e) for a city of the third class:
- 1864 (i) 27.5% of the number of active voters in the city; and

- 1865 (ii) beginning on January 1, 2020, 27.5% of the number of active voters in at least
1866 75% of the city's voter participation areas;
- 1867 (f) for a city of the fourth class:
- 1868 (i) 29% of the number of active voters in the city; and
- 1869 (ii) beginning on January 1, 2020, 29% of the number of active voters in at least 75%
1870 of the city's voter participation areas;
- 1871 (g) for a city of the fifth class, 35% of the number of active voters in the city; or
- 1872 (h) for a town, 40% of the number of active voters in the town.
- 1873 (4) A person seeking to have a subjurisdictional law passed by the local legislative body
1874 submitted to a vote of the people shall, after filing a referendum application, obtain legal
1875 signatures of the residents in the subjurisdiction equal to:
- 1876 (a) 10% of the number of active voters in the subjurisdiction if the number of active
1877 voters exceeds 25,000;
- 1878 (b) 12.5% of the number of active voters in the subjurisdiction if the number of active
1879 voters does not exceed 25,000 but is more than 10,000;
- 1880 (c) 15% of the number of active voters in the subjurisdiction if the number of active
1881 voters does not exceed 10,000 but is more than 2,500;
- 1882 (d) 20% of the number of active voters in the subjurisdiction if the number of active
1883 voters does not exceed 2,500 but is more than 500;
- 1884 (e) 25% of the number of active voters in the subjurisdiction if the number of active
1885 voters does not exceed 500 but is more than 250; and
- 1886 (f) 30% of the number of active voters in the subjurisdiction if the number of active
1887 voters does not exceed 250.
- 1888 (5) An eligible voter seeking to have a transit area land use law passed by the local
1889 legislative body submitted to a vote of the people shall, after filing a referendum
1890 application, obtain legal signatures equal to:
- 1891 (a) for a county:
- 1892 (i) 20% of the number of active voters in the county; and
- 1893 (ii) 21% of the number of active voters in at least 75% of the county's voter
1894 participation areas;
- 1895 (b) for a city of the first class:
- 1896 (i) 20% of the number of active voters in the city; and
- 1897 (ii) 20% of the number of active voters in at least 75% of the city's voter participation
1898 areas;

(c) for a city of the second class:

(i) 20% of the number of active voters in the city; and

(ii) 21% of the number of active voters in at least 75% of the city's voter participation areas;

(d) for a city of the third class:

(i) 34% of the number of active voters in the city; and

(ii) 34% of the number of active voters in at least 75% of the city's voter participation areas;

(e) for a city of the fourth class:

(i) 36% of the number of active voters in the city; and

(ii) 36% of the number of active voters in at least 75% of the city's voter participation areas; or

(f) for a city of the fifth class or a town, 40% of the number of active voters in the city or town.

(6) Sponsors of any referendum petition challenging, under Subsection (2), (3), (4), or (5), any local law passed by a local legislative body shall file the application no later than the first business day that is at least five days after the day on which the local law was passed.

(7) This section does not authorize a local legislative body to impose a tax or other payment obligation on a subjurisdiction in order to benefit an area outside of the subjurisdiction.

Section 42. Section **20A-7-607** is amended to read:

20A-7-607 (Effective 01/01/27). Evaluation by the local clerk -- Determination of election for vote on referendum.

(1) In relation to the manual referendum process, when the local clerk receives a referendum packet from a county clerk, the local clerk shall record the number of the referendum packet received.

(2) The county clerk shall:

(a) in relation to the manual referendum process:

(i) post the names, voter identification numbers, and dates of signatures described in Subsection 20A-7-105(6)(a)(iii) on the lieutenant governor's website, in a conspicuous location designated by the lieutenant governor, for at least 45 calendar days; and

(ii) update on the local clerk's website the number of signatures certified as of the date of the update; or

- (b) in relation to the electronic referendum process:
- (i) post the names, voter identification numbers, and dates of signatures described in Subsection ~~[20A-7-616(3)]~~ 20A-7-616(4) on the lieutenant governor's website, in a conspicuous location designated by the lieutenant governor, for at least 45 calendar days; and
 - (ii) update on the lieutenant governor's website the number of signatures certified as of the date of the update.
- (3) The local clerk:
- (a) shall, except as provided in Subsection (3)(b), declare the referendum petition to be sufficient or insufficient:
 - (i) in relation to the manual referendum process, no later than 111 calendar days after the day of the deadline, described in Subsection 20A-7-105(5)(a)(iv), to submit a referendum packet to the county clerk; or
 - (ii) in relation to the electronic referendum process, no later than 111 calendar days after the day of the deadline, described in Subsection 20A-7-616(2), to collect a signature; or
 - (b) may declare the referendum petition to be insufficient before the day described in Subsection (3)(a) if:
 - (i) in relation to the manual referendum process, the total of all valid signatures on timely and lawfully submitted referendum packets that have been certified by the county clerk, plus the number of signatures on timely and lawfully submitted referendum packets that have not yet been evaluated for certification, is less than the number of names required under Section 20A-7-601;
 - (ii) in relation to the electronic referendum process, the total of all timely and lawfully submitted valid signatures that have been certified by the county clerks, plus the number of timely and lawfully submitted valid signatures received under Subsection 20A-21-201(6)(b) that have not yet been evaluated for certification, is less than the number of names required under Section 20A-7-601; or
 - (iii) a requirement of this part has not been met.
- (4)(a) If the total number of names certified under Subsection (3) equals or exceeds the number of names required under Section 20A-7-601, and the requirements of this part are met, the local clerk shall mark upon the front of the referendum petition the word "sufficient."
- (b) If the total number of names certified under Subsection (3) does not equal or exceed

- 1967 the number of names required under Section 20A-7-601 or a requirement of this part
 1968 is not met, the local clerk shall mark upon the front of the referendum petition the
 1969 word "insufficient."
- 1970 (c) The local clerk shall immediately notify any one of the sponsors of the local clerk's
 1971 finding.
- 1972 (d) After a referendum petition is declared insufficient, a person may not submit
 1973 additional signatures to qualify the referendum for the ballot.
- 1974 (5)(a) If the local clerk refuses to declare a referendum petition sufficient, any voter
 1975 may, no later than 10 days after the day on which the local clerk declares the
 1976 referendum petition insufficient, apply to the appropriate court for an order finding
 1977 the referendum petition legally sufficient.
- 1978 (b) If the court determines that the referendum petition is legally sufficient, the local
 1979 clerk shall mark the referendum petition "sufficient" and consider the declaration of
 1980 sufficiency effective as of the date on which the referendum petition should have
 1981 been declared sufficient by the local clerk's office.
- 1982 (c) If the court determines that a referendum petition filed is not legally sufficient, the
 1983 court may enjoin the local clerk and all other officers from[:]
 1984 [(i)] certifying or printing the ballot title and numbers of that referendum on the
 1985 official ballot for the next election[; or] .
 1986 [~~(ii) as it relates to a local tax law that is conducted entirely by mail, certifying,~~
 1987 ~~printing, or mailing the ballot title and numbers of that referendum under Section~~
 1988 ~~20A-7-609.5.]~~
- 1989 (6) A referendum petition determined to be sufficient in accordance with this section is
 1990 qualified for the ballot.
- 1991 (7)(a) Except as provided in Subsection (7)(b) or (c), if a referendum relates to
 1992 legislative action taken after April 15, the election officer may not place the
 1993 referendum on an election ballot until a primary election, a general election, or a
 1994 special election the following year.
- 1995 (b) The election officer may place a referendum described in Subsection (7)(a) on the
 1996 ballot for a special, primary, or general election held during the year that the
 1997 legislative action was taken if the following agree, in writing, on a timeline to place
 1998 the referendum on that ballot:
 1999 (i) the local clerk;
 2000 (ii) the county clerk; and

- (iii) the attorney for the county or municipality that took the legislative action.
- (c) For a referendum on a land use law, if, before August 30, the local clerk or a court determines that the total number of certified names equals or exceeds the number of signatures required in Section 20A-7-601, the election officer shall place the referendum on the election ballot for:
- (i) the next general election; or
- (ii) another election, if the following agree, in writing, on a timeline to place the referendum on that ballot:
- (A) the affected owners, as defined in Section 10-20-102 or 17-79-102, as applicable;
- (B) the local clerk;
- (C) the county clerk; and
- (D) the attorney for the county or municipality that took the legislative action.

Section 43. Section **20A-7-702** is amended to read:

20A-7-702 (Effective 01/01/27). Voter information pamphlet -- Form -- Contents.

The voter information pamphlet shall contain the following items in this order:

- (1) a cover title page;
- (2) an introduction to the pamphlet by the lieutenant governor;
- (3) a table of contents;
- (4) a list of all candidates for constitutional offices;
- (5) a list of candidates for each legislative district;
- (6) a 100-word statement of qualifications for each candidate for the office of governor, lieutenant governor, attorney general, state auditor, or state treasurer, if submitted by the candidate to the lieutenant governor's office before 5 p.m. on the first business day in August before the date of the election;
- (7) information pertaining to all measures to be submitted to the voters, beginning a new page for each measure and containing, in the following order for each measure:
 - (a) a copy of the number and ballot title of the measure;
 - (b) the final vote cast by the Legislature on the measure if it is a measure submitted by the Legislature or by referendum;
 - (c)(i) for a measure other than a measure described in Section 20A-7-103, the impartial analysis of the measure prepared by the Office of Legislative Research and General Counsel; or
 - (ii) for a measure described in Section 20A-7-103, the analysis of the measure

prepared by the presiding officers in accordance with Section 20A-7-703.1 or, for legislation subject to Part 9, Tax Increase Voting Requirements, in accordance with Section 20A-7-904;

(d) the arguments in favor of the measure, the rebuttal to the arguments in favor of the measure, the arguments against the measure, and the rebuttal to the arguments against the measure, with the name and title of the authors at the end of each argument or rebuttal;

(e) for each constitutional amendment, a complete copy of the text of the constitutional amendment, with all new language underlined, and all deleted language placed within brackets;

(f) for each initiative qualified for the ballot:

(i) a copy of the initiative as certified by the lieutenant governor and a copy of the initial fiscal impact statement prepared according to Section 20A-7-202.5; and

(ii) if the initiative proposes a tax increase, the following statement in bold type:

"This initiative seeks to increase the current (insert name of tax) rate by (insert the tax percentage difference) percent, resulting in a(n) (insert the tax percentage increase) percent increase in the current tax rate."; and

(g) for each referendum qualified for the ballot, a complete copy of the text of the law being submitted to the voters for their approval or rejection, with all new language underlined and all deleted language placed within brackets, as applicable;

(8) a description provided by the Judicial Performance Evaluation Commission of the selection and retention process for judges, including, in the following order:

(a) a description of the judicial selection process;

(b) a description of the judicial performance evaluation process;

(c) a description of the judicial retention election process;

(d) a list of the criteria of the judicial performance evaluation and the certification standards;

(e) the names of the judges standing for retention election; and

(f) for each judge:

(i) a list of the counties in which the judge is subject to retention election;

(ii) a short biography of professional qualifications and a recent photograph;

(iii) a narrative concerning the judge's performance;

(iv) for each certification standard under Section 78A-12-205, a statement identifying whether, under Section 78A-12-205, the judge met the standard and, if not, the

- manner in which the judge failed to meet the standard;
- (v) a statement that the Judicial Performance Evaluation Commission:
- (A) has determined that the judge meets or exceeds minimum performance standards;
- (B) has determined that the judge does not meet or exceed minimum performance standards; or
- (C) has not made a determination regarding whether the judge meets or exceeds minimum performance standards;
- (vi) any statement, described in Subsection 78A-12-206(3)(b), provided by a judge whom the Judicial Performance Evaluation Commission determines does not meet or exceed minimum performance standards;
- (vii) in a bar graph, the average of responses to each survey category, displayed with an identification of the minimum acceptable score as set by Section 78A-12-205 and the average score of all judges of the same court level; and
- (viii) a website address that contains the Judicial Performance Evaluation Commission's report on the judge's performance evaluation;
- (9) for each judge, a statement provided by the Utah Supreme Court identifying the cumulative number of informal reprimands, when consented to by the judge in accordance with Title 78A, Chapter 11, Judicial Conduct Commission, formal reprimands, and all orders of censure and suspension issued by the Utah Supreme Court under Utah Constitution, Article VIII, Section 13, during the judge's current term and the immediately preceding term, and a detailed summary of the supporting reasons for each violation of the Code of Judicial Conduct that the judge has received;
- (10) an explanation of ballot marking procedures prepared by the lieutenant governor, indicating the ballot marking procedure used by each county and explaining how to mark the ballot for each procedure;
- (11) voter registration information, including information on how to obtain a ballot;
- (12) a list of all county clerks' offices and phone numbers;
- (13) the address of the Statewide Electronic Voter Information Website, with a statement indicating that the election officer will post on the website any changes to the location of a polling place and the location of any additional polling place;
- (14) a phone number that a voter may call to obtain information regarding the location of a polling place; and
- (15) on the back cover page, a printed copy of the following statement signed by the lieutenant

2103 governor:
 2104 "I, _____ (print name), Lieutenant Governor of Utah, certify that the
 2105 measures contained in this pamphlet will be submitted to the voters of Utah at the election to
 2106 be held throughout the state on ____ (date of election), and that this pamphlet is complete and
 2107 correct according to law.

2108 SEAL

2109 Witness my hand and the Great Seal of the State, at Salt Lake City, Utah this ____ day
 2110 of ____ (month), ____ (year)

2111

(signed) _____

2112

Lieutenant Governor".

2113 Section 44. Section **20A-7-703.1** is amended to read:

2114 **20A-7-703.1 (Effective 01/01/27). Analysis of measure submitted to voters by**
 2115 **Legislature -- Determination of fiscal effects.**

2116 (1) The presiding officers shall:

2117 (a) prepare an analysis of each measure, described in Section 20A-7-103, that is
 2118 submitted to the voters by the Legislature, except legislation subject to Part 9, Tax
 2119 Increase Voting Requirements; and

2120 (b) submit the analysis to the lieutenant governor no later than 90 calendar days before
 2121 the date of the election in which the measure will appear on the ballot.

2122 (2) The presiding officers shall ensure that the analysis:

2123 (a) is not more than 1,000 words long;

2124 (b) is prepared in clear and concise language that will easily be understood by the
 2125 average voter;

2126 (c) to the extent possible, avoids the use of technical terms;

2127 (d) shows the effect of the measure on existing law;

2128 (e) describes the measure;

2129 (f) identifies the measure's fiscal effects over the time period or time periods determined
 2130 by the presiding officers to be most useful in understanding the estimated fiscal
 2131 impact of the measure; and

2132 (g) identifies the amount of any increase or decrease in revenue or cost to state or local
 2133 government.

2134 (3) The presiding officers shall analyze the measure as the measure is proposed to be

adopted, without considering any implementing legislation, unless the implementing legislation has been enacted and will become effective upon the adoption of the measure by the voters.

(4)(a) In determining the fiscal effects of a measure, the presiding officers shall confer with the legislative fiscal analyst.

(b) The presiding officers shall consider any measure that requires implementing legislation in order to take effect to have no financial effect, unless implementing legislation has been enacted that will become effective upon adoption of the measure by the voters.

(5) If the presiding officers request the assistance of any state department, agency, or official in preparing the analysis described in this section, that department, agency, or official shall assist the presiding officers.

Section 45. Section **20A-7-901** is enacted to read:

Part 9. Tax Increase Voting Requirements

20A-7-901 (Effective 01/01/27). Definitions.

As used in this part:

(1) "Ballot proposition" means legislation or a question a government entity submits to voters in accordance with Section 59-1-1903.

(2) "Election date" means the date of the election at which voters will consider the ballot proposition.

(3) "Eligible voter" means a person who:

(a) has registered to vote in accordance with Title 20A, Chapter 2, Voter Registration;
and

(b) is a resident of a voting district or precinct within the taxing entity that is holding an election to consider a ballot proposition.

(4) "Fiscal year spending" means the same as that term is defined in Section 59-1-1902.

(5) "Fiscal year spending limit" means a government entity's maximum amount of fiscal year spending calculated in accordance with Section 59-1-1904.

(6) "Government entity" means the same as that term is defined in Section 59-1-1902.

Section 46. Section **20A-7-902** is enacted to read:

20A-7-902 (Contingently Effective 01/01/27). Tax increase voter submission requirements.

(1)(a) Except as provided in Subsection (1)(b), a government entity shall submit a ballot proposition to voters at the next general election.

(b) A public infrastructure district that seeks to levy a property tax for payment of debt service on a limited tax bond issued in accordance with Section 17D-4-301 on or after January 1, 2027, may submit a ballot proposition to voters in 2027 at the same time as the municipal election.

(2) A government entity shall provide notice of a ballot proposition to voters:

(a)(i) for the state, in accordance with Sections 20A-7-103 and 20A-7-702; or

(ii) for a government entity other than the state, at least 30 days before the election in the locations described in Subsection 20A-7-905(6);

(b) at the lowest cost; and

(c) with a title that meets the requirements of Section 20A-7-903.

(3) The state or a political subdivision may consolidate the notices for a ballot proposition that is passed by a legislative body, other than a constitutional amendment.

(4) Even with voter approval, a government entity may not incur debt if the debt exceeds the government entity's share of maximum repayment costs disclosed in accordance with Subsection 20A-7-904(4).

Section 47. Section **20A-7-903** is enacted to read:

20A-7-903 (Contingently Effective 01/01/27). Ballot title.

(1) A ballot title for a tax increase shall read:

"Shall (name of government entity) take the following action (type of action such as impose/increase/modify the base for/extend an expiring) (type of tax) to collect an estimated (first, or if phased in, final, fiscal year dollar increase) annually?"

(2) A ballot title for a debt increase shall read:

"Shall (name of government entity) increase the debt (for purpose) to (principal amount) with a repayment cost of (maximum total cost)?"

(3) A ballot title for a question about retaining revenue that exceeds the government entity's fiscal year spending limit shall read:

"Shall (name of government entity) retain the amount of revenue that exceeds the government entity's fiscal year spending limit, instead of refunding the excess, for the following fiscal years: (list the fiscal years, up to five)?"

Section 48. Section **20A-7-904** is enacted to read:

20A-7-904 (Effective 01/01/27). Analysis of a ballot proposition.

The presiding officers of the Legislature or the governing body of a political subdivision shall prepare an analysis of each ballot proposition that includes:

(1) an impartial summary of the ballot proposition that:

- 2203 (a) is prepared in clear and concise language that will easily be understood by the
 2204 average voter; and
- 2205 (b) avoids the use of technical terms as much as possible;
- 2206 (2) the estimated or actual total fiscal year funding for the current fiscal year and each of
 2207 the past four fiscal years and the overall dollar and percentage change between the fiscal
 2208 year spending in the previous fiscal year and the total estimated to be generated by the
 2209 tax increase or bond debt increase;
- 2210 (3) an estimate of the maximum dollar amount of each tax increase during the first full
 2211 fiscal year and of the government entity's spending during that fiscal year without the
 2212 increase;
- 2213 (4) an estimate of the maximum principal amount and maximum annual and total
 2214 repayment cost of each debt increase and the actual amount of current bonded debt and
 2215 the maximum annual and total repayment cost of each bonded debt; and
- 2216 (5) an estimate of the amount the ballot proposition will cost to an average household.

2217 Section 49. Section **20A-7-905**, which is renumbered from Section 59-1-1604 is renumbered
 2218 and amended to read:

2219 **[59-1-1604] 20A-7-905 (Effective 01/01/27). Arguments for and against a ballot**
 2220 **proposition -- Rebuttal arguments -- Posting arguments.**

- 2221 (1)(a) Whenever the state submits a ballot proposition to the voters, the arguments for or
 2222 against the ballot proposition shall conform with Section 20A-7-705.
- 2223 (b) [The] Whenever a government entity other than the state submits a ballot proposition
 2224 to the voters, the arguments for or against [a] the ballot proposition shall conform to
 2225 the requirements of this section.
- 2226 (2)(a)(i) The governing body of a [taxing] government entity shall submit to the
 2227 election officer an argument in favor of a ballot proposition.
- 2228 (ii) To prepare an argument for or against a ballot proposition, an eligible voter shall
 2229 file a request with the election officer at least 65 days before the election at which
 2230 the ballot proposition is to be voted on.
- 2231 (b) If two or more eligible voters wish to submit an argument for, or an argument
 2232 against, a ballot proposition, the election officer shall designate one of the eligible
 2233 voters to submit the argument.
- 2234 (c)(i) An eligible voter who submits an argument under this section shall:
- 2235 (A) ensure that the argument does not exceed 500 words in length;
- 2236 (B) submit the argument to the election officer no less than 60 days before the [

- 2237 ~~determination date]~~ election day; and
- 2238 (C) include with the argument the eligible voter's name, residential address, postal
- 2239 address, email address if available, and phone number.
- 2240 (ii) An election officer shall refuse to accept and publish an argument that [is
- 2241 ~~submitted]~~ an eligible voter submits after the deadline described in Subsection
- 2242 (2)(c)(i)(B).
- 2243 (3)(a) An election officer who timely receives the arguments in favor of and against a
- 2244 ballot proposition shall, within one business day after the day on which the election
- 2245 officer receives both arguments, send, via email or mail:
- 2246 (i) a copy of the argument in favor of the ballot proposition to the eligible voter who
- 2247 submitted the argument against the ballot proposition; and
- 2248 (ii) a copy of the argument against the ballot proposition to the eligible voter who
- 2249 submitted the argument in favor of the ballot proposition.
- 2250 (b) The eligible voter who submitted a timely argument in favor of the ballot proposition:
- 2251 (i) may submit to the election officer a rebuttal argument of the argument against the
- 2252 ballot proposition;
- 2253 (ii) shall ensure that the rebuttal argument does not exceed 250 words in length; and
- 2254 (iii) shall submit the rebuttal argument no later than 45 days before the election [~~day~~
- 2255 ~~on which the ballot proposition will be submitted to the voters]~~ date.
- 2256 (c) The eligible voter who submitted a timely argument against the ballot proposition:
- 2257 (i) may submit to the election officer a rebuttal argument of the argument in favor of
- 2258 the ballot proposition;
- 2259 (ii) shall ensure that the rebuttal argument does not exceed 250 words in length; and
- 2260 (iii) shall submit the rebuttal argument no later than 45 days before the election [~~day~~
- 2261 ~~on which the ballot proposition will be submitted to the voters]~~ date.
- 2262 (d) An election officer shall refuse to accept and publish a rebuttal argument that is
- 2263 submitted after the deadline described in Subsection (3)(b)(iii) or (3)(c)(iii).
- 2264 (4)(a) Except as provided in Subsection (4)(b):
- 2265 (i) an eligible voter may not modify an argument or rebuttal argument after the
- 2266 eligible voter submits the argument or rebuttal argument to the election officer;
- 2267 and
- 2268 (ii) a person other than the eligible voter described in Subsection (4)(a)(i) may not
- 2269 modify an argument or rebuttal argument.
- 2270 (b) The election officer, and the eligible voter who submits an argument or rebuttal

argument, may jointly agree to modify an argument or a rebuttal argument [~~in order~~]
to:

(i) correct factual, grammatical, and spelling errors; and

(ii) reduce the number of words to come into compliance with the requirements of
this section.

(c) An election officer shall refuse to accept and publish an argument or rebuttal
argument if the eligible voter who submits the argument or rebuttal argument fails to
negotiate, in good faith, to modify the argument or rebuttal argument in accordance
with Subsection (4)(b).

(5) An election officer may designate another eligible voter to take the place of an eligible
voter described in this section if the original eligible voter is, due to injury, illness,
death, or another circumstance, unable to continue to fulfill the duties of an eligible
voter described in this section.

(6) The election officer of a [~~taxing~~] government entity shall:

(a) post the arguments and rebuttal arguments on the Statewide Electronic Voter
Information Website as described in Section 20A-7-801 for 30 consecutive days
before the [~~determination~~] election date;

(b) if a [~~taxing~~] government entity has a public website, post all arguments and rebuttal
arguments in a prominent place on the [~~taxing~~] government entity's public website for
30 consecutive days before the [~~determination~~] election date; and

(c) if the [~~taxing~~] government entity publishes a newsletter or other periodical, post all
arguments and rebuttal arguments in the next scheduled newsletter or other periodical
published before the [~~determination~~] election date.

(7) When posting an argument and rebuttal argument under Subsection (6), the election
officer of a [~~taxing~~] government entity shall ensure that:

(a) a rebuttal argument is posted in the same manner as a direct argument;

(b) each rebuttal argument follows immediately after the direct argument that [~~it~~] the
rebuttal argument seeks to rebut; and

(c) information regarding the public meeting required by Section [~~59-1-1605~~] 20A-7-906
follows immediately after the posted arguments, including the date, time, and place
of the public meeting.

Section 50. Section **20A-7-906**, which is renumbered from Section 59-1-1605 is renumbered
and amended to read:

[~~59-1-1605~~] 20A-7-906 (Effective 01/01/27). Public meeting requirements.

- (1) ~~[The governing body of a taxing]~~ A government entity shall conduct a public meeting in accordance with this section no more than 45, but at least four, days before the [~~determination date~~] election date.
- (2) ~~[The governing body of the taxing]~~ A government entity shall allow equal time, within a reasonable limit, for a presentation of the arguments:
- (a) in favor of the ballot proposition; and
 - (b) against the ballot proposition.
- (3)(a) A ~~[governing body of a taxing]~~ government entity conducting a public meeting described in Subsection (1) shall provide an interested party desiring to be heard an opportunity to present oral testimony within reasonable time limits.
- (b) A ~~[taxing]~~ government entity shall hold a public meeting described in this section beginning at or after 6 p.m.
- (4)(a) A~~[taxing]~~ government entity shall provide a digital audio recording of a public meeting described in Subsection (1) no later than three days after the date of the public meeting.
- (b) For purposes of providing the digital audio recording described in Subsection (4)(a), a ~~[governing body of a taxing]~~ government entity shall:
- (i) if a ~~[taxing]~~ government entity has a public website, provide access to the digital audio recording described in Subsection (4)(a) on the ~~[taxing]~~ government entity's public website; or
 - (ii) provide a digital copy of the recording described in Subsection (4)(a) to members of the public at the ~~[taxing]~~ government entity's primary government office building.

Section 51. Section **53F-8-201** is amended to read:

53F-8-201 (Effective 01/01/27). Annual certification of tax rate proposed by local school board -- Inclusion of school district budget -- Modified filing date.

- (1) ~~[Prior to]~~ Before June 22 of each year, each local school board shall certify to the county legislative body in which the district is located, on forms ~~[prescribed by]~~ the State Tax Commission approves, the proposed tax rate ~~[approved by]~~ the local school board approves.
- (2) A copy of the district's budget, including items under Section 53G-7-302, and a certified copy of the local school board's resolution which approved the budget and set the tax rate for the subsequent school year beginning July 1 shall accompany the tax rate.
- ~~[(3) If the tax rate approved by the local school board is in excess of the certified tax rate, as~~

defined in Section 59-2-924, the date for filing the tax rate and budget adopted by the local school board shall be that established under Section 59-2-919.]

- (3) A local school board shall comply with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, if the local school board seeks to approve a tax rate that exceeds the certified tax rate, as defined in Section 59-2-924.

Section 52. Section **53F-8-301** is amended to read:

53F-8-301 (Effective 01/01/27). State-supported voted local levy authorized -- Election requirements -- Reconsideration of the program.

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

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

- (3)(a)[(i) ~~To impose a voted local levy, a majority of the electors of a school district voting at an election in the manner set forth in Subsections (8) and (9) must vote in favor of a special tax.~~]

- (i) A local school board may impose a voted local levy if a local school board determines that a majority of the school district's registered voters voting, in accordance with Subsection (5), on the imposition of the tax rate have voted in favor of the imposition of the tax rate.

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

- (b) ~~[Except as provided in Subsection (3)(c), in order to]~~ To receive state support in accordance with Section 53F-2-601 the first year, a school district shall receive voter approval no later than December 1 of the year ~~[prior to]~~ before implementation.

- ~~[(c) Beginning on or after January 1, 2012, a school district may receive state support in accordance with Section 53F-2-601 without complying with the requirements of Subsection (3)(b) if the local school board imposed a tax in accordance with this section during the taxable year beginning on January 1, 2011 and ending on December 31, 2011.]~~

- (4)(a) An election to modify an existing voted local levy is not a reconsideration of the existing authority unless the ~~[proposition]~~ legislation submitted to the electors expressly so states.

- (b) A majority vote opposing a modification does not deprive the local school board of authority to continue the levy.

(c) If adoption of a voted local levy is contingent upon an offset reducing other local school board levies, the local school board shall allow the electors, in an election, to consider modifying or discontinuing the imposition of the levy ~~[prior to]~~ before a subsequent increase in other levies that would increase the total local school board levy.

(d) Nothing contained in this section terminates, without an election, the authority of a local school board to continue imposing an existing voted local levy previously authorized by the voters as a voted leeway program.

~~[(5) Notwithstanding Section 59-2-919, a local school board may budget an increased amount of ad valorem property tax revenue derived from a voted local levy imposed under this section in addition to revenue from eligible new growth as defined in Section 59-2-924, without having to comply with the notice requirements of Section 59-2-919, if:]~~

~~[(a) the voted local levy is approved:]~~

~~[(i) in accordance with Subsections (8) and (9) on or after January 1, 2003; and]~~

~~[(ii) within the four-year period immediately preceding the year in which the local school board seeks to budget an increased amount of ad valorem property tax revenue derived from the voted local levy; and]~~

~~[(b) for a voted local levy approved or modified in accordance with this section on or after January 1, 2009, the local school board complies with the requirements of Subsection (7).]~~

~~[(6) Notwithstanding Section 59-2-919, a local school board may levy a tax rate under this section that exceeds the certified tax rate without having to comply with the notice requirements of Section 59-2-919 if:]~~

~~[(a) the levy exceeds the certified tax rate as the result of a local school board budgeting an increased amount of ad valorem property tax revenue derived from a voted local levy imposed under this section;]~~

~~[(b) the voted local levy was approved:]~~

~~[(i) in accordance with Subsections (8) and (9) on or after January 1, 2003; and]~~

~~[(ii) within the four-year period immediately preceding the year in which the local school board seeks to budget an increased amount of ad valorem property tax revenue derived from the voted local levy; and]~~

~~[(c) for a voted local levy approved or modified in accordance with this section on or after January 1, 2009, the local school board complies with requirements of Subsection (7).]~~

[~~(7)~~ For purposes of Subsection (5)(b) or (6)(c), the proposition submitted to the electors regarding the adoption or modification of a voted local levy shall contain the following statement:

"A vote in favor of this tax means that the local school board of [name of the school district] may increase revenue from this property tax without advertising the increase for the next five years."

[~~(8)~~] ~~(5)(a)~~ Before a local school board may impose a property tax levy [pursuant to] authorized by this section, a local school board shall submit [an opinion question] the legislation to the school district's registered voters voting [on the imposition of the tax rate so that each registered voter has the opportunity to express the registered voter's opinion on whether the tax rate should be imposed] in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.

[~~(b)~~ The election required by this Subsection ~~(8)~~ shall be held:]

[~~(i)~~ at a regular general election conducted in accordance with the procedures and requirements of Title 20A, Election Code, governing regular elections;]

[~~(ii)~~ at a municipal general election conducted in accordance with the procedures and requirements of Section 20A-1-202; or]

[~~(iii)~~ at a local special election conducted in accordance with the procedures and requirements of Section 20A-1-203.]

[~~(c)~~ Notwithstanding the requirements of Subsections (8)(a) and (b), beginning on or after January 1, 2012, a local school board may levy a tax rate in accordance with this section without complying with the requirements of Subsections (8)(a) and (b) if the local school board imposed a tax in accordance with this section at any time during the taxable year beginning on January 1, 2011, and ending on December 31, 2011.]

[~~(9)~~ If a local school board determines that a majority of the school district's registered voters voting on the imposition of the tax rate have voted in favor of the imposition of the tax rate in accordance with Subsection (8), the local school board may impose the tax rate.]

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

53F-8-302 (Effective 01/01/27). Board local levy.

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

(2) Subject to the other requirements of this section, a local school board may levy a tax to fund the school district's general fund.

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

- 2441 (i) the rate imposed by a local school board under Subsection (2); and
- 2442 (ii) the charter school levy rate, described in Section 53F-2-703, for the local school
- 2443 board's school district.
- 2444 (b) ~~[Beginning on January 1, 2018, a]~~ A school district's combined rate ~~[-]~~ may not exceed
- 2445 .0025 per dollar of taxable value in any calendar year.
- 2446 (4) In addition to the revenue a school district collects from the imposition of a levy [
2447 pursuant to] in accordance with this section, the state shall contribute an amount as
2448 described in Section 53F-2-601.
- 2449 (5)(a) ~~[For a calendar year beginning on or after January 1, 2017, the]~~ The State Tax
2450 Commission shall adjust a board local levy rate imposed by a local school board
2451 under this section by the amount necessary to offset the change in revenues from the
2452 charter school levy imposed under Section 53F-2-703.
- 2453 (b) A local school board is not required to comply with the ~~[notice and public hearing~~
2454 ~~requirements of Section 59-2-919]~~ requirements of Title 20A, Chapter 7, Part 9, Tax
2455 Increase Voting Requirements, for an offset described in Subsection (5)(a) to the
2456 change in revenues from the charter school levy imposed under Section 53F-2-703.
- 2457 (c) ~~[So long as]~~ If the charter school levy rate does not exceed 25% of the charter school
2458 levy per district revenues, a ~~[-]~~ local school board may not increase a board local levy
2459 rate under this section ~~[if]~~ for the purpose of increasing the board local levy rate ~~[is-]~~ to
2460 capture the ~~[-]~~ revenues assigned to the charter school levy through the adjustment ~~[-]~~
2461 in a board local levy rate under Subsection (5)(a).
- 2462 (d) Before a local school board takes action to increase a board local levy rate under this
2463 section, the local school board shall:
- 2464 (i) prepare a written statement that attests that the local school board is in compliance
2465 with Subsection (5)(c);
- 2466 (ii) read the statement described in Subsection (5)(d)(i) during a local school board
2467 public meeting where the local school board discusses increasing the board local
2468 levy rate; and
- 2469 (iii) send a copy of the statement described in Subsection (5)(d)(i) to the State Tax
2470 Commission.

2471 Section 54. Section **53G-3-304** is amended to read:

2472 **53G-3-304 (Effective 01/01/27). Property tax levies in new district and**
2473 **reorganized new district -- Distribution of property tax revenue.**

2474 (1) As used in this section:

- 2475 (a) "Property tax levy" means a property tax levy that a school district is authorized to
2476 impose, except:
- 2477 (i) the minimum basic tax rate imposed under Section 53F-2-301;
2478 (ii) a debt service levy imposed under Section 11-14-310;
2479 (iii) a judgment levy imposed under Section 59-2-1330; or
2480 (iv) charter school tax rate.
- 2481 (b) "Qualifying taxable year" means the calendar year in which a new district begins to
2482 provide educational services.
- 2483 (2) A new school district and reorganized new school district shall continue to impose
2484 property tax levies that were imposed by the divided school district in the taxable year
2485 before the qualifying taxable year.
- 2486 (3) Except as provided in Subsection (6), a property tax levy that a new school district and
2487 reorganized new school district are required to impose under Subsection (2) shall be set
2488 at a rate that:
- 2489 (a) is uniform in the new school district and reorganized new school district; and
2490 (b) generates the same amount of revenue that was generated by the property tax levy
2491 within the divided school district in the taxable year before the qualifying taxable
2492 year.
- 2493 (4) The county treasurer of the county in which a property tax levy is imposed under
2494 Subsection (2) shall distribute revenues generated by the property tax levy to the new
2495 school district and reorganized new school district in proportion to the percentage of the
2496 divided school district's enrollment on the October 1 before the new school district or
2497 reorganized new school district commences educational services that were enrolled in
2498 schools currently located in the new school district or reorganized new school district.
- 2499 (5) On or before March 31, a county treasurer shall distribute revenues generated by a
2500 property tax levy imposed under Subsection (2) in the previous calendar year to a new
2501 school district and reorganized new school district as provided in Subsection (4).
- 2502 (6)(a) Subject to the ~~[notice and public hearing requirements of Section 59-2-919]~~
2503 requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, a
2504 new school district or reorganized new school district may set a property tax rate
2505 higher than the rate required by Subsection (3), up to:
- 2506 (i) the maximum rate, if any, allowed by law; or
2507 (ii) the maximum rate authorized by voters for a voted local levy under Section
2508 53F-8-301.

- (b) The district that imposes the higher rate shall retain the revenues generated by the
 portion of a property tax rate in excess of the rate ~~[required by]~~ Subsection (3) ~~[shall~~
~~be retained by the district that imposes the higher rate]~~ requires.

Section 55. Section **53G-7-303** is amended to read:

53G-7-303 (Effective 01/01/27). LEA governing board budget procedures.

- (1) As used in this section:

- (a) "Budget officer" means:

- (i) for a school district, the school district's superintendent; or
- (ii) for a charter school, an individual selected by the charter school governing board.

- (b) "LEA governing board" means:

- (i) for a school district, the local school board; or
- (ii) for a charter school, the charter school governing board.

- (2)(a) For a school district, before June 30 of each year, a local school board shall adopt
 a budget and make appropriations for the next fiscal year.

- (b) ~~[For a school district,]~~ A local school board shall comply with Title 20A, Chapter 7,
Part 9, Tax Increase Voting Requirements, if the tax rate in the school district's
 proposed budget exceeds the certified tax rate defined in Section 59-2-924~~[-, the local~~
~~school board shall comply with Section 59-2-919 in adopting the budget, except as~~
~~provided by Section 53F-8-301].~~

- (c) A school district's final budget may not exceed the school district's fiscal year
spending limit described in Section 59-1-1904.

- (3)(a) For a school district, before the adoption or amendment of a budget, a local school
 board shall hold a public hearing, as defined in Section 10-20-102, on the proposed
 budget or budget amendment.

- (b) In addition to complying with Title 52, Chapter 4, Open and Public Meetings Act, in
 regards to the public hearing described in Subsection (3)(a), at least 10 days ~~[prior to]~~
before the public hearing, a local school board shall:

- (i) publish a notice of the public hearing in a newspaper or combination of
 newspapers of general circulation in the school district, except as provided in
 Section 45-1-101;
- (ii) publish a notice of the public hearing electronically in accordance with Section
 45-1-101;
- (iii) file a copy of the proposed budget with the local school board's business
 administrator for public inspection; and

- 2543 (iv) post the proposed budget on the school district's [~~Internet~~] internet website.
- 2544 (c) A notice of a public hearing on a school district's proposed budget shall include
- 2545 information on how the public may access the proposed budget as provided in
- 2546 Subsections (3)(b)(iii) and (iv).
- 2547 (4)(a) For a charter school, before June 30 of each year, a charter school governing
- 2548 board shall adopt a budget for the next fiscal year.
- 2549 (b) A charter school's final budget may not exceed the charter school's fiscal year
- 2550 spending limit described in Section 59-1-1904.
- 2551 (5) Within 30 days of adopting a budget, an LEA governing board shall file a copy of the
- 2552 adopted budget with the state auditor and the state board.
- 2553 Section 56. Section **53G-7-306** is amended to read:
- 2554 **53G-7-306 (Effective 01/01/27). School district interfund transfers.**
- 2555 (1) A school district shall spend revenues only within the fund for which [~~they~~] the revenues
- 2556 were originally authorized, levied, collected, or appropriated.
- 2557 (2) Except as otherwise provided in this section, school district interfund transfers of
- 2558 residual equity are prohibited.
- 2559 (3) The state board may authorize school district interfund transfers of residual equity when
- 2560 a school district states [~~its~~] the school district's intent to create a new fund or expand,
- 2561 contract, or liquidate an existing fund.
- 2562 (4) The state board may also authorize school district interfund transfers of residual equity
- 2563 for a financially distressed school district if the state board determines the following:
- 2564 (a) the school district has a significant deficit in [~~its~~] the school district's maintenance and
- 2565 operations fund caused by circumstances not subject to the administrative decisions
- 2566 of the school district;
- 2567 (b) the deficit cannot be reasonably reduced under Section 53G-7-305; and
- 2568 (c) without the transfer, the school district will not be capable of meeting statewide
- 2569 educational standards adopted by the state board.
- 2570 (5) The state board shall develop by rule made in accordance with Title 63G, Chapter 3,
- 2571 Utah Administrative Rulemaking Act, standards for defining and aiding financially
- 2572 distressed school districts under this section.
- 2573 (6)(a) All debt service levies [~~not subject to certified tax rate hearings~~] shall be recorded
- 2574 and reported in the debt service fund.
- 2575 [~~(b) Debt service levies under Subsection 59-2-924(5)(d) that are not subject to the~~
- 2576 ~~public hearing provisions of Section 59-2-919 may not be used for any purpose other~~

2577 ~~than retiring general obligation debt.]~~
 2578 [(e)] (b) ~~[Amounts]~~ A school district shall use amounts from ~~[these]~~ debt service levies
 2579 remaining in the debt service fund at the end of a fiscal year ~~[shall be used]~~ in
 2580 subsequent years for general obligation debt retirement.
 2581 ~~[(d)]~~ (c) ~~[Any]~~ A school district may transfer any amounts left in the debt service fund
 2582 after all general obligation debt has been retired ~~[may be transferred]~~ to the capital
 2583 projects fund upon completion of the budgetary hearing process required under
 2584 Section 53G-7-303.

2585 Section 57. Section **53G-7-310** is enacted to read:

2586 **53G-7-310 (Effective 01/01/27). Tax refunds.**

2587 (1) As used in this section:

2588 (a) "LEA" means:

2589 (i) a school district; or

2590 (ii) a charter school.

2591 (b) "LEA governing board" means:

2592 (i) for a school district, the local school board; or

2593 (ii) for a charter school, the charter school governing board.

2594 (2) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in
 2595 Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the LEA governing
 2596 board shall refund revenue that exceeds the LEA's fiscal year spending limit to taxpayers.

2597 (3) The preferred form of refund is a property tax rate reduction, but the governing body
 2598 shall determine the form of refund, at the lowest cost and by any reasonable method.

2599 (4) A refund of property tax revenue shall be proportional.

2600 (5)(a) Except as provided in Subsection (5)(b), the LEA governing board shall make a
 2601 refund of a deposit during the next fiscal year.

2602 (b) The LEA governing board may reserve the revenue that exceeds the LEA's fiscal
 2603 year spending limit for one additional fiscal year if the cost of administration, as
 2604 determined by the LEA governing board, exceeds the amount of refunds.

2605 Section 58. Section **59-1-1901** is enacted to read:

2606 **Part 19. Utah Taxpayer Oversight of Government Spending**

2607 **59-1-1901 (Contingently Effective 01/01/27). General provisions.**

2608 (1) In accordance with Article XIII, Section 9, this part establishes taxpayer oversight of
 2609 government spending.

2610 (2)(a) Subject to Subsection (2)(b), the provisions of this part apply to a government

entity.

(b) Subsection 59-1-1903(1) and Section 59-1-1904 are suspended if the government entity's annual revenue is less than the government entity's annual payments on general obligation bonds, pensions, and final court judgments.

Section 59. Section **59-1-1902** is enacted to read:

59-1-1902 (Contingently Effective 01/01/27). Definitions.

(1) "Consensus entities" means:

(a) the Office of the Legislative Fiscal Analyst;

(b) the Governor's Office of Planning and Budget; and

(c) the commission.

(2)(a) "Fee" means a charge to compensate for the provision of a service or to defray the cost of regulation, regardless of the name of the charge.

(b) "Fee" includes a markup percentage imposed in accordance with Section 32B-2-304.

(c) "Fee" does not include the amount charged in accordance with Section 59-22-203.

(3) "Fiscal year spending" means the amount appropriated by the government entity minus:

(a) appropriations of federal funds;

(b) appropriations of tuition or fees to an institution of higher education;

(c) principal and interest on bonded debt;

(d) appropriations funded by unemployment or disability insurance funds;

(e) transfers to the reserve accounts in accordance with Section 59-1-1904;

(f) appropriations for tax relief including refunds made in the current fiscal year;

(g) appropriations from permanent endowment or trust funds; and

(h) gifts.

(4)(a) "Government entity" means the state or a political subdivision.

(b) "Government entity" does not include an institution of higher education.

(5) "Institution of higher education" means the same as that term is defined in Section 53H-1-101.

(6) "Local growth" means:

(a) for a political subdivision other than a school district, a net percentage change in actual value of all real property within the political subdivision from construction of taxable real property improvements minus destruction of taxable real property improvements and net additions to taxable real property; or

(b) for a school district, the percentage change in the school district's student growth.

(7)(a) "Political subdivision" means a county, municipality, special district, special

2645 service district, school district, or other government entity with taxing authority.

2646 (b) "Political subdivision" does not include the state.

2647 (8) "Population" means the number of individuals, excluding armed forces stationed
2648 overseas, residing in the state as determined annually by the United States Bureau of
2649 Census.

2650 (9)(a) "Tax" means an amount charged for a general government purpose, regardless of
2651 the name of the charge.

2652 (b) "Tax" does not include:

2653 (i) a markup percentage imposed in accordance with Section 32B-2-304; or

2654 (ii) a fee or the amount charged in accordance with Section 59-22-203.

2655 (10)(a) "Total political subdivision revenue" means all money generated by the political
2656 subdivision's own revenue sources, including fees.

2657 (b) "Total political subdivision revenue" does not include money the political
2658 subdivision receives from the state or federal government.

2659 (11)(a) "Total state revenue" means all money generated from the state's own revenue
2660 sources, including fees, as calculated by the consensus entities.

2661 (b) "Total state revenue" does not include money the state receives from the federal
2662 government.

2663 Section 60. Section **59-1-1903** is enacted to read:

2664 **59-1-1903 (Contingently Effective 01/01/27). Election requirements.**

2665 (1) Subject to Subsections (2) and (5) and any more specific requirements governing a tax,
2666 a fee, or a government debt, a government entity shall submit the following to the voters:

2667 (a) any legislation that:

2668 (i) imposes a new tax;

2669 (ii) expands an existing tax to make additional items or transactions subject to the tax
2670 or fee;

2671 (iii) increases an existing tax rate;

2672 (iv) extends an expiring tax;

2673 (v) causes a property tax rate to decrease less than the property tax rate would
2674 without the legislation; or

2675 (vi) is projected to result in a tax revenue gain to any government entity; or

2676 (b) any legislation that creates a multiple-fiscal-year financial obligation for the
2677 government entity when the government entity passing the legislation does not have
2678 adequate reserves that are pledged irrevocably for the direct payment of the financial

- 2679 obligation.
- 2680 (2)(a) A government entity may not comply with Subsection (1)(a) if the condition
- 2681 described in Subsection 59-1-1901(2)(b) exists.
- 2682 (b) A government entity may not comply with Subsection (1)(b) if the creation of the
- 2683 financial obligation is to issue a bond, to refinance a bonded debt at a lower interest
- 2684 rate, or to add new employees to a retirement plan.
- 2685 (3)(a) A government entity may not implement any legislation described in Subsection
- 2686 (1) unless a majority of the voters voting approve the legislation.
- 2687 (b) A majority vote opposing a modification to an existing tax does not deprive the
- 2688 government entity of authority to continue the tax in the same manner as immediately
- 2689 before the election.
- 2690 (4)(a) A government entity shall submit a question to voters if the government entity
- 2691 seeks to retain money generated from the government entity's own revenue sources,
- 2692 including fees, that exceeds the government entity's fiscal year spending limit, instead
- 2693 of refunding the excess to taxpayers.
- 2694 (b) A government entity may not ask voters to authorize the government entity to retain
- 2695 money that exceeds the government entity's fiscal year spending limit for more than
- 2696 five fiscal years.
- 2697 (c) The government entity shall state the length of time that the government entity may
- 2698 retain money that exceeds the government entity's fiscal year spending limit the
- 2699 government entity clearly states in the ballot title.
- 2700 (5) A government entity shall submit legislation to voters or a question described in
- 2701 Subsection (4) in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting
- 2702 Requirements.
- 2703 (6)(a) The state shall comply with this section if the state passes legislation to increase
- 2704 the minimum basic local amount established in Section 53F-2-301.
- 2705 (b) A school district is not required to comply with this section if the minimum basic tax
- 2706 rate defined in Section 53F-2-301 increases because of legislation to increase the
- 2707 minimum basic local amount.
- 2708 Section 61. Section **59-1-1904** is enacted to read:
- 2709 **59-1-1904 (Contingently Effective 01/01/27). Spending limits.**
- 2710 (1)(a) The consensus entities shall determine the state's fiscal year spending limit by
- 2711 adding:
- 2712 (i) the state's previous fiscal year spending;

- 2713 (ii) the amount of revenue increase that the voters approved for the fiscal year; and
 2714 (iii) the amount calculated by multiplying the state's previous fiscal year spending by
 2715 the lesser of:
 2716 (A) the rate calculated by adding the growth rate of the state's population and the
 2717 rate of inflation for the previous fiscal year;
 2718 (B) the growth rate of personal income, as calculated by the United State Bureau
 2719 of Economic Analysis, of the state's population for the previous calendar year;
 2720 or
 2721 (C) the growth rate of real gross domestic product of the state, as calculated by the
 2722 United States Bureau of Economic Analysis, for the previous calendar year.
 2723 (b) The consensus entities shall determine the lesser rate described in Subsection
 2724 (1)(a)(iii) using the average of each rate for the two fiscal years immediately
 2725 preceding the general legislative session.
 2726 (c) The consensus entities shall determine the rate of inflation in accordance with
 2727 Section 63J-3-202.
 2728 (2)(a) A political subdivision's fiscal year spending limit is calculated by adding:
 2729 (i) the previous fiscal year spending for the political subdivision;
 2730 (ii) the amount of revenue increase that the voters approved for the fiscal year; and
 2731 (iii) the amount calculated by multiplying the previous fiscal year spending by the
 2732 sum of the rate of inflation and the rate of local growth.
 2733 (b) A political subdivision shall calculate inflation using the Consumer Price Index for
 2734 all Urban Consumers as published by the Bureau of Labor Statistics of the United
 2735 States Department of Labor.
 2736 (3) The state shall transfer total state revenue that exceeds the state's fiscal year spending
 2737 limit to the appropriate tax refund account created by Section 59-1-1908 after the state
 2738 makes deposits required by Section 63J-1-312 or 63J-1-313.
 2739 Section 62. Section **59-1-1905** is enacted to read:
 2740 **59-1-1905 (Contingently Effective 01/01/27). Revenue source prohibitions.**
 2741 **A government entity may not impose:**
 2742 **(1) a new transfer tax or an increased transfer tax rate on real property;**
 2743 **(2) a new state real property tax;**
 2744 **(3) a political subdivision income tax;**
 2745 **(4) an increase in the state income tax rate or a change in the definition of taxable income**
 2746 **before the start of a taxable year;**

(5) more than a single rate of income tax; or

(6) an automatic increase on a tax or fee.

Section 63. Section **59-1-1906** is enacted to read:

59-1-1906 (Contingently Effective 01/01/27). Mandated and shifted costs.

The state may not impose on any political subdivision the cost of a new program or new spending, or increases in existing programs or spending, unless the state appropriates money to the political subdivision to offset the cost.

Section 64. Section **59-1-1907** is enacted to read:

59-1-1907 (Contingently Effective 01/01/27). Remedies--Interpretation.

(1) A person may file an individual or class action lawsuit to enforce the provisions of this chapter.

(2)(a) A prevailing party that is not a government entity may recover costs and attorney fees.

(b) A prevailing party that is a government entity may recover costs and attorney fees only if the court determines the lawsuit against the government entity is frivolous.

(3) A government entity shall refund revenue collected, kept, or spent illegally for four or more full fiscal years before the filing of a lawsuit with 10% annual simple interest from the initial conduct.

(4) The preferred interpretation of this chapter shall reasonably restrain most the growth of government.

Section 65. Section **59-1-1908** is enacted to read:

59-1-1908 (Contingently Effective 01/01/27). Tax refunds.

(1) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the Legislature shall refund revenue that exceeds the state's fiscal year spending limit to taxpayers.

(2) The preferred form of refund is an income tax rate reduction, but the Legislature shall determine the form of refund, at the lowest cost and by any reasonable method.

(3) A refund of tax revenue need not be proportional if tax payments are impractical to identify or return.

(4)(a) Except as provided in Subsection (4)(b), the Legislature shall make a refund of a deposit during the next fiscal year.

(b) The Legislature may reserve the deposits in the restricted account for one additional fiscal year if the cost of administration, as determined by the Legislature, exceeds the amount of refunds.

Section 66. Section **59-2-102** is amended to read:

59-2-102 (Effective 01/01/27). Definitions.

As used in this chapter:

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

property as assessed by the county assessor and the commission and may be maintained manually or as a computerized file as a consolidated record or as multiple records by type, classification, or categories.

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

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

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

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

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

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

(ii) the product of:

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

(B) the multicounty assessing and collecting levy certified by the commission for the previous year.

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

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

(ii) semiconductor manufacturing equipment.

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

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

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

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

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

(a) ~~any~~ a commercial vehicle, trailer, or semitrailer that is not apportioned under Section 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or property in furtherance of the owner's commercial enterprise;

(b) ~~any~~ a passenger vehicle owned by a business and used by ~~its~~ the business's employees for transportation as a company car or vanpool vehicle; and

(c) ~~[vehicles that are]~~ a vehicle that is:

- (i) especially constructed for towing or wrecking, and that ~~[are]~~ is not otherwise used to transport goods, merchandise, or people for compensation;
- (ii) used or licensed as taxicabs or limousines;
- (iii) used as rental passenger cars, travel trailers, or motor homes;
- (iv) used or licensed in this state for use as ambulances or hearses;
- (v) especially designed and used for garbage and rubbish collection; or
- (vi) used exclusively to transport students or ~~[their]~~ the students' instructors to or from any private, public, or religious school or school activities.

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

- (a) that became a final and unappealable judgment or order no more than 14 months before the day on which the notice described in Section 59-2-919.1 is required to be provided; and
- (b) for which a taxing entity's share of the final and unappealable judgment or order is greater than or equal to the lesser of:
 - (i) \$5,000; or
 - (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the previous fiscal year.

(12)(a) "Escaped property" means ~~[any-]~~property, whether personal~~[-land]~~ or real, or any improvements to the property~~[-]~~ that is subject to taxation and is:

- (i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed to the wrong taxpayer by the assessing authority;
- (ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to comply with the reporting requirements of this chapter; or
- (iii) undervalued because of errors made by the assessing authority based upon incomplete or erroneous information ~~[furnished by]~~ the taxpayer provides.

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

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

(b) For purposes of taxation, "fair market value" shall be determined using the current

2883 zoning laws applicable to the property in question, except in cases where there is a
2884 reasonable probability of a change in the zoning laws affecting that property in the
2885 tax year in question and the change would have an appreciable influence upon the
2886 value.

2887 (14) "Geothermal fluid" means water in any form at temperatures greater than 120 degrees
2888 centigrade naturally present in a geothermal system.

2889 (15) "Geothermal resource" means:

- 2890 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade; and
2891 (b) the energy, in whatever form, including pressure, present in, resulting from, created
2892 by, or which may be extracted from that natural heat, directly or through a material
2893 medium.

2894 (16)(a) "Goodwill" means:

- 2895 (i) acquired goodwill that is reported as goodwill on the books and records that a
2896 taxpayer maintains for financial reporting purposes; or
2897 (ii) the ability of a business to:
2898 (A) generate income that exceeds a normal rate of return on assets and that results
2899 from a factor described in Subsection (16)(b); or
2900 (B) obtain an economic or competitive advantage resulting from a factor described
2901 in Subsection (16)(b).

2902 (b) The following factors apply to Subsection (16)(a)(ii):

- 2903 (i) superior management skills;
2904 (ii) reputation;
2905 (iii) customer relationships;
2906 (iv) patronage; or
2907 (v) a factor similar to Subsections (16)(b)(i) through (iv).

2908 (c) "Goodwill" does not include:

- 2909 (i) the intangible property described in Subsection (20)(a) or (b);
2910 (ii) locational attributes of real property, including:
2911 (A) zoning;
2912 (B) location;
2913 (C) view;
2914 (D) a geographic feature;
2915 (E) an easement;
2916 (F) a covenant;

- 2917 (G) proximity to raw materials;
 2918 (H) the condition of surrounding property; or
 2919 (I) proximity to markets;
 2920 (iii) value attributable to the identification of an improvement to real property,
 2921 including:
 2922 (A) reputation of the designer, builder, or architect of the improvement;
 2923 (B) a name given to, or associated with, the improvement; or
 2924 (C) the historic significance of an improvement; or
 2925 (iv) the enhancement or assemblage value specifically attributable to the interrelation
 2926 of the existing tangible property in place working together as a unit.
- 2927 (17) "Governing body" means:
 2928 (a) for a county, city, or town, the legislative body of the county, city, or town;
 2929 (b) for a special district under Title 17B, Limited Purpose Local Government Entities -
 2930 Special Districts, the special district's board of trustees;
 2931 (c) for a school district, the local board of education;
 2932 (d) for a special service district under Title 17D, Chapter 1, Special Service District Act:
 2933 (i) the legislative body of the county or municipality that created the special service
 2934 district, to the extent that the county or municipal legislative body has not
 2935 delegated authority to an administrative control board established under Section
 2936 17D-1-301; or
 2937 (ii) the administrative control board, to the extent that the county or municipal
 2938 legislative body has delegated authority to an administrative control board
 2939 established under Section 17D-1-301; or
 2940 (e) for a public infrastructure district under Title 17D, Chapter 4, Public Infrastructure
 2941 District Act, the public infrastructure district's board of trustees.
- 2942 (18) "Gross vehicle weight rating" means the maximum gross vehicle weight rating as
 2943 reported by the manufacturer of the motor vehicle for the vehicle identification number.
- 2944 (19)(a) [~~Except as provided in Subsection (19)(c), "improvement"~~] "Improvement"
 2945 means a building, structure, fixture, fence, or other item that is permanently attached
 2946 to land, regardless of whether the title has been acquired to the land, if:
 2947 (i)(A) attachment to land is essential to the operation or use of the item; and
 2948 (B) the manner of attachment to land suggests that the item will remain attached to
 2949 the land in the same place over the useful life of the item; or
 2950 (ii) removal of the item would:

- 2951 (A) cause substantial damage to the item; or
2952 (B) require substantial alteration or repair of a structure to which the item is
2953 attached.
- 2954 (b) "Improvement" includes:
- 2955 (i) an accessory to an item described in Subsection (19)(a) if the accessory is:
- 2956 (A) essential to the operation of the item described in Subsection (19)(a); and
2957 (B) installed solely to serve the operation of the item described in Subsection
2958 (19)(a); and
- 2959 (ii) an item described in Subsection (19)(a) that is temporarily detached from the land
2960 for repairs and remains located on the land.
- 2961 (c) "Improvement" does not include:
- 2962 (i) an item [~~considered to be personal property pursuant to~~ that, according to rules
2963 made in accordance with Section 59-2-107, is personal property];
- 2964 (ii) a moveable item that is attached to land for stability only or for an obvious
2965 temporary purpose;
- 2966 (iii)(A) manufacturing equipment and machinery; or
2967 (B) essential accessories to manufacturing equipment and machinery;
- 2968 (iv) an item attached to the land in a manner that facilitates removal without
2969 substantial damage to the land or the item; or
- 2970 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that
2971 transportable factory-built housing unit is considered to be personal property
2972 under Section 59-2-1503.
- 2973 (20) "Intangible property" means:
- 2974 (a) property that is capable of private ownership separate from tangible property,
2975 including:
- 2976 (i) money;
2977 (ii) credits;
2978 (iii) bonds;
2979 (iv) stocks;
2980 (v) representative property;
2981 (vi) franchises;
2982 (vii) licenses;
2983 (viii) trade names;
2984 (ix) copyrights; and

- 2985 (x) patents;
- 2986 (b) a low-income housing tax credit;
- 2987 (c) goodwill; or
- 2988 (d) a clean or renewable energy tax credit or incentive, including:
- 2989 (i) a federal renewable energy production tax credit under Section 45, Internal
- 2990 Revenue Code;
- 2991 (ii) a federal energy credit for qualified renewable electricity production facilities
- 2992 under Section 48, Internal Revenue Code;
- 2993 (iii) a federal grant for a renewable energy property under American Recovery and
- 2994 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and
- 2995 (iv) a tax credit under Subsection 59-7-614(5).
- 2996 (21) "Livestock" means:
- 2997 (a) a domestic animal;
- 2998 (b) a fish;
- 2999 (c) a fur-bearing animal;
- 3000 (d) a honeybee; or
- 3001 (e) poultry.
- 3002 (22) "Low-income housing tax credit" means:
- 3003 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code; or
- 3004 (b) a low-income housing tax credit under Section 59-7-607 or Section 59-10-1010.
- 3005 (23) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.
- 3006 (24) "Mine" means a natural deposit of either metalliferous or nonmetalliferous valuable
- 3007 mineral.
- 3008 (25) "Mining" means the process of producing, extracting, leaching, evaporating, or
- 3009 otherwise removing a mineral from a mine.
- 3010 (26)(a) "Mobile flight equipment" means tangible personal property that is owned or
- 3011 operated by an air charter service, air contract service, or airline and:
- 3012 (i) is capable of flight or is attached to an aircraft that is capable of flight; or
- 3013 (ii) is contained in an aircraft that is capable of flight if the tangible personal property
- 3014 is intended to be used:
- 3015 (A) during multiple flights;
- 3016 (B) during a takeoff, flight, or landing; and
- 3017 (C) as a service provided by an air charter service, air contract service, or airline.
- 3018 (b)(i) "Mobile flight equipment" does not include a spare part other than a spare

engine that is rotated at regular intervals with an engine that is attached to the aircraft.

(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules defining the term "regular intervals."

(27) "Nonmetalliferous minerals" includes~~[-but is not limited to,]~~ oil, gas, coal, salts, sand, rock, gravel, and all carboniferous materials.

(28) "Part-year residential property" means property that is not residential property on January 1 of a calendar year but becomes residential property after January 1 of the calendar year.

(29) "Personal property" includes:

(a) every class of property as defined in Subsection (30) that is the subject of ownership and is not real estate or an improvement;

(b) any pipe laid in or affixed to land whether or not the ownership of the pipe is separate from the ownership of the underlying land, even if the pipe meets the definition of an improvement;

(c) ~~[bridges and ferries]~~ a bridge or a ferry;

(d) livestock; and

(e) an outdoor advertising ~~[structures]~~ structure as defined in Section 72-7-502.

(30)(a) "Property" means property that is subject to assessment and taxation according to [its] the property's value.

(b) "Property" does not include intangible property as defined in this section.

(31)(a) "Public utility" means:

(i) the operating property of a railroad, gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline company, electrical corporation, sewerage corporation, or heat corporation where the company performs the service for, or delivers the commodity to, the public generally or companies serving the public generally, or in the case of a gas corporation or an electrical corporation, where the gas or electricity is sold or furnished to any member or consumers within the state for domestic, commercial, or industrial use; and

(ii) the operating property of any entity or person defined under Section 54-2-1 except water corporations.

(b) "Public utility" does not include the operating property of a telecommunications service provider.

~~[(32)(a) Subject to Subsection (32)(b), "qualifying exempt primary residential rental~~

personal property" means household furnishings, furniture, and equipment that:]

[(i) are used exclusively within a dwelling unit that is the primary residence of a tenant;]

[(ii) are owned by the owner of the dwelling unit that is the primary residence of a tenant; and]

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

[(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "dwelling unit" for purposes of this Subsection (32) and Subsection (35).]

[(33)] (32) "Real estate" or "real property" includes:

- (a) the possession of, claim to, ownership of, or right to the possession of land;
- (b) all mines, minerals, and quarries in and under the land, all timber belonging to individuals or corporations growing or being on the lands of this state or the United States, and all rights and privileges appertaining to these; and
- (c) improvements.

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

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

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

(b) "Residential property" includes:

(i) [~~except as provided in Subsection (35)(b)(ii), includes~~] household furnishings, furniture, and equipment if the household furnishings, furniture, and equipment are:

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

(B) owned by the owner of the dwelling unit that is the primary residence of a

tenant; and

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

(A) property under construction; or

(B) unoccupied property.

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

(d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "dwelling unit" for purposes of ~~[Subsection (32) and]~~this Subsection ~~[(35)]~~ (34).

~~[(36)]~~ (35) "Split estate mineral rights owner" means a person that:

(a) has a legal right to extract a mineral from property;

(b) does not hold more than a 25% interest in:

(i) the land surface rights of the property where the wellhead is located; or

(ii) an entity with an ownership interest in the land surface rights of the property where the wellhead is located;

(c) is not an entity in which the owner of the land surface rights of the property where the wellhead is located holds more than a 25% interest; and

(d) does not have a relationship with an owner of the land surface rights of the property where the wellhead is located.

~~[(37)]~~ (36)(a) "State-assessed commercial vehicle" means:

(i) ~~[any]~~ a commercial vehicle, trailer, or semitrailer that operates interstate or intrastate to transport passengers, freight, merchandise, or other property for hire; or

(ii) ~~[any]~~ a commercial vehicle, trailer, or semitrailer that operates interstate and transports the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.

(b) "State-assessed commercial vehicle" does not include ~~[vehicles used for hire that are]~~ a vehicle used for hire that is specified in Subsection (10)(c) as a county-assessed commercial ~~[vehicles]~~ vehicle.

~~[(38)]~~ (37) "Subdivided lot" means a lot, parcel, or other division of land, that is a division of a base parcel.

~~[(39)]~~ (38) "Tax area" means a geographic area created by the overlapping boundaries of one or more taxing entities.

~~[(40)]~~ (39) "Taxable value" means fair market value less any applicable reduction allowed

for residential property under Section 59-2-103.

~~[(41)]~~ (40) "Taxing entity" means ~~[any]~~ a county, city, town, school district, special taxing district, special district under Title 17B, Limited Purpose Local Government Entities - Special Districts, or ~~[other]~~ another political subdivision of the state with the authority to levy a tax on property.

~~[(42)]~~ (41)(a) "Tax roll" means a permanent record of the taxes charged on property, as extended on the assessment roll, and may be maintained on the same record or records as the assessment roll or may be maintained on a separate record properly indexed to the assessment roll.

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

~~[(43)]~~ (42) "Telecommunications service provider" means the same as that term is defined in Section 59-12-102.

Section 67. Section **59-2-103** is amended to read:

59-2-103 (Effective 01/01/27). Rate of assessment of property -- Residential property.

(1) As used in this section:

(a)(i) "Household" means the association of individuals who live in the same dwelling, sharing the dwelling's furnishings, facilities, accommodations, and expenses.

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

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules defining the term "domicile."

(2) All tangible taxable property located within the state shall be assessed and taxed at a uniform and equal rate on the basis of its fair market value, as valued on January 1, unless otherwise provided by law.

(3) Subject to Subsections (4) through (6) and Section 59-2-103.5, for a calendar year, the fair market value of residential property located within the state is allowed a residential exemption equal to a 45% reduction in the value of the property.

(4) Part-year residential property located within the state is allowed the residential exemption described in Subsection (3) if the part-year residential property is used as residential property for 183 or more consecutive calendar days during the calendar year for which the owner seeks to obtain the residential exemption.

(5) No more than one acre of land per residential unit may qualify for the residential

exemption described in Subsection (3).

(6)(a) Except as provided in Subsections (6)(b)(ii) and (iii), a residential exemption described in Subsection (3) is limited to one primary residence per household.

(b) An owner of multiple primary residences located within the state is allowed a residential exemption under Subsection (3) for:

(i) subject to Subsection (6)(a), the primary residence of the owner;

(ii) each residential property that is the primary residence of a tenant; and

(iii) subject to Subsection 59-2-103.5(4), each residential property described in Subsection [59-2-102(35)(b)(ii)] 59-2-102(34)(b)(ii).

Section 68. Section **59-2-103.5** is amended to read:

59-2-103.5 (Effective 01/01/27). Procedures to obtain an exemption for residential property -- Procedure if property owner or property no longer qualifies to receive a residential exemption.

(1) Subject to Subsections (4), (5), (6), and (11), for residential property other than part-year residential property, a county legislative body may adopt an ordinance that requires an owner to file an application with the county board of equalization before the county applies a residential exemption authorized under Section 59-2-103 to the value of the residential property if:

(a) the residential property was ineligible for the residential exemption during the calendar year immediately preceding the calendar year for which the owner is seeking to have the residential exemption applied to the value of the residential property;

(b) an ownership interest in the residential property changes; or

(c) the county board of equalization determines that there is reason to believe that the residential property no longer qualifies for the residential exemption.

(2)(a) The application described in Subsection (1):

(i) shall be on a form the commission provides by rule and makes available to the counties;

(ii) shall be signed by the owner of the residential property; and

(iii) may not request the sales price of the residential property.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing the contents of the form described in Subsection (2)(a).

(c) For purposes of the application described in Subsection (1), a county may not request

- 3189 information from an owner of a residential property beyond the information in the
3190 form provided by the commission under this Subsection (2).
- 3191 (3)(a) Regardless of whether a county legislative body adopts an ordinance described in
3192 Subsection (1), before a county may apply a residential exemption to the value of
3193 part-year residential property, an owner of the property shall:
- 3194 (i) subject to Subsection (6), file the application described in Subsection (2)(a) with
3195 the county board of equalization; and
- 3196 (ii) include as part of the application described in Subsection (2)(a) a statement that
3197 certifies:
- 3198 (A) the date the part-year residential property became residential property;
- 3199 (B) that the part-year residential property will be used as residential property for
3200 183 or more consecutive calendar days during the calendar year for which the
3201 owner seeks to obtain the residential exemption; and
- 3202 (C) that the owner, or a member of the owner's household, may not claim a
3203 residential exemption for any property for the calendar year for which the
3204 owner seeks to obtain the residential exemption, other than the part-year
3205 residential property[, or as allowed under Section 59-2-103 with respect to the
3206 primary residence or household furnishings, furniture, and equipment of the
3207 owner's tenant].
- 3208 (b) If an owner files an application under this Subsection (3) on or after May 1 of the
3209 calendar year for which the owner seeks to obtain the residential exemption, the
3210 county board of equalization may require the owner to pay an application fee not to
3211 exceed \$50.
- 3212 (4) Before a county allows residential property described in Subsection ~~[59-2-102(35)(b)(ii)]~~
3213 59-2-102(34)(b)(ii) a residential exemption authorized under Section 59-2-103, an
3214 owner of the residential property shall file with the county assessor a written declaration
3215 that:
- 3216 (a) states under penalty of perjury that, to the best of each owner's knowledge, upon
3217 completion of construction or occupancy of the residential property, the residential
3218 property will be used for residential purposes as a primary residence;
- 3219 (b) is signed by each owner of the residential property; and
- 3220 (c) is on a form approved by the commission.
- 3221 (5)(a) Before a county allows residential property described in Subsection 59-2-103(6)(b)
3222 a residential exemption authorized under Section 59-2-103, an owner of the

residential property shall file with the county assessor a written declaration that:

(i) states under penalty of perjury that, to the best of each owner's knowledge, the residential property will be used for residential purposes as a primary residence of a tenant;

(ii) is signed by each owner of the residential property; and

(iii) is on a form approved by the commission.

(b)(i)(A) In addition to the declaration, a county assessor may request from an owner a current lease agreement signed by the tenant.

(B) If the lease agreement is insufficient for a county assessor to make a determination about eligibility for a residential exemption, a county assessor may request a copy of the real estate insurance policy for the property.

(C) If the real estate insurance policy is insufficient for a county assessor to make a determination about eligibility for a residential exemption, a county assessor may request a copy of a filing from the most recent federal tax return showing that the owner had profit or loss from the residential property as a rental.

(ii) A county assessor may not request information from an owner's tenant.

(6)(a) Except as provided in Subsection (6)(b), the county board of equalization may not accept from a property owner an application to receive a residential exemption authorized under Section 59-2-103 for the property owner's primary residence that is filed after the later of:

(i) September 15 of the calendar year for which the property owner seeks to receive the residential exemption; or

(ii) the last day of a 45-day period beginning on the day on which the county auditor provides the notice under Section 59-2-919.1.

(b)(i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing for circumstances under which the county board of equalization is required to accept a property owner's application for a residential exemption authorized under Section 59-2-103 that is filed after the time period described in Subsection (6)(a).

(ii) The commission shall report to the Revenue and Taxation Interim Committee on any rules ~~[promulgated]~~ the commission makes under this Subsection (6)(b).

(7) Except as provided in Subsection (8), if a property owner no longer qualifies to receive a residential exemption authorized under Section 59-2-103 for the property owner's primary residence, the property owner shall:

- (a) file a written statement with the county board of equalization of the county in which the property is located:
- (i) on a form provided by the county board of equalization; and
 - (ii) notifying the county board of equalization that the property owner no longer qualifies to receive a residential exemption authorized under Section 59-2-103 for the property owner's primary residence; and
- (b) declare on the property owner's individual income tax return under Chapter 10, Individual Income Tax Act, for the taxable year for which the property owner no longer qualifies to receive a residential exemption authorized under Section 59-2-103 for the property owner's primary residence, that the property owner no longer qualifies to receive a residential exemption authorized under Section 59-2-103 for the property owner's primary residence.

- (8) A property owner is not required to file a written statement or make the declaration described in Subsection (7) if the property owner:
- (a) changes primary residences;
 - (b) qualified to receive a residential exemption authorized under Section 59-2-103 for the residence that was the property owner's former primary residence; and
 - (c) qualifies to receive a residential exemption authorized under Section 59-2-103 for the residence that is the property owner's current primary residence.

~~[(9) Subsections (2) through (8) do not apply to qualifying exempt primary residential rental personal property.]~~

~~[(10)] (9)[(a)] Subject to Subsection [(11)] (10), for the first calendar year in which a property owner qualifies to receive a residential exemption under Section 59-2-103, a county assessor may require the property owner to file a signed statement described in Section 59-2-306.~~

~~[(b) Subject to Subsection (11) and notwithstanding Section 59-2-306, for a calendar year after the calendar year described in Subsection (10)(a) in which a property owner qualifies for an exemption authorized under Section 59-2-1115 for qualifying exempt primary residential rental personal property, a signed statement described in Section 59-2-306 with respect to the qualifying exempt primary residential rental personal property may only require the property owner to certify, under penalty of perjury, that the property owner qualifies for the exemption authorized under Section 59-2-1115.]~~

~~[(11)] (10)(a) After an ownership interest in residential property changes, the county~~

assessor shall:

- (i) notify the owner of the residential property that the owner is required to submit a written declaration described in Subsection [~~(11)(d)~~] (10)(d) within 90 days after the day on which the county assessor mails the notice under this Subsection [~~(11)(a)~~] (10)(a); and
 - (ii) provide the owner of the residential property with the form described in Subsection [~~(11)(e)~~] (10)(e) to make the written declaration described in Subsection [~~(11)(d)~~] (10)(d).
- (b) A county assessor is not required to provide a notice to an owner of residential property under Subsection [~~(11)(a)~~] (10)(a) if the situs address of the residential property is the same as any one of the following:
- (i) the mailing address of the residential property owner or the tenant of the residential property;
 - (ii) the address listed on the:
 - (A) residential property owner's driver license; or
 - (B) tenant of the residential property's driver license; or
 - (iii) the address listed on the:
 - (A) residential property owner's voter registration; or
 - (B) tenant of the residential property's voter registration.
- (c) A county assessor is not required to provide a notice to an owner of residential property under Subsection [~~(11)(a)~~] (10)(a) if:
- (i) the owner is using a post office box or rural route box located in the county where the residential property is located; and
 - (ii) the residential property is located in a county of the fourth, fifth, or sixth class.
- (d) An owner of residential property that receives a notice described in Subsection [~~(11)(a)~~] (10)(a) shall submit a written declaration to the county assessor under penalty of perjury certifying the information contained in the form described in Subsection [~~(11)(e)~~] (10)(e).
- (e) The written declaration required by Subsection [~~(11)(d)~~] (10)(d) shall be:
- (i) signed by the owner of the residential property; and
 - (ii) in substantially the following form:
- "Residential Property Declaration
- This form must be submitted to the County Assessor's office where your new residential property is located within 90 days of receipt. Failure to do so will result in the county assessor

taking action that could result in the withdrawal of the primary residential exemption from your residential property.

Residential Property Owner Information

Name(s): _____

Home Phone: _____

Work Phone: _____

Mailing Address: _____

Residential Property Information

Physical Address: _____

Certification

1. Is this property used as a primary residential property or part-year residential property for you or another person?

"Part-year residential property" means owned property that is not residential property on January 1 of a calendar year but becomes residential property after January 1 of the calendar year.

Yes No

2. Will this primary residential property or part-year residential property be occupied for 183 or more consecutive calendar days by the owner or another person?

A part-year residential property occupied for 183 or more consecutive calendar days in a calendar year by the owner(s) or a tenant is eligible for the exemption.

Yes No

If a property owner or a property owner's spouse claims a residential exemption under Utah Code Ann. §59-2-103 for property in this state that is the primary residence of the property owner or the property owner's spouse, that claim of a residential exemption shall be considered in determining whether the property owner and the property owner's spouse have domicile in Utah for income tax purposes.

Signature

Under penalties of perjury, I declare to the best of my knowledge and belief, this declaration and accompanying pages are true, correct, and complete.

_____ (Owner signature) _____ Date (mm/dd/yyyy)

_____ (Owner printed name)"

(f) For purposes of a written declaration described in this Subsection [(H)] (10), a county may not request information from a property owner beyond the information described in the form provided in Subsection [(H)(e)] (10)(e).

- 3359 (g)(i) If, after receiving a written declaration filed under Subsection [~~(11)(d)~~] (10)(d),
3360 the county determines that the property has been incorrectly qualified or
3361 disqualified to receive a residential exemption, the county shall:
- 3362 (A) redetermine the property's qualification to receive a residential exemption; and
 - 3363 (B) notify the claimant of the redetermination and the county's reason for the
3364 redetermination.
- 3365 (ii) The redetermination provided in Subsection [~~(11)(g)(i)(A)~~] (10)(g)(i)(A) is final
3366 unless:
- 3367 (A) except as provided in Subsection [~~(11)(g)(iii)~~] (10)(g)(iii), the property owner
3368 appeals the redetermination to the board of equalization in accordance with
3369 Subsection 59-2-1004(2); or
 - 3370 (B) the county determines that the property is eligible to receive a primary
3371 residential exemption as part-year residential property.
- 3372 (iii) The board of equalization may not accept an appeal that is filed after the later of:
- 3373 (A) September 15 of the current calendar year; or
 - 3374 (B) the last day of the 45-day period beginning on the day on which the county
3375 auditor provides the notice under Section 59-2-919.1.
- 3376 (h)(i) If a residential property owner fails to file a written declaration required by
3377 Subsection [~~(11)(d)~~] (10)(d), the county assessor shall mail to the owner of the
3378 residential property a notice that:
- 3379 (A) the property owner failed to file a written declaration as required by
3380 Subsection [~~(11)(d)~~] (10)(d); and
 - 3381 (B) the property owner will no longer qualify to receive the residential exemption
3382 authorized under Section 59-2-103 for the property that is the subject of the
3383 written declaration if the property owner does not file the written declaration
3384 required by Subsection [~~(11)(d)~~] (10)(d) within 30 days after the day on which
3385 the county assessor mails the notice under this Subsection [~~(11)(h)(i)~~] (10)(h)(i).
- 3386 (ii) If a property owner fails to file a written declaration required by Subsection [
3387 ~~(11)(d)~~] (10)(d) after receiving the notice described in Subsection [~~(11)(h)(i)~~]
3388 (10)(h)(i), the property owner no longer qualifies to receive the residential
3389 exemption authorized under Section 59-2-103 in the calendar year for the property
3390 that is the subject of the written declaration unless:
- 3391 (A) except as provided in Subsection [~~(11)(h)(iii)~~] (10)(h)(iii), the property owner
3392 appeals the redetermination to the board of equalization in accordance with

Subsection 59-2-1004(2); or

(B) the county determines that the property is eligible to receive a primary residential exemption as part-year residential property.

(iii) The board of equalization may not accept an appeal that is filed after the later of:

(A) September 15 of the current calendar year; or

(B) the last day of the 45-day period beginning on the day on which the county auditor provides the notice under Section 59-2-919.1.

(iv) A property owner that is disqualified to receive the residential exemption under

Subsection ~~[(11)(h)(ii)]~~ (10)(h)(iii) may file an application described in Subsection

(1) to determine whether the owner is eligible to receive the residential exemption.

(i) The requirements of this Subsection ~~[(11)]~~ (10) do not apply to a county assessor in a county that adopts and enforces an ordinance described in Subsection (1).

Section 69. Section **59-2-110** is amended to read:

59-2-110 (Effective 01/01/27). Designation of person to receive notice.

(1)(a) Except as provided in Subsection (1)(b), if this chapter requires a governmental entity ~~[is required under this chapter]~~ to send information or notice to a person, the governmental entity shall send the information or notice to:

(i) the person required under the applicable provision of this chapter; and

(ii) each person designated in accordance with Subsection (2) by the person described in Subsection (1)(a)(i).

(b) If Section 59-2-919.1 or 59-2-1317 requires a governmental entity ~~[is required under Section 59-2-919, 59-2-919.1, or 59-2-1317]~~ to send information or notice to a person, the governmental entity shall send the information or notice to:

(i) the person required under the applicable section; or

(ii) one person designated in accordance with Subsection (2) by the person described in Subsection (1)(b)(i).

(2)(a) A person to ~~[whom]~~ which this chapter requires a governmental entity ~~[is required under this chapter]~~ to send information or notice may designate a person to receive the information or notice in accordance with Subsection (1).

(b) To make a designation described in Subsection (2)(a), the person shall submit a written request to the governmental entity on a form ~~[prescribed by]~~ the commission approves.

(3) A person ~~[who]~~ that makes a designation described in Subsection (2) may revoke the designation by submitting a written request to the governmental entity on a form [

prescribed by]the commission approves.

Section 70. Section **59-2-306** is amended to read:

59-2-306 (Effective 01/01/27). Statements by taxpayers -- Power of assessors respecting statements -- Reporting information to other counties.

(1)(a) [~~Except as provided in Subsection (1)(e), the~~] The county assessor may request a signed statement from any person setting forth all the real [~~and personal~~] property assessable by the assessor that the person owns, possesses, manages, or has under the person's control at 12 noon on January 1.

~~[(b) A request under Subsection (1)(a) shall include a notice of the procedure under Section 59-2-1005 for appealing the value of the personal property.]~~

~~[(c) A telecommunications service provider shall file a signed statement setting forth the telecommunications service provider's personal property in accordance with Section 59-2-306.5.]~~

~~[(d) A telecommunications service provider shall claim an exemption for personal property in accordance with Section 59-2-1115.]~~

(2)(a) Except as provided in Subsection (2)(b) or (c), a person shall file a signed statement described in Subsection (1) on or before May 15 of the year the county assessor requests the statement described in Subsection (1).

(b) For a county of the first class, a person shall file the signed statement described in Subsection (1) on or before the later of:

- (i) 60 days after the day on which the county assessor requests the statement; or
- (ii) May 15 of the year the county assessor requests the statement described in Subsection (1) if, by resolution, the county legislative body of that county adopts the deadline described in Subsection (2)(a).

(c) If a county assessor requests a signed statement described in Subsection (1) on or after March 16, the person shall file the signed statement within 60 days after the day on which the county assessor requests the signed statement.

(3) The signed statement shall include the following:

(a) all property belonging to, claimed by, or in the possession, control, or management of the person, any firm of which the person is a member, or any corporation of which the person is president, secretary, cashier, or managing agent;

(b) the county in which the property is located or in which the property is taxable; and, if taxable in the county in which the signed statement was made, also the city, town, school district, road district, or other taxing district in which the property is located or

- 3461 taxable; and
- 3462 (c) all lands in parcels or subdivisions not exceeding 640 acres each, the sections and
- 3463 fractional sections of all tracts of land containing more than 640 acres that have been
- 3464 sectionized by the United States government, and the improvements on those lands[;
- 3465 and] .
- 3466 [~~(d) for a person who owns taxable tangible personal property as defined in Section~~
- 3467 ~~59-2-1115, the person's NAICS code, as classified under the current North American~~
- 3468 ~~Industry Classification System of the federal Executive Office of the President,~~
- 3469 ~~Office of Management and Budget.]~~
- 3470 (4) Every county assessor may subpoena and examine any person in any county in relation
- 3471 to any signed statement but may not require that person to appear in any county other
- 3472 than the county in which the subpoena is served.
- 3473 (5)[~~(a) Except as provided in Subsection (5)(b), if] If the signed statement discloses~~
- 3474 property in any other county, the county assessor shall file the signed statement and
- 3475 send a copy to the county assessor of each county in which the property is located.
- 3476 [~~(b) If the signed statement discloses personal property of a telecommunications service~~
- 3477 ~~provider, the county assessor shall notify the telecommunications service provider of~~
- 3478 ~~the requirement to file a signed statement in accordance with Section 59-2-306.5.]~~
- 3479 Section 71. Section **59-2-307** is amended to read:
- 3480 **59-2-307 (Effective 01/01/27). Refusal by taxpayer to file signed statement --**
- 3481 **Estimation of value -- Penalty.**
- 3482 (1)(a) Each person that fails to file the signed statement required by Section 59-2-306[~~or~~
- 3483 ~~Section 59-2-306.5], fails to file the signed statement with respect to name and place~~
- 3484 of residence, or fails to appear and testify when requested by the assessor, shall pay a
- 3485 penalty equal to 10% of the estimated tax due, but not less than \$25 for each failure
- 3486 to file a signed and completed statement.
- 3487 [~~(b) The Multicounty Appraisal Trust shall notify the county assessor of a~~
- 3488 ~~telecommunications service provider's failure to file the signed statement.]~~
- 3489 [(~~e~~) (b)] The assessor shall collect each penalty under Subsection (1)(a) in the manner
- 3490 provided by Sections 59-2-1302 and 59-2-1303, except as otherwise provided for in
- 3491 this section, or by a judicial proceeding brought in the name of the assessor.
- 3492 [~~(d)~~] (c) The assessor shall pay all money recovered under this section into the county
- 3493 treasury.
- 3494 (2)(a) Upon a showing of reasonable cause, a county may waive or reduce a penalty

imposed under Subsection (1)(a).

(b)(i) Except as provided in Subsection (2)(b)(ii), a county assessor may impose a penalty under Subsection (1)(a) on or after May 16 of the year the county assessor requests the statement described in Section 59-2-306~~[-or is due under Section 59-2-306.5]~~.

(ii) A county assessor may not impose a penalty under Subsection (1)(a) until 30 days after the postmark date of mailing of a subsequent notice if the signed statement described in Section 59-2-306 is requested:

(A) on or after March 16; or

(B) by a county assessor of a county of the first class.

(3)(a) If an owner neglects or refuses to file a signed statement requested by an assessor as required under Section 59-2-306:

(i) the assessor shall:

(A) make a record of the failure to file; and

(B) make an estimate of the value of the property of the owner based on known facts and circumstances; and

(ii) the assessor of a county of the first class:

(A) shall make a subsequent request by mail for the signed statement, informing the owner of the consequences of not filing a signed statement; and

(B) may impose a fee for the actual and necessary expenses of the mailing under Subsection (3)(a)(ii)(A).

~~[(b)(i) If a telecommunications service provider neglects or refuses to file a signed statement in accordance with Section 59-2-306.5, the Multicounty Appraisal Trust shall make:]~~

~~[(A) a record of the failure to file;]~~

~~[(B) a request by mail for the signed statement, informing the telecommunications service provider of the consequences of not filing a signed statement; and]~~

~~[(C) an estimate of the value of the personal property of the telecommunications service provider based on known facts and circumstances.]~~

~~[(ii) The Multicounty Appraisal Trust may impose a fee for the actual and necessary expenses of the mailing under Subsection (3)(b)(i)(B).]~~

~~[(e)]~~ (b) A county board of equalization or the commission may not reduce the value fixed by the assessor in accordance with Subsection (3)(a)(i)~~[-or the Multicounty Appraisal Trust in accordance with Subsection (3)(b)(i)]~~.

3529 Section 72. Section **59-2-909** is amended to read:

3530 **59-2-909 (Effective 01/01/27). Time for adoption of levy -- County purpose**
3531 **requirement.**

3532 The county legislative body of each county shall adopt ~~[a proposed or, if the tax rate is~~
-3533 ~~not more than the certified tax rate,]~~ a final tax rate on the taxable property of the county
3534 before June 22 to provide funds for county purposes.

3535 Section 73. Section **59-2-911** is amended to read:

3536 **59-2-911 (Effective 01/01/27). Exceptions to maximum levy limitation.**

3537 (1) The maximum levies set forth in Section 59-2-908 do not apply to and do not include:

- 3538 (a) levies made to pay outstanding judgment debts;
- 3539 (b) levies made in any special improvement districts;
- 3540 (c) levies made for extended services in any county service area;
- 3541 (d) levies made for county library services;
- 3542 (e) levies made for county animal welfare services;
- 3543 (f) levies made to be used for storm water, flood, and water quality control;
- 3544 (g) levies made to share disaster recovery expenses for public facilities and structures as
3545 a condition of state assistance when a Presidential Declaration has been issued under
3546 the Disaster Relief Act of 1974, 42 U.S.C. Sec. 5121;
- 3547 (h) levies made to pay interest and provide for a sinking fund in connection with any
3548 bonded or voter authorized indebtedness, including the bonded or voter authorized
3549 indebtedness of county service areas, special service districts, and special
3550 improvement districts;
- 3551 (i) levies made to fund local health departments;
- 3552 (j) levies made to fund public transit districts;
- 3553 (k) levies made to establish, maintain, and replenish special improvement guaranty
3554 funds;
- 3555 (l) levies made in any special service district;
- 3556 (m) levies made to fund municipal-type services to unincorporated areas of counties
3557 under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services to
3558 Unincorporated Areas;
- 3559 (n) levies made to fund the purchase of paramedic or ambulance facilities and equipment
3560 and to defray administration, personnel, and other costs of providing emergency
3561 medical and paramedic services, but this exception only applies to ~~[those counties]~~ a
3562 county in which the county legislative body adopts a resolution setting forth the

intention to make ~~[those]~~ the levies ~~[has been duly adopted by the county legislative body]~~ and ~~[approved by]~~ a majority of the voters of the county voting at a special or general election approves the resolution;

(o) the multicounty and county assessing and collecting levies under Section 59-2-1602; and

(p) all other exceptions to the maximum levy limitation ~~[pursuant to]~~ in accordance with statute.

(2)(a) Upon the retirement of bonds issued for the development of a convention complex described in Section 17-63-904, and notwithstanding Section 59-2-908, any county of the first class, as classified in Section 17-60-104, may continue to impose a property tax levy equivalent to the average property tax levy previously imposed to pay debt service on ~~[those]~~ the retired bonds.

(b) Notwithstanding that the imposition of the levy described in Subsection (2)(a) may not result in an increased amount of ad valorem tax revenue, the levy is subject to the ~~[notice requirements of Section 59-2-919]~~ requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.

(c) ~~[The revenue from this]~~ A county shall use the revenue from a continued levy ~~[shall be used]~~ only for the funding of convention facilities as defined in Section 59-12-602. Section 74. Section **59-2-912** is amended to read:

59-2-912 (Effective 01/01/27). Time for adoption of levy -- Certification to county auditor.

(1) Except as provided in Subsection (2), the governing body of each taxing entity shall before June 22 of each year:

(a) adopt ~~[a proposed tax rate, or, if the tax rate is not more than the certified tax rate,]~~ a final tax rate for the taxing entity; and

(b) report the rate and levy, and submit the statement required under Section 59-2-913 and any other information ~~[prescribed]~~ the commission requires by rules ~~[of]~~ the commission makes in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for the preparation, review, and certification of the tax rate, to the county auditor of the county in which the taxing entity is located.

(2) If the governing body of a taxing entity does not receive the taxing entity's certified tax rate at least seven days ~~[prior to]~~ before the date described in Subsection (1), the governing body of the taxing entity shall, no later than 14 days after receiving the certified tax rate from the county auditor:

(a) adopt ~~[a proposed tax rate, or, if the tax rate is not more than the certified tax rate,]~~a final tax rate for the taxing entity; and

(b) comply with the requirements of Subsection (1)(b).

(3)(a) If the governing body of a taxing entity fails to comply with Subsection (1) or (2), the auditor of the county in which the taxing entity is located shall notify the taxing entity by certified mail of the deficiency and forward all available documentation to the commission.

(b) Upon receipt of the notice and documentation from the county auditor under Subsection (3)(a), the commission shall hold a hearing on the matter and certify an appropriate tax rate.

Section 75. Section **59-2-913** is amended to read:

59-2-913 (Effective 01/01/27). Definitions -- Statement of amount and purpose of levy -- Contents of statement -- Filing with county auditor -- Transmittal to commission -- Calculations for establishing tax levies -- Format of statement.

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

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

(b) semiconductor manufacturing equipment.

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

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

(i) before June 22; or

(ii) with the commission's approval~~[of the commission]~~, on a ~~[subsequent date prior to]~~ date later than June 22 but before the date required by Section 59-2-1317 for the county treasurer to provide the notice under Section 59-2-1317.

(c) The statement shall contain the amount and purpose of each levy fixed by the legislative body of the taxing entity.

(3) For purposes of establishing the levy set for each of a taxing entity's applicable funds, the legislative body of the taxing entity shall calculate an amount determined by dividing the ~~[budgeted property tax revenues]~~ property tax budgeted revenue, specified in a budget that ~~[has been]~~ the taxing entity adopted and approved ~~[prior to]~~ before setting the levy, by the amount calculated under Subsections 59-2-924(4)(b)(i) through (iv).

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

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

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

Section 76. Section **59-2-918.5** is amended to read:

59-2-918.5 (Effective 01/01/27). Hearings on judgment levies -- Advertisement.

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

~~(2)[(a) The advertisement required by this section may be combined with the advertisement described in Section 59-2-919.]~~

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

(a) A taxing entity proposing a judgment levy under this section shall publish an advertisement regarding the proposed tax increase:

- (i) electronically in accordance with Section 45-1-101; and
- (ii) as a class A notice under Section 63G-30-102.

(b) The advertisement shall:

- (i) be published for at least 14 days before the day on which the taxing entity conducts the public hearing described in Subsection (1);
- (ii) provide the date, time, location, virtual meeting link, and the phone number and internet address where a person may obtain more information about the judgment levy; and
- (iii) provide the total amount of the eligible judgment, the duration of the judgment levy, and the tax impact on an average residential and business property located within the taxing entity.

(c)(i) For taxing entities operating ~~[under]~~ on a July 1 through June 30 fiscal year, the public hearing shall be held 10 or more days after notice is provided to property owners ~~[pursuant to]~~ in accordance with Section 59-2-919.1.

(ii) For taxing entities operating ~~[under]~~ on a January 1 through December 31 fiscal year:

(A) for an eligible judgment issued on or after March 1 but on or before

September 15, the public hearing shall be held at the same time as the hearing at which the annual budget is adopted; or

(B) for an eligible judgment issued on or after September 16 but on or before the last day of February, the public hearing shall be held 10 or more days after notice is provided to property owners ~~[pursuant to]~~ in accordance with Section 59-2-919.1.

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

~~[(4)]~~ (3) If the taxing entity does not make a final decision regarding the judgment levy ~~[is not made]~~ at the public hearing, the taxing entity shall announce at the public hearing the scheduled time and place for consideration and adoption of the judgment levy.

~~[(5)]~~ (4)(a) ~~The date, time, and place of a public hearing required under this section shall be included on the notice provided to property owners pursuant to Section 59-2-919.1.]~~

(a) A public hearing shall be:

(i) open to the public;

(ii) held at a meeting of the taxing entity that:

(A) begins at or after 6 p.m.; and

(B) has no items on the agenda other than discussion and action on the taxing entity's intent to impose a judgment levy, the taxing entity's budget, a special district's or special service district's fee implementation or increase, or a combination of these items; and

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

(b)(i) Except as provided in Subsection (4)(b)(ii), a taxing entity may not schedule a public hearing at the same time as the public hearing of another overlapping taxing entity in the same county.

(ii) The taxing entities in which the power to set tax levies is vested in the same governing board or authority may consolidate the public hearings into one public hearing.

(c) The county auditor shall resolve any conflict in public hearing dates and times after consultation with each affected taxing entity.

~~[(b) The requirements of Subsections 59-2-919(8)(b)(i) and (c) through (f) apply to a~~

3699 ~~public hearing required under this section.]~~

3700 Section 77. Section **59-2-919** is amended to read:

3701 **59-2-919 (Effective 01/01/27). Notice and public hearing requirements for**
3702 **certain tax increases -- Exceptions -- Audit.**

3703 (1) As used in this section:

3704 [(a) "Additional ad valorem tax revenue" means ad valorem property tax revenue
3705 generated by the portion of the tax rate that exceeds the taxing entity's certified tax
3706 rate.]

3707 [(b) "Ad valorem tax revenue" means ad valorem property tax revenue not including
3708 revenue from:]

3709 [(i) eligible new growth; or]

3710 [(ii) personal property that is:]

3711 [(A) assessed by a county assessor in accordance with Part 3, County Assessment;
3712 and]

3713 [(B) semiconductor manufacturing equipment.]

3714 [(e)] (a) "Base year" means a taxing entity's fiscal year that immediately precedes the
3715 fiscal year in which the taxing entity first adopted a budget below last year's property
3716 tax budgeted revenue.

3717 [(d)] (b) "Base year budgeted revenue" means the property tax budgeted revenue,
3718 excluding eligible new growth, for the base year.

3719 [(e) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year
3720 that begins on January 1 and ends on December 31.]

3721 [(f) "County executive calendar year taxing entity" means a calendar year taxing entity
3722 that operates under the county executive-council form of government described in
3723 Section 17-62-203.]

3724 [(g) "Current calendar year" means the calendar year immediately preceding the
3725 calendar year for which a calendar year taxing entity seeks to levy a tax rate that
3726 exceeds the calendar year taxing entity's certified tax rate.]

3727 [(h)] (c) "Eligible new growth" means the same as that term is defined in Section
3728 59-2-924.

3729 [(i) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that
3730 begins on July 1 and ends on June 30.]

3731 [(j) "Meeting" means the same as that term is defined in Section 52-4-103.]

3732 [(k)] (d)(i) "Last year's property tax budgeted revenue" means the revenue a taxing

3733 entity budgeted to be generated from a property tax levy for the previous fiscal
 3734 year.

3735 (ii) "Last year's property tax budgeted revenue" does not include:

3736 [(i)] (A) revenue received by a taxing entity from a debt service levy voted on by
 3737 the public;

3738 [(ii)] (B) revenue generated by the [combined] minimum basic tax rate as defined
 3739 in Section 53F-2-301; or

3740 [(iii)] (C) revenue generated by the charter school levy described in Section
 3741 53F-2-703.

3742 [(H)] (e) "Truth-in-taxation exemption period" means a six-year period that begins with
 3743 the base year.

3744 (2) Except as provided in Subsection [(H)] (3) and Sections 59-2-918.5 and 63G-7-704, a
 3745 taxing entity may not levy a tax rate that exceeds the taxing entity's certified tax rate
 3746 unless the taxing entity meets[:]

3747 [(a) the requirements of this section that apply to the taxing entity; and]

3748 [(b) all other requirements as may be required by law.] the requirements of Title 20A,
 3749 Chapter 7, Part 9, Tax Increase Voting Requirements.

3750 [(3)(a) Subject to Subsection (3)(b) and except as provided in Subsection (5), a calendar
 3751 year taxing entity may levy a tax rate that exceeds the calendar year taxing entity's
 3752 certified tax rate if the calendar year taxing entity:]

3753 [(i) 14 or more days before the date of the regular general election or municipal
 3754 general election held in the current calendar year, states at a public meeting:]

3755 [(A) that the calendar year taxing entity intends to levy a tax rate that exceeds the
 3756 calendar year taxing entity's certified tax rate;]

3757 [(B) the dollar amount of and purpose for additional ad valorem tax revenue that
 3758 would be generated by the proposed increase in the certified tax rate; and]

3759 [(C) the approximate percentage increase in ad valorem tax revenue for the taxing
 3760 entity based on the proposed increase described in Subsection (3)(a)(i)(B);]

3761 [(ii) provides notice for the public meeting described in Subsection (3)(a)(i) in
 3762 accordance with Title 52, Chapter 4, Open and Public Meetings Act, including
 3763 providing a separate item on the meeting agenda that notifies the public that the
 3764 calendar year taxing entity intends to make the statement described in Subsection
 3765 (3)(a)(i);]

3766 [(iii) meets the advertisement requirements of Subsections (6) and (7) before the

calendar year taxing entity conducts the public hearing required by Subsection (3)(a)(v);]

[(iv) provides notice by mail:]

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

[(B) as provided in Subsection (3)(c); and]

[(v) conducts a public hearing that is held:]

[(A) in accordance with Subsections (8) and (9); and]

[(B) in conjunction with the public hearing required by Section 17-63-304 or 17B-1-610.]

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

[(A) county council;]

[(B) county executive; or]

[(C) both the county council and county executive.]

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

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

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

[(e) The notice described in Subsection (3)(a)(iv):]

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

[(A) within the calendar year taxing entity; and]

[(B) listed on the assessment roll;]

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

[(A) is developed by the commission;]

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

3801 ~~[(C) may be mailed with the notice required by Section 59-2-1317;]~~
 3802 ~~[(iii) shall contain for each property described in Subsection (3)(c)(i):]~~
 3803 ~~[(A) the value of the property for the current calendar year;]~~
 3804 ~~[(B) the tax on the property for the current calendar year; and]~~
 3805 ~~[(C) subject to Subsection (3)(d), for the calendar year for which the calendar year~~
 3806 ~~taxing entity seeks to levy a tax rate that exceeds the calendar year taxing~~
 3807 ~~entity's certified tax rate, the estimated tax on the property;]~~
 3808 ~~[(iv) shall contain the following statement:~~
 3809 ~~"[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar~~
 3810 ~~year]. This notice contains estimates of the tax on your property and the proposed tax increase~~
 3811 ~~on your property as a result of this tax increase. These estimates are calculated on the basis of~~
 3812 ~~[insert previous applicable calendar year] data. The actual tax on your property and proposed~~
 3813 ~~tax increase on your property may vary from this estimate.";~~
 3814 ~~[(v) shall state the dollar amount of additional ad valorem tax revenue that would be~~
 3815 ~~generated each year by the proposed increase in the certified tax rate;]~~
 3816 ~~[(vi) shall include a brief statement of the primary purpose for the proposed tax~~
 3817 ~~increase, including the taxing entity's intended use of additional ad valorem tax~~
 3818 ~~revenue described in Subsection (3)(c)(v);]~~
 3819 ~~[(vii) shall state the date, time, and place of the public hearing described in~~
 3820 ~~Subsection (3)(a)(v);]~~
 3821 ~~[(viii) shall state the Internet address for the taxing entity's public website;]~~
 3822 ~~[(ix) may contain other information approved by the commission; and]~~
 3823 ~~[(x) if sent in calendar year 2024, 2025, or 2026, shall contain:]~~
 3824 ~~[(A) notice that the taxpayer may request electronic notice as described in~~
 3825 ~~Subsection 17-71-302(1)(m); and]~~
 3826 ~~[(B) instructions describing how to elect to receive a notice as described in~~
 3827 ~~Subsection 17-71-302(1)(m).]~~
 3828 ~~[(d) For purposes of Subsection (3)(c)(iii)(C), a calendar year taxing entity shall~~
 3829 ~~calculate the estimated tax on property on the basis of:]~~
 3830 ~~[(i) data for the current calendar year; and]~~
 3831 ~~[(ii) the amount of additional ad valorem tax revenue stated in accordance with this~~
 3832 ~~section.]~~
 3833 ~~[(4) Except as provided in Subsection (5), a fiscal year taxing entity may levy a tax rate that~~
 3834 ~~exceeds the fiscal year taxing entity's certified tax rate if the fiscal year taxing entity:]~~

~~[(a) provides notice by meeting the advertisement requirements of Subsections (6) and (7) before the fiscal year taxing entity conducts the public meeting at which the fiscal year taxing entity's annual budget is adopted; and]~~

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

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

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

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

~~[(ii) the taxing entity:]~~

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

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

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

~~[(i) electronically in accordance with Section 45-1-101; and]~~

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

~~[(b) The advertisement described in Subsection (6)(a) shall:]~~

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

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

~~"NOTICE OF PROPOSED TAX INCREASE~~

~~(NAME OF TAXING ENTITY)~~

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

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

~~• The (name of the taxing entity) tax on a (insert the value of a business having the~~

same value as the average value of a residence in the taxing entity) business would increase from \$_____ to \$_____, which is \$_____ per year.

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

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

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

PUBLIC HEARING

Date/Time: (date)-(time)

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

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

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

[(7) The commission:]

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

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

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

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

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

[(ii) On or before October 1 of the current calendar year, a calendar year taxing entity shall notify the commission and the county auditor of the date, time, and place of

the public hearing described in Subsection (3)(a)(v).]

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

[(A) open to the public;]

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

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

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

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

[(B) explain the reasons for the proposed tax increase, including the taxing entity's intended use of additional ad valorem tax revenue described in Subsection (8)(b)(ii)(A);]

[(C) if the county auditor compiles the list required by Section 59-2-919.2, present the list at the public hearing and make the list available on the taxing entity's public website; and]

[(D) provide an interested party desiring to be heard an opportunity to present oral testimony within reasonable time limits and without unreasonable restriction on the number of individuals allowed to make public comment.]

[(e)(i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a public hearing described in Subsection (3)(a)(v) or (4)(b) at the same time as the public hearing of another overlapping taxing entity in the same county.]

[(ii) The taxing entities in which the power to set tax levies is vested in the same governing board or authority may consolidate the public hearings described in Subsection (3)(a)(v) or (4)(b) into one public hearing.]

[(d) The county auditor shall resolve any conflict in public hearing dates and times after consultation with each affected taxing entity.]

[(e)(i) A taxing entity shall hold a public hearing described in Subsection (3)(a)(v) or (4)(b) beginning at or after 6 p.m.]

[(ii) If a taxing entity holds a public meeting for the purpose of addressing general

business of the taxing entity on the same date as a public hearing described in Subsection (3)(a)(v) or (4)(b), the public meeting addressing general business items shall conclude before the beginning of the public hearing described in Subsection (3)(a)(v) or (4)(b).]

[(f)(i) Except as provided in Subsection (8)(f)(ii), a taxing entity may not hold the public hearing described in Subsection (3)(a)(v) or (4)(b) on the same date as another public hearing of the taxing entity.]

[(ii) A taxing entity may hold the following hearings on the same date as a public hearing described in Subsection (3)(a)(v) or (4)(b):]

[(A) a budget hearing;]

[(B) if the taxing entity is a special district or a special service district, a fee hearing described in Section 17B-1-643;]

[(C) if the taxing entity is a town, an enterprise fund hearing described in Section 10-5-107.5; or]

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

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

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

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

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

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

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

[(b) If the county auditor, after completing an audit, finds that a taxing entity has failed to meet the requirements of Subsection (8), the county auditor shall prepare and

submit a report of the auditor's findings to the commission.]

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

~~[(H)]~~ (3) For a fiscal year within a truth-in-taxation exemption period, a taxing entity may adopt a budget that is equal to or less than the base year budgeted revenue without complying with this section.

Section 78. Section **59-2-919.1** is amended to read:

59-2-919.1 ~~[(Effective 07/01/26)]~~ (Effective 01/01/27). **Notice of property valuation and tax changes.**

(1) ~~[In addition to the notice requirements of Section 59-2-919, the county auditor, on or before July 22 of each year,]~~ On or before July 22 of each year, the county auditor shall notify each owner of real estate who is listed on the assessment roll.

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

(a) except as provided in Subsection (5), be sent to all owners of real property by mail 10 or more days before the day on which~~[:]~~ the county board of equalization meets;
~~[(i) the county board of equalization meets; and]~~
~~[(ii) the taxing entity holds a public hearing on the proposed increase in the certified tax rate;]~~

(b) be on a form that~~[-is]:~~

(i) ~~[approved by]~~the commission approves; and
(ii) is uniform in content in all counties in the state; and

(c) contain for each property:

(i) the assessor's determination of the value of the property;
(ii) the taxable value of the property;
(iii) for property assessed by the county assessor:

(A) instructions on how the taxpayer may file an application with the county board of equalization to appeal the valuation or equalization of the property under Section 59-2-1004, including instructions for filing an application through electronic means; and

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

(iv) for property assessed by the commission:

(A) instructions on how the taxpayer may file an application with the commission for a hearing on an objection to the valuation or equalization of the property under Section 59-2-1007;

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

(C) a statement that the taxpayer may not appeal the valuation or equalization of the property to the county board of equalization;

(v) itemized tax information for all applicable taxing entities, including:

(A) the dollar amount of the taxpayer's tax liability for the property in the prior year; and

(B) the dollar amount of the taxpayer's tax liability under the current rate;

(vi) the following, stated separately:

(A) the charter school levy described in Section 53F-2-703;

(B) the multicounty assessing and collecting levy described in Subsection 59-2-1602(2);

(C) the county assessing and collecting levy described in Subsection 59-2-1602(4);

(D) levies for debt service voted on by the public;

(E) levies imposed for special purposes under Section 10-6-133.4;

(F) the minimum basic tax rate as defined in Section 53F-2-301; and

(G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);

(vii) the tax impact on the property;

(viii) the date, time, and place of the required public hearing for ~~[each entity]~~ the board of equalization;

(ix) property tax information pertaining to:

(A) taxpayer relief; and

(B) the residential exemption described in Section 59-2-103;

(x) information specifically authorized to be included on the notice under this chapter;

(xi) the last property review date of the property as described in Subsection [59-2-303.1(1)(e)] Section 59-2-303.1;

(xii) instructions on how the taxpayer may obtain additional information regarding the valuation of the property, including the characteristics and features of the property, from:

(A) a website maintained by the county; or

(B) the statewide web portal developed and maintained by the Multicounty Appraisal Trust under Subsection 59-2-1606(5)(a) for uniform access to property characteristics and features; and

(xiii) other information approved by the commission.

(3) A taxing entity that is subject to the notice requirements of Subsection 59-2-918.5(2)(c)(i) or (2)(c)(ii)(B) shall include the date, time, and place of a public hearing in addition to the information Subsection (2) requires.

~~[(3) If a taxing entity that is subject to the notice and hearing requirements of Subsection 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in addition to the information required by Subsection (2):]~~

~~[(a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;]~~

~~[(b) the difference between the dollar amount of the taxpayer's tax liability if the proposed increase is approved and the dollar amount of the taxpayer's tax liability under the current rate, placed in close proximity to the information described in Subsection (2)(c)(viii);]~~

~~[(c) the percentage increase that the dollar amount of the taxpayer's tax liability under the proposed tax rate represents as compared to the dollar amount of the taxpayer's tax liability under the current tax rate; and]~~

~~[(d) for each taxing entity proposing a tax increase, the dollar amount of additional ad valorem tax revenue, as defined in Section 59-2-919, that would be generated each year if the proposed tax increase is approved.]~~

(4) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a notice sent to a residential property shall:

(a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship, and this property is your primary residence, you may be eligible to defer payment of this property tax."; and

(b) include a telephone number, or a website address on which a telephone number is prominently listed, that the property owner may call to obtain additional information about applying for a deferral.

(5)(a) Subject to the other provisions of this Subsection (5), a county auditor may provide, at the county auditor's discretion, the notice required by this section to a taxpayer by electronic means if a taxpayer makes an election, according to procedures determined by the county auditor, to receive the notice by electronic means.

- (b)(i) If a county auditor sends a notice required by this section by electronic means, the county auditor shall attempt to verify whether a taxpayer receives the notice.
- (ii) If the county auditor cannot verify receipt of the notice sent by electronic means 14 days or more before the county board of equalization meets and the taxing entity holds a public hearing on a proposed increase in the certified tax rate, the county auditor shall send the notice required by this section by mail as provided in Subsection (2).
- (c) A taxpayer may revoke an election to receive the notice required by this section by electronic means if the taxpayer provides written notice to the county auditor on or before April 30.
- (d) An election or a revocation of an election under this Subsection (5):
- (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or before the due date for paying the tax; or
- (ii) does not alter the requirement that a taxpayer appealing the valuation or the equalization of the taxpayer's real property submit the application for appeal within the time period provided in Subsection 59-2-1004(3).
- (e) A county auditor shall provide the notice required by this section as provided in Subsection (2), until a taxpayer makes a new election in accordance with this Subsection (5), if:
- (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive the notice required by this section by electronic means; or
- (ii) the county auditor finds that the taxpayer's electronic contact information is invalid.
- (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless of whether the property that is the subject of the notice required by this section is exempt from taxation.

Section 79. Section **59-2-920** is amended to read:

59-2-920 (Effective 01/01/27). Resolution and levy to be forwarded to commission.

- (1) If a taxing entity, after fulfilling the requirements of [~~Section 59-2-919~~] Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, adopts a resolution to levy a tax rate that exceeds the taxing entity's certified tax rate, the taxing entity shall forward the resolution to the tax commission along with the statement of the amount and purpose of the levy required under Sections 59-2-912 and 59-2-913.

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

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

Section 80. Section **59-2-921** is amended to read:

59-2-921 (Effective 01/01/27). Changes in assessment roll -- Rate adjustments -- Exemption from notice and public hearing provisions.

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

- (a) a change in the taxing entity's assessment roll; and
- (b) a change in the taxing entity's adopted tax rate.

(2) A taxing entity is not required to comply with the ~~[notice and public hearing provisions of Section 59-2-919]~~ requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, if the commission, the county board of equalization, or a court of competent jurisdiction:

- (a) changes a taxing entity's adopted tax rate; or
- (b)(i) makes a reduction in the taxing entity's assessment roll; and
- (ii) the taxing entity adopts by resolution an increase in [its] the taxing entity's tax rate above the certified tax rate as a result of the reduction under Subsection (2)(b)(i).

(3) A rate adjustment under this section for:

- (a) a taxing entity shall be:
 - (i) made by the county auditor;
 - (ii) aggregated;
 - (iii) reported by the county auditor to the commission; and
 - (iv) certified by the commission; and
- (b) the state shall be made by the commission.

Section 81. Section **59-2-924** is amended to read:

59-2-924 (Effective 01/01/27). Definitions -- Report of valuation of property to county auditor and commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax rate -- Rulemaking authority -- Adoption of budget -- Notices.

(1) As used in this section:

(a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with this chapter.

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

(A) interest;

(B) penalties;

(C) collections from redemptions; or

(D) revenue received by a taxing entity from personal property that is semiconductor manufacturing equipment assessed by a county assessor in accordance with Part 3, County Assessment.

(b) "Adjusted tax increment" means the same as that term is defined in Section 17C-1-102.

(c)(i) "Aggregate taxable value of all property taxed" means:

(A) the aggregate taxable value of all real property a county assessor assesses in accordance with Part 3, County Assessment, for the current year;

(B) the aggregate taxable value of all real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the current year; and

(C) the aggregate year end taxable value of all personal property a county assessor assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls of the taxing entity.

(ii) "Aggregate taxable value of all property taxed" does not include the aggregate year end taxable value of personal property that is:

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

(B) contained on the prior year's tax rolls of the taxing entity.

(d) "Ballot proposition" means legislation a taxing entity shall submit to voters in accordance with Section 59-1-1903.

~~[(d)]~~ (e) "Base taxable value" means:

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

(ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, the same as that term is defined in Section ~~[11-59-207]~~ 11-59-208;

(iii) for the Utah Fairpark Area Investment and Restoration District created in Section

- 11-70-201, the same as that term is defined in Section 11-70-101;
- (iv) for an agency created under Section 17C-1-201.5, the same as that term is defined in Section 17C-1-102;
- (v) for an authority created under Section 63H-1-201, the same as that term is defined in Section 63H-1-102;
- (vi) for a host local government, the same as that term is defined in Section 63N-2-502;
- (vii) for a housing and transit reinvestment zone or convention center reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, a property's taxable value as shown upon the assessment roll last equalized during the base year, as that term is defined in Section 10-21-101 or Section 17-80-101;
- (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, a property's taxable value as shown upon the assessment roll last equalized during the base year, as that term is defined in Section 63N-3-1601;
- (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown upon the assessment roll last equalized during the property tax base year, as that term is defined in Section 63N-3-1701; or
- (xi) for an electrical energy development zone ~~[created]~~ designated under Section 79-6-1104, the value of the property within an electrical energy development zone, as shown on the assessment roll last equalized before the ~~[creation]~~ designation of the electrical energy development zone~~[-as that term is defined in Section 79-6-1104].~~
- (f) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year that begins on January 1 and ends on December 31.
- ~~[(e)]~~ (g) "Centrally assessed benchmark value" means an amount equal to the average year end taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the previous three calendar years, adjusted for taxable value attributable to:

- 4209 (i) an annexation to a taxing entity;
- 4210 (ii) an incorrect allocation of taxable value of real or personal property the
- 4211 commission assesses in accordance with Part 2, Assessment of Property; or
- 4212 (iii) a change in value as a result of a change in the method of apportioning the value
- 4213 prescribed by the Legislature, a court, or the commission in an administrative rule
- 4214 or administrative order.

4215 [(f)] (h) "Centrally assessed industry" means the following industry classes the
 4216 commission assesses in accordance with Part 2, Assessment of Property:

- 4217 (i) air carrier;
- 4218 (ii) coal;
- 4219 (iii) coal load out property;
- 4220 (iv) electric generation;
- 4221 (v) electric rural;
- 4222 (vi) electric utility;
- 4223 (vii) gas utility;
- 4224 (viii) ground access property;
- 4225 (ix) land only property;
- 4226 (x) liquid pipeline;
- 4227 (xi) metalliferous mining;
- 4228 (xii) nonmetalliferous mining;
- 4229 (xiii) oil and gas gathering;
- 4230 (xiv) oil and gas production;
- 4231 (xv) oil and gas water disposal;
- 4232 (xvi) railroad;
- 4233 (xvii) sand and gravel; and
- 4234 (xviii) uranium.

4235 [(g)] (i)(i) "Centrally assessed new growth" means the greater of:

- 4236 (A) for each centrally assessed industry, zero; or
- 4237 (B) the amount calculated by subtracting the centrally assessed benchmark value
- 4238 for each centrally assessed industry, adjusted for prior year end incremental
- 4239 value, from the taxable value of real and personal property the commission
- 4240 assesses in accordance with Part 2, Assessment of Property, for each centrally
- 4241 assessed industry for the current year, adjusted for current year incremental
- 4242 value.

- 4243 (ii) "Centrally assessed new growth" does not include a change in value for a
4244 centrally assessed industry as a result of a change in the method of apportioning
4245 the value prescribed by the Legislature, a court, or the commission in an
4246 administrative rule or administrative order.
- 4247 ~~[(h)]~~ (j) "Certified tax rate" means a tax rate that will provide the same ad valorem
4248 property tax revenue for a taxing entity as ~~[was budgeted by that taxing entity for the~~
4249 ~~prior year]~~ last year's property tax budgeted revenue.
- 4250 ~~[(i)]~~ (k) "Community reinvestment agency" means the same as that term is defined in
4251 Section 17C-1-102.
- 4252 ~~[(j)]~~ (l) "Eligible new growth" means the greater of:
4253 (i) zero; or
4254 (ii) the sum of:
4255 (A) locally assessed new growth;
4256 (B) centrally assessed new growth; and
4257 (C) project area new growth or hotel property new growth.
- 4258 (m) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that
4259 begins on July 1 and ends on June 30.
- 4260 ~~[(k)]~~ (n) "Host local government" means the same as that term is defined in Section
4261 63N-2-502.
- 4262 ~~[(l)]~~ (o) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 4263 ~~[(m)]~~ (p) "Hotel property new growth" means an amount equal to the incremental value
4264 that is no longer provided to a host local government as incremental property tax
4265 revenue.
- 4266 ~~[(n)]~~ (q) "Incremental property tax revenue" means the same as that term is defined in
4267 Section 63N-2-502.
- 4268 ~~[(o)]~~ (r) "Incremental value" means:
4269 (i) for an authority created under Section 11-58-201, the amount calculated by
4270 multiplying:
4271 (A) the difference between the taxable value and the base taxable value of the
4272 property that is located within a project area and on which property tax
4273 differential is collected; and
4274 (B) the number that represents the percentage of the property tax differential that
4275 is paid to the authority;
4276 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,

an amount calculated by multiplying:

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

(B) the number that represents the percentage of the property tax augmentation, as defined in Section ~~[11-59-207]~~ 11-59-208, that is paid to the Point of the Mountain State Land Authority;

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

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

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

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

(A) the difference between the taxable value and the base taxable value of the property located within a project area and on which tax increment is collected; and

(B) the number that represents the adjusted tax increment from that project area that is paid to the agency;

(v) for an authority created under Section 63H-1-201, the amount calculated by multiplying:

(A) the difference between the taxable value and the base taxable value of the property located within a project area and on which property tax allocation is collected; and

(B) the number that represents the percentage of the property tax allocation from that project area that is paid to the authority;

(vi) for a housing and transit reinvestment zone or convention center reinvestment zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount calculated by multiplying:

(A) the difference between the taxable value and the base taxable value of the property that is located within a housing and transit reinvestment zone or convention center reinvestment zone and on which tax increment is collected; and

(B) the number that represents the percentage of the tax increment that is paid to

the housing and transit reinvestment zone or convention center reinvestment zone;

(vii) for a host local government, an amount calculated by multiplying:

(A) the difference between the taxable value and the base taxable value of the hotel property on which incremental property tax revenue is collected; and

(B) the number that represents the percentage of the incremental property tax revenue from that hotel property that is paid to the host local government;

(viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:

(A) the difference between the taxable value and the base taxable value of the property that is located within a home ownership promotion zone and on which tax increment is collected; and

(B) the number that represents the percentage of the tax increment that is paid to the home ownership promotion zone;

(ix) for a first home investment zone created in accordance with Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:

(A) the difference between the taxable value and the base taxable value of the property that is located within a first home investment zone and on which tax increment is collected; and

(B) the number that represents the percentage of the tax increment that is paid to the first home investment zone;

(x) for a major sporting event venue zone created [~~pursuant to~~] in accordance with Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount calculated by multiplying:

(A) the difference between the taxable value and the base taxable value of the property located within a qualified development zone for a major sporting event venue zone and upon which property tax increment is collected; and

(B) the number that represents the percentage of tax increment that is paid to the major sporting event venue zone, as approved by a major sporting event venue zone committee described in Section 63N-1a-1706; or

(xi) for an electrical energy development zone [~~created~~] designated under Section 79-6-1104, the amount calculated by multiplying:

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

property that is located within the electrical energy developmental zone; and

- (B) the number that represents the percentage of the tax increment that is paid to a community reinvestment agency and the Electrical Energy Development Investment Fund created in Section 79-6-1105.

(s)(i) "Last year's property tax budgeted revenue" means the revenue a taxing entity budgeted to be generated from a property tax levy for the previous fiscal year.

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

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

(B) revenue generated by the minimum basic rate as defined in Section 53F-2-301; or

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

~~[(p)]~~ (t)(i) "Locally assessed new growth" means the greater of:

(A) zero; or

(B) the amount calculated by subtracting the year end taxable value of real property the county assessor assesses in accordance with Part 3, County Assessment, for the previous year, adjusted for prior year end incremental value from the taxable value of real property the county assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted for current year incremental value.

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

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

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

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

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

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

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

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

- 4379 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
 4380 defined in Section 17C-1-102;
- 4381 (iv) for an authority created under Section 63H-1-201, the same as that term is
 4382 defined in Section 63H-1-102;
- 4383 (v)(A) for a housing and transit reinvestment zone ~~[or convention center~~
 4384 ~~reinvestment zone]~~ created under Title 63N, Chapter 3, Part 6, Housing and
 4385 Transit Reinvestment Zone Act, the same as ~~[that]~~ the term "housing and transit
 4386 reinvestment zone" is defined in Section 63N-3-602; ~~or~~
- 4387 (B) for a convention center reinvestment zone created under Title 63N, Chapter 3,
 4388 Part 6, Housing and Transit Reinvestment Zone Act, the same as the term
 4389 "convention center reinvestment zone" is defined in Section 63N-3-602;
- 4390 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 4391 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 4392 5, Home Ownership Promotion Zone, the same as ~~[that term]~~ the term "home
 4393 ownership promotion zone" is defined in Section 10-21-101 or Section 17-80-101;
- 4394 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 4395 First Home Investment Zone Act, the same as that term is defined in Section
 4396 63N-3-1601; or
- 4397 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
 4398 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
 4399 as defined in Section 63N-3-1701.
- 4400 [(†)] (v) "Project area new growth" means:
- 4401 (i) for an authority created under Section 11-58-201, an amount equal to the
 4402 incremental value that is no longer provided to an authority as property tax
 4403 differential;
- 4404 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
 4405 an amount equal to the incremental value that is no longer provided to the Point of
 4406 the Mountain State Land Authority as property tax augmentation, as defined in
 4407 Section ~~[11-59-207]~~ 11-59-208;
- 4408 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
 4409 11-70-201, an amount equal to the incremental value that is no longer provided to
 4410 the Utah Fairpark Area Investment and Restoration District;
- 4411 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
 4412 incremental value that is no longer provided to an agency as tax increment;

- 4413 (v) for an authority created under Section 63H-1-201, an amount equal to the
 4414 incremental value that is no longer provided to an authority as property tax
 4415 allocation;
- 4416 (vi) for a housing and transit reinvestment zone or convention center reinvestment
 4417 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 4418 Reinvestment Zone Act, an amount equal to the incremental value that is no
 4419 longer provided to a housing and transit reinvestment zone or convention center
 4420 reinvestment zone as tax increment;
- 4421 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 4422 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 4423 5, Home Ownership Promotion Zone, an amount equal to the incremental value
 4424 that is no longer provided to a home ownership promotion zone as tax increment;
- 4425 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 4426 First Home Investment Zone Act, an amount equal to the incremental value that is
 4427 no longer provided to a first home investment zone as tax increment; or
- 4428 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 4429 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental
 4430 value that is no longer provided to the creating entity of a major sporting event
 4431 venue zone as property tax increment.
- 4432 ~~[(s)]~~ (w) "Project area incremental revenue" means the same as that term is defined in
 4433 Section 17C-1-1001.
- 4434 ~~[(t)]~~ (x) "Property tax allocation" means the same as that term is defined in Section
 4435 63H-1-102.
- 4436 ~~[(u)]~~ (y) "Property tax differential" means the same as that term is defined in Sections
 4437 11-58-102 and 79-6-1104.
- 4438 ~~[(v)]~~ (z) "Tax increment" means:
- 4439 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
 4440 in Section 17C-1-102;
- 4441 (ii) for a housing and transit reinvestment zone or convention center reinvestment
 4442 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 4443 Reinvestment Zone Act, the same as the term "property tax increment" is defined
 4444 in Section 63N-3-602;
- 4445 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 4446 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part

5, Home Ownership Promotion Zone, the same as that term is defined in Section 10-21-101 or Section 17-80-101;

- (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, the same as that term is defined in Section 63N-3-1601; or
- (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is defined in Section 63N-3-1701.

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

- (a) a statement containing the aggregate valuation of all taxable real property a county assessor assesses in accordance with Part 3, County Assessment, for each taxing entity; and
- (b) a statement containing the taxable value of all personal property a county assessor assesses in accordance with Part 3, County Assessment, from the prior year end values.

(3) The county auditor shall, on or before June 8, transmit to the governing body of each taxing entity:

- (a) the statements described in Subsections (2)(a) and (b);
- (b) an estimate of the revenue from personal property;
- (c) the certified tax rate; and
- (d) all forms necessary to submit a tax levy request.

(4)(a) Except as otherwise provided in this section, the certified tax rate shall be calculated by dividing the amount of ad valorem property tax revenue that ~~a taxing entity budgeted for the prior year]~~ was in last year's property tax budgeted revenue by the amount calculated under Subsection (4)(b).

(b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall calculate an amount as follows:

- (i) calculate for the taxing entity the difference between:
- (A) the aggregate taxable value of all property taxed; and
- (B) any adjustments for current year incremental value;
- (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the average of the percentage net change in the value of taxable

- 4481 property for the equalization period for the three calendar years immediately
4482 preceding the current calendar year;
- 4483 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
4484 product of:
- 4485 (A) the amount calculated under Subsection (4)(b)(ii); and
4486 (B) the percentage of property taxes collected for the five calendar years
4487 immediately preceding the current calendar year; and
- 4488 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
4489 amount determined by:
- 4490 (A) multiplying the percentage of property taxes collected for the five calendar
4491 years immediately preceding the current calendar year by eligible new growth;
4492 and
- 4493 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
4494 amount calculated under Subsection (4)(b)(iii).
- 4495 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
4496 as follows:
- 4497 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
4498 tax rate is zero;
- 4499 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 4500 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
4501 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
4502 to Unincorporated Areas; and
- 4503 (ii) in a county of the fourth, fifth, or sixth class, as classified in Section 17-60-104,
4504 the levy imposed for general county purposes and such other levies imposed
4505 solely for the municipal-type services identified in Section 17-78-501 and
4506 Subsection 17-63-101(23);
- 4507 (c) for a community reinvestment agency that received all or a portion of a taxing
4508 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
4509 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
4510 Subsection (4) except that the commission shall treat the total revenue transferred to
4511 the community reinvestment agency as ~~[ad valorem property tax revenue that the~~
4512 ~~taxing entity budgeted for the prior year]~~ the amount of last year's budgeted property
4513 tax revenue; and
- 4514 (d) for debt service voted on by the public, the certified tax rate is the actual levy

imposed by that section, except that a certified tax rate for the following levies shall be calculated in accordance with Section 59-2-913 and this section:

- (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
- (ii) a levy to pay for the costs of state legislative mandates or judicial or administrative orders under Section 59-2-1602.

(6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy one or more eligible judgments.

(b) The ad valorem property tax revenue generated by a judgment levy described in Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax rate.

(7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:

(i) the taxable value of real property:

(A) the county assessor assesses in accordance with Part 3, County Assessment; and

(B) contained on the assessment roll;

(ii) the year end taxable value of personal property:

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

(B) contained on the prior year's assessment roll; and

(iii) the taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property.

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

(8)(a) On or before June 30 of each year[;] :

(i) a calendar year taxing entity shall adopt a tentative budget; and

(ii) a fiscal year taxing entity shall adopt a final budget.

(b) ~~[Hf] On or before June 30 of the calendar year in which a taxing entity intends to [exceed the certified tax rate] submit a ballot proposition to voters to allow the taxing entity to increase revenue from property tax above last year's budgeted property tax revenue, excluding eligible new growth,~~ the taxing entity shall notify the county auditor of:

(i) the taxing entity's intent to exceed ~~[the certified tax rate]~~ last year's budgeted property tax revenue, excluding eligible new growth; and

(ii) the amount by which the taxing entity proposes to ~~[exceed the certified tax rate]~~

4549 increase revenue above last year's budgeted property tax revenue, excluding
4550 eligible new growth.

4551 (c) The county auditor shall notify property owners of any intent to [~~levy a tax rate that~~
4552 ~~exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1]~~
4553 submit a ballot proposition to voters to allow the taxing entity to increase revenue
4554 from property tax above last year's budgeted property tax revenue, excluding eligible
4555 new growth, in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting
4556 Requirements.

4557 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
4558 electronic means on or before July 31, to a taxing entity and the Revenue and
4559 Taxation Interim Committee if:

- 4560 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
4561 taxable value of the real and personal property the commission assesses in
4562 accordance with Part 2, Assessment of Property, for the previous year, adjusted
4563 for prior year end incremental value; and
4564 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
4565 end taxable value of the real and personal property of a taxpayer the commission
4566 assesses in accordance with Part 2, Assessment of Property, for the previous year.

4567 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
4568 subtracting the taxable value of real and personal property the commission assesses
4569 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
4570 current year incremental value, from the year end taxable value of the real and
4571 personal property the commission assesses in accordance with Part 2, Assessment of
4572 Property, for the previous year, adjusted for prior year end incremental value.

4573 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
4574 subtracting the total taxable value of real and personal property of a taxpayer the
4575 commission assesses in accordance with Part 2, Assessment of Property, for the
4576 current year, from the total year end taxable value of the real and personal property of
4577 a taxpayer the commission assesses in accordance with Part 2, Assessment of
4578 Property, for the previous year.

4579 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
4580 requirement under Subsection (9)(a)(ii).

4581 Section 82. Section **59-2-924.2** is amended to read:

4582 **59-2-924.2 (Effective 01/01/27). Adjustments to the calculation of a taxing**

entity's certified tax rate.

(1) ~~[For purposes of this section,]~~ As used in this section:

(a) "Annexing county" means a county for which unincorporated area is included within a public safety district by annexation.

(b) "Annexing municipality" means a municipality for which area is included within a public safety district by annexation.

(c) ~~["certified-"]~~ "Certified" tax rate means a certified tax rate calculated in accordance with Section 59-2-924.

(d) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area Act:

(i) created to provide fire protection, paramedic, and emergency services; and

(ii) in the creation of which an election was not required under Subsection 17B-1-214(3)(d).

(e) "Participating county" means a county for which unincorporated area is included within a public safety district at the time of the creation of the public safety district.

(f) "Participating municipality" means a municipality for which area is included within a public safety district at the time of the creation of the public safety district.

(g) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area Act, within a county of the first class:

(i) created to provide law enforcement service; and

(ii) in the creation of which an election was not required under Subsection 17B-1-214(3)(d).

(h) "Public safety district" means a fire district or a police district.

(i) "Public safety service" means:

(i) in the case of a public safety district that is a fire district, fire protection, paramedic, and emergency services; and

(ii) in the case of a public safety district that is a police district, law enforcement service.

(2) ~~[Beginning January 1, 1997, if]~~ If a taxing entity receives increased [revenues] revenue from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease ~~[its]~~ the taxing entity's certified tax rate to offset the increased ~~[revenues]~~ revenue.

- 4617 (3)(a) [~~Beginning July 1, 1997, if~~] If a county has imposed a sales and use tax under
 4618 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate
 4619 shall be:
- 4620 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
 4621 revenue to be distributed to the county under Subsection 59-12-1102(4); and
 - 4622 (ii) increased by the amount necessary to offset the county's reduction in revenue
 4623 from uniform fees on tangible personal property under Section 59-2-405,
 4624 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in
 4625 the certified tax rate under Subsection (3)(a)(i).
- 4626 (b) The commission shall determine estimates of sales and use tax distributions for
 4627 purposes of Subsection (3)(a).
- 4628 (4) [~~Beginning January 1, 1998, if~~] If a municipality has imposed an additional resort
 4629 communities sales and use tax under Section 59-12-402, the municipality's certified tax
 4630 rate shall be decreased on a one-time basis by the amount necessary to offset the first 12
 4631 months of estimated revenue from the additional resort communities sales and use tax
 4632 imposed under Section 59-12-402.
- 4633 (5)(a) This Subsection (5) applies to each county that:
- 4634 (i) establishes a countywide special service district under Title 17D, Chapter 1,
 4635 Special Service District Act, to provide jail service, as provided in Subsection
 4636 17D-1-201(10); and
 - 4637 (ii) levies a property tax on behalf of the special service district under Section
 4638 17D-1-105.
- 4639 (b)(i) The certified tax rate of each county to which this Subsection (5) applies shall
 4640 be decreased by the amount necessary to reduce county [~~revenues~~] revenue by the
 4641 same amount of [~~revenues~~] revenue that will be generated by the property tax
 4642 imposed on behalf of the special service district.
- 4643 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
 4644 levy on behalf of the special service district under Section 17D-1-105.
- 4645 (6) The equalized public safety tax rate is determined by:
- 4646 (a) calculating, for each participating county and each participating municipality, the
 4647 property tax revenue necessary:
 - 4648 (i) in the case of a fire district, to cover all of the costs associated with providing fire
 4649 protection, paramedic, and emergency services:
 - 4650 (A) for a participating county, in the unincorporated area of the county; and

4651 (B) for a participating municipality, in the municipality; or
 4652 (ii) in the case of a police district, to cover all the costs associated with providing law
 4653 enforcement service that the police district board designates to be funded by a
 4654 property tax:
 4655 (A) for a participating county, in the unincorporated area of the county; or
 4656 (B) for a participating municipality, in the municipality; and
 4657 (b) adding all the amounts calculated under Subsection (4)(a) for all participating
 4658 counties and all participating municipalities and then dividing that sum by the
 4659 aggregate taxable value of the property, as adjusted in accordance with Section
 4660 59-2-913:
 4661 (i) for participating counties, in the unincorporated area of all participating counties;
 4662 and
 4663 (ii) for participating municipalities, in all the participating municipalities.
 4664 [(6)(a) As used in this Subsection (6):]
 4665 [(i) "Annexing county" means a county whose unincorporated area is included
 4666 within
 4667 a public safety district by annexation.]
 4668 [(ii) "Annexing municipality" means a municipality whose area is included within
 4669 a
 4670 public safety district by annexation.]
 4671 [(iii) "Equalized public safety protection tax rate" means the tax rate that results
 4672 from:]
 4673 [(A) calculating, for each participating county and each participating
 4674 municipality,
 4675 the property tax revenue necessary:]
 4676 [(I) in the case of a fire district, to cover all of the costs associated with
 4677 providing fire protection, paramedic, and emergency services:]
 4678 [(Aa) for a participating county, in the unincorporated area of the
 4679 county;
and]
[(Bb) for a participating municipality, in the municipality; or]
[(H) in the case of a police district, to cover all the costs:]
[(Aa) associated with providing law enforcement service:]

4704 ~~[(B) in the creation of which an election was not required under Subsection~~
4705 ~~17B-1-214(3)(d).]~~

4706 ~~[(viii) "Public safety district" means a fire district or a police district.]~~

4707 ~~[(ix) "Public safety service" means:]~~

4708 ~~[(A) in the case of a public safety district that is a fire district, fire protection,~~
4709 ~~paramedic, and emergency services; and]~~

4710 ~~[(B) in the case of a public safety district that is a police district, law~~
4711 ~~enforcement~~
4712 ~~service.]~~

4712 ~~[(b)]~~ (7)(a) In the first year following creation of a public safety district, the certified tax
4713 rate of each participating county and each participating municipality shall be
4714 decreased by the amount of the equalized public safety tax rate calculated in
4715 accordance with Subsection (6).

4716 ~~[(e)]~~ (b) In the first budget year following annexation to a public safety district, the
4717 certified tax rate of each annexing county and each annexing municipality shall be
4718 decreased by an amount equal to the amount of revenue budgeted by the annexing
4719 county or annexing municipality:

4720 (i) for public safety service; and

4721 (ii) in:

4722 (A) for a taxing entity operating under a January 1 through December 31 fiscal
4723 year, the prior calendar year; or

4724 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the
4725 prior fiscal year.

4726 ~~[(d)]~~ (c) Each tax levied under this section by a public safety district shall be considered
4727 to be levied by:

4728 (i) each participating county and each annexing county for purposes of the county's
4729 tax limitation under Section 59-2-908; and

4730 (ii) each participating municipality and each annexing municipality for purposes of
4731 the municipality's tax limitation under Section 10-5-112, for a town, or Section
4732 10-6-133, for a city.

4733 ~~[(e)]~~ (d) The calculation of a public safety district's certified tax rate for the year of
4734 annexation shall be adjusted to include an amount of revenue equal to one half of the
4735 amount of revenue budgeted by the annexing entity for public safety service in the
4736 annexing entity's prior fiscal year if:

- 4737 (i) the public safety district operates on a January 1 through December 31 fiscal year;
 4738 (ii) the public safety district approves an annexation of an entity operating on a July 1
 4739 through June 30 fiscal year; and
 4740 (iii) the annexation described in Subsection ~~[(6)(e)(ii)]~~ (7)(d)(ii) takes effect on July 1.
- 4741 ~~[(7)]~~ (8)(a) The base taxable value as defined in Section 17C-1-102 shall be reduced for
 4742 any year to the extent necessary to provide a community reinvestment agency
 4743 established under Title 17C, Limited Purpose Local Government Entities -
 4744 Community Reinvestment Agency Act, with approximately the same amount of
 4745 money the agency would have received without a reduction in the county's certified
 4746 tax rate, calculated in accordance with Section 59-2-924, if:
- 4747 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or
 4748 (3)(a);
 4749 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of
 4750 the previous year; and
 4751 (iii) the decrease results in a reduction of the amount to be paid to the agency under
 4752 Section 17C-1-403 or 17C-1-404.
- 4753 (b) The base taxable value as defined in Section 17C-1-102 shall be increased in any
 4754 year to the extent necessary to provide a community reinvestment agency with
 4755 approximately the same amount of money as the agency would have received without
 4756 an increase in the certified tax rate that year if:
- 4757 (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due
 4758 to a decrease in the certified tax rate under Subsection (2)~~[-or (3)(a)]~~; and
 4759 (ii) the certified tax rate of a city, school district, special district, or special service
 4760 district increases independent of the adjustment to the taxable value of the base
 4761 year.
- 4762 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the
 4763 amount of money allocated and, when collected, paid each year to a community
 4764 reinvestment agency established under Title 17C, Limited Purpose Local
 4765 Government Entities - Community Reinvestment Agency Act, for the payment of
 4766 bonds or other contract indebtedness, but not for administrative costs, may not be less
 4767 than ~~[that]~~ the amount would have been without a decrease in the certified tax rate
 4768 under Subsection (2) or (3)(a).
- 4769 ~~[(8)(a) For the calendar year beginning on January 1, 2014, the calculation of a county~~
 4770 ~~assessing and collecting levy shall be adjusted by the amount necessary to offset:]~~

- 4771 ~~[(i) any change in the certified tax rate that may result from amendments to Part 16,~~
4772 ~~Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270,~~
4773 ~~Section 3; and]~~
- 4774 ~~[(ii) the difference in the amount of revenue a taxing entity receives from or~~
4775 ~~contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that~~
4776 ~~may result from amendments to Part 16, Multicounty Assessing and Collecting~~
4777 ~~Levy, in Laws of Utah 2014, Chapter 270, Section 3.]~~
- 4778 ~~[(b) A taxing entity is not required to comply with the notice and public hearing~~
4779 ~~requirements in Section 59-2-919 for an adjustment to the county assessing and~~
4780 ~~collecting levy described in Subsection (8)(a).]~~
- 4781 ~~[(9) If a taxing entity receives decreased revenues from uniform fees on tangible personal~~
4782 ~~property under Section 59-2-405 as a result of any error in applying uniform fees to~~
4783 ~~motor vehicle registration in the calendar year beginning on January 1, 2023, the~~
4784 ~~commission may, for the calendar year beginning on January 1, 2024, increase the~~
4785 ~~taxing entity's budgeted revenue to offset the decreased revenues.]~~
- 4786 Section 83. Section **59-2-1004** is amended to read:
- 4787 **59-2-1004 (Effective 01/01/27). Appeal to county board of equalization -- Real**
4788 **property -- Time period for appeal -- Public hearing requirements -- Decision of board --**
4789 **Extensions approved by commission -- Appeal to commission.**
- 4790 (1) As used in this section:
- 4791 (a) "Applicable lien date" means January 1 of the year in which the valuation or
4792 equalization of real property is appealed to the county board of equalization.
- 4793 (b) "Final assessed value" means:
- 4794 (i) for real property for which the taxpayer appealed the valuation or equalization to
4795 the county board of equalization in accordance with this section, the value given
4796 to the real property by the county board of equalization, including a value based
4797 on a stipulation of the parties;
- 4798 (ii) for real property for which the taxpayer or a county assessor appealed the
4799 valuation or equalization to the commission in accordance with Section 59-2-1006,
4800 the value given to the real property by:
- 4801 (A) the commission, if the commission has issued a decision in the appeal or the
4802 parties have entered a stipulation; or
- 4803 (B) a county board of equalization, if the commission has not yet issued a decision
4804 in the appeal and the parties have not entered a stipulation; or

(iii) for real property for which the taxpayer or a county assessor sought judicial review of the valuation or equalization in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial Review, the value given the real property by the commission.

(c) "Inflation adjusted value" means the value of the real property that is the subject of the appeal as calculated by changing the final assessed value for the previous taxable year for the real property by the median property value change.

(d) "Median property value change" means the midpoint of the property value changes for all real property that is:

(i) of the same class of real property as the qualified real property; and

(ii) located within the same county and within the same market area as the qualified real property.

(e) "Property value change" means the percentage change in the fair market value of real property on or after January 1 of the previous year and before January 1 of the current year.

(f) "Qualified real property" means real property:

(i) for which:

(A) the taxpayer or a county assessor appealed the valuation or equalization for the previous taxable year to the county board of equalization in accordance with this section or the commission in accordance with Section 59-2-1006;

(B) the appeal described in Subsection (1)(f)(i)(A)[;] resulted in a final assessed value that was lower than the assessed value; and

(C) the assessed value for the current taxable year is higher than the inflation adjusted value; and

(ii) that, on or after January 1 of the previous taxable year and before January 1 of the current taxable year, has not had a qualifying change.

(g) "Qualifying change" means one of the following changes to real property that occurs on or after January 1 of the previous taxable year and before January 1 of the current taxable year:

(i) a physical improvement if, solely as a result of the physical improvement, the fair market value of the physical improvement equals or exceeds the greater of 10% of fair market value of the real property or \$20,000;

(ii) a zoning change, if the fair market value of the real property increases solely as a result of the zoning change; or

- 4839 (iii) a change in the legal description of the real property, if the fair market value of
4840 the real property increases solely as a result of the change in the legal description
4841 of the real property.
- 4842 (h) "Qualifying contract" means a contract for the completed sale of residential property
4843 that:
- 4844 (i) involves residential property for which a taxpayer appealed the valuation or
4845 equalization to the county board of equalization;
- 4846 (ii) identifies the final sales price for the residential property described in Subsection
4847 (1)(h)(i); and
- 4848 (iii) is executed within six months before or after the applicable lien date.
- 4849 (2)(a) A taxpayer dissatisfied with the valuation or the equalization of the taxpayer's real
4850 property may make an application to appeal by:
- 4851 (i) subject to Subsection (2)(d), filing the application with the county board of
4852 equalization within the time period described in Subsection (3); or
- 4853 (ii) making an application by telephone within the time period described in
4854 Subsection (3) if the county legislative body passes a resolution under Subsection
4855 (11) authorizing a taxpayer to make an application by telephone.
- 4856 (b)(i) The county board of equalization shall make a rule describing the contents of
4857 the application.
- 4858 (ii) In addition to any information the county board of equalization requires, the
4859 application shall include information about:
- 4860 (A) the burden of proof in an appeal involving qualified real property; and
- 4861 (B) the process for the taxpayer to learn the inflation adjusted value of the
4862 qualified real property.
- 4863 (c)(i)(A) The county assessor shall notify the county board of equalization of a
4864 qualified real property's inflation adjusted value within 15 business days after
4865 the date on which the county assessor receives notice that a taxpayer filed an
4866 appeal with the county board of equalization.
- 4867 (B) The county assessor shall notify the commission of a qualified real property's
4868 inflation adjusted value within 15 business days after the date on which the
4869 county assessor receives notice that a person dissatisfied with the decision of a
4870 county board of equalization files an appeal with the commission.
- 4871 (ii)(A) A person may not appeal a county assessor's calculation of inflation
4872 adjusted value but may appeal the fair market value of a qualified real property.

(B) A person may appeal a determination of whether, on or after January 1 of the previous taxable year and before January 1 of the current taxable year, real property had a qualifying change.

(d) For purposes of Subsection (2)(a), the county board of equalization shall ensure that a taxpayer has the ability to access and file an application to appeal the valuation or equalization of real property through electronic means.

(3)(a) Except as provided in Subsection (3)(b) and for purposes of Subsection (2), a taxpayer shall make an application to appeal the valuation or the equalization of the taxpayer's real property on or before the later of:

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

(ii) the last day of a 45-day period beginning on the day on which the county auditor provides the notice under Section 59-2-919.1.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules providing for circumstances under which the county board of equalization is required to accept an application to appeal that is filed after the time period prescribed in Subsection (3)(a).

(4)(a) The taxpayer shall include in the application under Subsection (2)(a) [the taxpayer's estimate of the fair market value of the property and any evidence that may indicate that the assessed valuation of the taxpayer's property is improperly equalized with the assessed valuation of comparable properties] and [a signed statement of the personal property located in a multi-tenant residential property, as that term is defined in Section 59-2-301.8 if the taxpayer: (A) appeals the value of multi-tenant residential property assessed in accordance with Section 59-2-301.8; and (B) intends to contest the value of the personal property located within the multi-tenant residential property.]

(b) For an appeal involving qualified real property, the county board of equalization shall presume that the fair market value of the qualified real property is equal to the inflation adjusted value.

(5) Subject to Subsection (6), in reviewing evidence submitted to a county board of equalization by or on behalf of an owner or a county assessor, the county board of equalization shall consider and weigh:

(a) the accuracy, reliability, and comparability of the evidence presented by the owner or the county assessor;

- 4907 (b) if submitted, the sales price of relevant property that was under contract for sale as of
4908 the lien date but sold after the lien date;
- 4909 (c) if submitted, the sales offering price of property that was offered for sale as of the
4910 lien date but did not sell, including considering and weighing the amount of time for
4911 which, and manner in which, the property was offered for sale; and
- 4912 (d) if submitted, other evidence that is relevant to determining the fair market value of
4913 the property.

4914 (6)(a) This Subsection (6) applies only to an appeal to a county board of equalization
4915 involving the valuation or equalization of residential property that is not qualified
4916 real property.

- 4917 (b) If a qualifying contract is submitted as evidence in an appeal described in Subsection
4918 (6)(a), the only evidence that the county board of equalization or hearing officer may
4919 consider to determine that the final sales price identified in the qualifying contract
4920 does not provide an accurate or reliable indication of the fair market value of the
4921 residential property is evidence of the following, if submitted:

- 4922 (i) evidence disputing the nature of the qualifying contract as an arms-length
4923 transaction;
- 4924 (ii) evidence demonstrating that changes in market conditions have occurred in the
4925 time period between the day on which the qualifying contract was executed and
4926 the applicable lien date; or
- 4927 (iii) evidence demonstrating that a qualifying change to the residential property has
4928 occurred in the time period between the day on which the qualifying contract was
4929 executed and the applicable lien date.

- 4930 (c) In determining the fair market value of residential property in an appeal described in
4931 Subsection (6)(a), the county board of equalization may not consider any evidence or
4932 information other than the evidence submitted to the county board of equalization by
4933 the parties in the appeal.

4934 (7)(a) Except as provided in Subsection (7)(b), at least five days before the day on which
4935 the county board of equalization holds a public hearing on an appeal:

- 4936 (i) the county assessor shall provide the taxpayer any evidence the county assessor
4937 relies upon in support of the county assessor's valuation; and
- 4938 (ii) the taxpayer shall provide the county assessor any evidence not previously
4939 provided to the county assessor that the taxpayer relies upon in support of the
4940 taxpayer's appeal.

- (b)(i) The deadline described in Subsection (7)(a) does not apply to evidence that is commercial information as defined in Section 59-1-404, if:
- (A) for the purpose of complying with Section 59-1-404, the county assessor requires that the taxpayer execute a nondisclosure agreement before the county assessor discloses the evidence; and
 - (B) the taxpayer fails to execute the nondisclosure agreement before the deadline described in Subsection (7)(a).
- (ii) The county assessor shall disclose evidence described in Subsection (7)(b)(i) as soon as practicable after the county assessor receives the executed nondisclosure agreement.
- (iii) The county assessor shall provide the taxpayer a copy of the nondisclosure agreement with reasonable time for the taxpayer to review and execute the agreement before the deadline described in Subsection (7)(a) expires.
- (c) If at the public hearing, a party presents evidence not previously provided to the other party, the county board of equalization shall allow the other party to respond to the evidence in writing within 10 days after the day on which the public hearing occurs.
- (d)(i) A county board of equalization may adopt rules governing the deadlines described in this Subsection (7), if the rules are no less stringent than the provisions of this Subsection (7).
- (ii) A county board of equalization's rule that complies with Subsection (7)(d)(i) controls over the provisions of this subsection.
- (8)(a) The county board of equalization shall meet and hold public hearings as described in Section 59-2-1001.
- (b)(i) For purposes of this Subsection (8)(b), "significant adjustment" means a proposed adjustment to the valuation of real property that:
- (A) is to be made by a county board of equalization; and
 - (B) would result in a valuation that differs from the original assessed value by at least 20% and \$1,000,000.
- (ii) When a county board of equalization is going to consider a significant adjustment, the county board of equalization shall:
- (A) list the significant adjustment as a separate item on the agenda of the public hearing at which the county board of equalization is going to consider the significant adjustment; and

- 4975 (B) for purposes of the agenda described in Subsection (8)(b)(ii)(A), provide a
4976 description of the property for which the county board of equalization is
4977 considering a significant adjustment.
- 4978 (c) The county board of equalization shall make a decision on each appeal filed in
4979 accordance with this section within 60 days after the day on which the taxpayer
4980 makes an application.
- 4981 (d) The commission may approve the extension of a time period provided for in
4982 Subsection (8)(c) for a county board of equalization to make a decision on an appeal.
- 4983 (e) Unless the commission approves the extension of a time period under Subsection
4984 (8)(d), if a county board of equalization fails to make a decision on an appeal within
4985 the time period described in Subsection (8)(c), the county legislative body shall:
- 4986 (i) list the appeal, by property owner and parcel number, on the agenda for the next
4987 meeting the county legislative body holds after the expiration of the time period
4988 described in Subsection (8)(c); and
- 4989 (ii) hear the appeal at the meeting described in Subsection (8)(e)(i).
- 4990 (f) The decision of the county board of equalization shall contain:
- 4991 (i) a determination of the valuation of the property based on fair market value; and
4992 (ii) a conclusion that the fair market value is properly equalized with the assessed
4993 value of comparable properties.
- 4994 (g) If no evidence is presented before the county board of equalization, the county board
4995 of equalization shall presume that the equalization issue has been met.
- 4996 (h)(i) If the fair market value of the property that is the subject of the appeal deviates
4997 plus or minus 5% from the assessed value of comparable properties, the county
4998 board of equalization shall adjust the valuation of the appealed property to reflect
4999 a value equalized with the assessed value of comparable properties.
- 5000 (ii) Subject to Sections 59-2-301.1, 59-2-301.2, ~~59-2-301.3,~~ and 59-2-301.4,
5001 equalized value established under Subsection (8)(h)(i) shall be the assessed value
5002 for property tax purposes until the county assessor is able to evaluate and equalize
5003 the assessed value of all comparable properties to bring all comparable properties
5004 into conformity with full fair market value.
- 5005 (9)(a) If the decision of the county board of equalization warrants a refund of any
5006 amount of property taxes paid for the tax year for the real property that is the subject
5007 of the appeal, the county shall issue the refund directly to the taxpayer that paid the
5008 property taxes, or an officer or agent of that taxpayer as identified in the information

provided under Subsection (9)(b), regardless of whether the taxpayer is the owner of record of the real property at the time the decision is rendered.

(b) A taxpayer entitled to a refund under this section that is not the owner of record of the real property subject to the appeal shall, within 10 calendar days after the day on which the decision of the county board of equalization is rendered, provide the following information to the county board of equalization:

(i) a statement that the taxpayer is entitled to receive the refund under Subsection (9)(a);

(ii) the name of the taxpayer, or an officer or agent of that taxpayer, entitled to receive the refund;

(iii) the mailing address of the taxpayer, or an officer or agent of that taxpayer, to which the taxpayer requests the refund to be sent; and

(iv) any other information requested by the county board of equalization.

(10) If any taxpayer is dissatisfied with the decision of the county board of equalization, the taxpayer may file an appeal with the commission as described in Section 59-2-1006.

(11) A county legislative body may pass a resolution authorizing taxpayers owing taxes on property assessed by that county to file property tax appeals applications under this section by telephone.

Section 84. Section **59-2-1006** is amended to read:

59-2-1006 (Effective 01/01/27). Appeal to commission -- Duties of auditor -- Decision by commission.

(1) Any person dissatisfied with the decision of the county board of equalization concerning the assessment and equalization of any property, or the determination of any exemption in which the person has an interest, or a tax relief decision made under designated decision-making authority as described in Section 59-2-1101 or Chapter 2a, Tax Relief Through Property Tax, may appeal that decision to the commission by[:]

~~[(a)]~~ filing a notice of appeal specifying the grounds for the appeal with the county auditor within 30 days after the final action of the county board or entity with designated decision-making authority described in Section 59-2-1101 or Chapter 2a, Tax Relief Through Property Tax~~[-and]~~ .

~~[(b) if the county assessor valued the property in accordance with Section 59-2-301.8 and the taxpayer intends to contest the value of personal property located in a multi-tenant residential property, as that term is defined in Section 59-2-301.8, submitting a signed statement of the personal property with the notice of appeal.]~~

- (2) The auditor shall:
- (a) file one notice with the commission;
 - (b) certify and transmit to the commission:
 - (i) the minutes of the proceedings of the county board of equalization or entity with designated decision-making authority for the matter appealed;
 - (ii) all documentary evidence received in that proceeding; and
 - (iii) a transcript of any testimony taken at that proceeding that was preserved; and
 - (c) if the appeal is from a hearing where an exemption was granted or denied, certify and transmit to the commission the written decision of:
 - (i) the board of equalization as required by Section 59-2-1102; or
 - (ii) the entity with designated decision-making authority[; ~~and~~] .
 - ~~[(d) any signed statement submitted in accordance with Subsection (1)(b).]~~
- (3) In reviewing a decision described in Subsection (1), the commission may:
- (a) admit additional evidence;
 - (b) issue orders that it considers to be just and proper; and
 - (c) make any correction or change in the assessment or order of the county board of equalization or entity with decision-making authority.
- (4) In reviewing evidence submitted to the commission to decide an appeal under this section, the commission shall consider and weigh:
- (a) the accuracy, reliability, and comparability of the evidence presented;
 - (b) if submitted, the sales price of relevant property that was under contract for sale as of the lien date but sold after the lien date;
 - (c) if submitted, the sales offering price of property that was offered for sale as of the lien date but did not sell, including considering and weighing the amount of time for which, and manner in which, the property was offered for sale; and
 - (d) if submitted, other evidence that is relevant to determining the fair market value of the property.
- (5) In reviewing a decision described in Subsection (1), the commission shall adjust property valuations to reflect a value equalized with the assessed value of other comparable properties if:
- (a) the issue of equalization of property values is raised; and
 - (b) the commission determines that the property that is the subject of the appeal deviates in value plus or minus 5% from the assessed value of comparable properties.
- (6) The commission shall decide all appeals taken ~~[pursuant to]~~ in accordance with this

section not later than March 1 of the following year for real property and within 90 days for personal property, and shall report its decision, order, or assessment to the county auditor, who shall make all changes necessary to comply with the decision, order, or assessment.

Section 85. Section **59-2-1115** is repealed and reenacted to read:

59-2-1115 (Effective 01/01/27). Exemption of business personal property.

In accordance with Utah Constitution, Article XIII, Section 3, Subsection (2)(a)(iv), the Legislature exempts business personal property, other than business personal property that is subject to a uniform fee.

Section 86. Section **59-2-1330** is amended to read:

59-2-1330 (Effective 01/01/27). Payment of property taxes -- Payments to taxpayer by state or taxing entity -- Refund of penalties paid by taxpayer -- Refund of interest paid by taxpayer -- Payment of interest to taxpayer -- Judgment levy -- Objections to assessments by the commission -- Time periods for making payments to taxpayer.

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

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

(b) as provided in this chapter.

(2)(a) The county treasurer shall apply a payment that is insufficient to cover both a tax or tax notice charge that is deferred in accordance with Chapter 2a, Part 7, Discretionary Deferral, Chapter 2a, Part 8, Nondiscretionary Deferral for Property with Qualifying Increase, or Chapter 2a, Part 9, Nondiscretionary Deferral for Elderly Property Owners, and a current year property tax or tax notice charge to the current tax year property tax or tax notice charge first.

(b) The county treasurer shall send notice to the property owner:

(i) that the payment was insufficient;

(ii) that the county applied the payment to the tax or tax notice charges for the current tax year; and

(iii) of the amount of tax and tax notice charge that is outstanding.

(3) A taxpayer shall receive payment as provided in this section if a reduction in the amount of any tax levied against any property for which the taxpayer paid a tax or any portion of a tax under this chapter for a calendar year is required by a final and unappealable judgment or order described in Subsection (4) issued by:

- 5111 (a) a county board of equalization;
5112 (b) the commission; or
5113 (c) a court of competent jurisdiction.
- 5114 (4)(a) For purposes of Subsection (3), the state or any taxing entity that has received
5115 property taxes or any portion of property taxes from a taxpayer described in
5116 Subsection (2) shall pay the taxpayer if:
- 5117 (i) the taxes the taxpayer paid in accordance with Subsection (3) are collected by an
5118 authorized officer of the:
- 5119 (A) county; or
5120 (B) state; and
- 5121 (ii) the taxpayer obtains a final and unappealable judgment or order:
- 5122 (A) from a county board of equalization, the commission, or a court of competent
5123 jurisdiction;
5124 (B) against:
- 5125 (I) the taxing entity or an authorized officer of the taxing entity; or
5126 (II) the state or an authorized officer of the state; and
- 5127 (C) ordering a reduction in the amount of any tax levied against any property for
5128 which a taxpayer paid a tax or any portion of a tax under this chapter for the
5129 calendar year.
- 5130 (b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined
5131 in accordance with Subsections (5) through (8).
- 5132 (5) For purposes of Subsections (3) and (4), the amount the state shall pay to a taxpayer is
5133 equal to the sum of:
- 5134 (a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference
5135 between:
- 5136 (i) the tax the taxpayer paid to the state in accordance with Subsection (3); and
5137 (ii) the amount of the taxpayer's tax liability to the state after the reduction in the
5138 amount of tax levied against the property in accordance with the final and
5139 unappealable judgment or order described in Subsection (4);
- 5140 (b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference
5141 between:
- 5142 (i) any penalties the taxpayer paid to the state in accordance with Section 59-2-1331;
5143 and
5144 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance

5145 with Section 59-2-1331 after the reduction in the amount of tax levied against the
5146 property in accordance with the final and unappealable judgment or order
5147 described in Subsection (4);

5148 (c) as provided in Subsection (7)(a), interest the taxpayer paid in accordance with
5149 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and

5150 (d) as provided in Subsection (7)(b), interest on the sum of the amounts described in
5151 Subsections (5)(a), (5)(b), and (5)(c).

5152 (6) For purposes of Subsections (3) and (4), the amount a taxing entity shall pay to a
5153 taxpayer is equal to the sum of:

5154 (a) if the difference described in this Subsection (6)(a) is greater than \$0, the difference
5155 between:

5156 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (3);
5157 and

5158 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in
5159 the amount of tax levied against the property in accordance with the final and
5160 unappealable judgment or order described in Subsection (4);

5161 (b) if the difference described in this Subsection (6)(b) is greater than \$0, the difference
5162 between:

5163 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section
5164 59-2-1331; and

5165 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in
5166 accordance with Section 59-2-1331 after the reduction in the amount of tax levied
5167 against the property in accordance with the final and unappealable judgment or
5168 order described in Subsection (4);

5169 (c) as provided in Subsection (7)(a), interest the taxpayer paid in accordance with
5170 Section 59-2-1331 on the amounts described in Subsections (6)(a) and (6)(b); and

5171 (d) as provided in Subsection (7)(b), interest on the sum of the amounts described in
5172 Subsections (6)(a), (6)(b), and (6)(c).

5173 (7) Except as provided in Subsection (8):

5174 (a) interest shall be refunded to a taxpayer on the amount described in Subsection (5)(c)
5175 or (6)(c) in an amount equal to the amount of interest the taxpayer paid in accordance
5176 with Section 59-2-1331; and

5177 (b) interest shall be paid to a taxpayer on the amount described in Subsection (5)(d) or
5178 (6)(d):

- 5179 (i) beginning on the later of:
- 5180 (A) the day on which the taxpayer paid the tax in accordance with Subsection (3);
- 5181 or
- 5182 (B) January 1 of the calendar year immediately following the calendar year for
- 5183 which the tax was due;
- 5184 (ii) ending on the day on which the state or a taxing entity pays to the taxpayer the
- 5185 amount required by Subsection (5) or (6); and
- 5186 (iii) at the interest rate earned by the state treasurer on public funds transferred to the
- 5187 Public Treasurers' Investment Fund as defined in Section 51-7-3.
- 5188 (8)(a) The state may not pay or refund interest to a taxpayer under Subsection (7) on any
- 5189 tax the taxpayer paid in accordance with Subsection (3) that exceeds the amount of
- 5190 tax levied by the state for that calendar year as stated on the notice required by
- 5191 Section 59-2-1317.
- 5192 (b) A taxing entity may not pay or refund interest to a taxpayer under Subsection (7) on
- 5193 any tax the taxpayer paid in accordance with Subsection (3) that exceeds the amount
- 5194 of tax levied by the taxing entity for that calendar year as stated on the notice
- 5195 required by Section 59-2-1317.
- 5196 (9)(a) Each taxing entity may levy a tax to pay the taxing entity's share of the final and
- 5197 unappealable judgment or order described in Subsection (4) if:
- 5198 (i) the final and unappealable judgment or order is issued no later than 15 days [~~prior~~
- 5199 ~~to~~] before the date the certified tax rate is set under Section 59-2-924;
- 5200 (ii) the following information is included on the notice under Section [~~59-2-919.1~~
- 5201 59-2-918.5:
- 5202 (A) the amount of the judgment levy; and
- 5203 (B) the term of the judgment levy; and
- 5204 (iii) the final and unappealable judgment or order is an eligible judgment, as defined
- 5205 in Section 59-2-102.
- 5206 (b) The levy under Subsection (9)(a) is in addition to, and exempt from, the maximum
- 5207 levy established for the taxing entity.
- 5208 (c) A taxing entity may divide a judgment levy under this Subsection (9) and impose the
- 5209 judgment levy in more than one subsequent tax year.
- 5210 (10)(a) A taxpayer that objects to the assessment of property assessed by the
- 5211 commission shall pay, on or before the property tax due date established under
- 5212 Subsection 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the

notice required by Section 59-2-1317 if:

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

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

(b) A taxpayer that pays the full amount of taxes due under Subsection (10)(a) is not required to pay penalties or interest on an assessment described in Subsection (10)(a) unless:

(i) a final and unappealable judgment or order establishing that the property described in Subsection (10)(a) has a value greater than the value stated on the notice required by Section 59-2-1317 is issued by:

(A) the commission; or

(B) a court of competent jurisdiction; and

(ii) the taxpayer fails to pay the additional tax liability resulting from the final and unappealable judgment or order described in Subsection (10)(b)(i) within a 45-day period after the county bills the taxpayer for the additional tax liability.

(11)(a) Except as provided in Subsection (11)(b), a payment that is required by this section shall be paid to a taxpayer:

(i) within 120 days after the day on which the final and unappealable judgment or order is issued in accordance with Subsection (4); or

(ii) if a judgment levy is imposed in accordance with Subsection (9):

(A) if the payment to the taxpayer required by this section is \$15,000 or more, no later than December 31 of the first year in which the judgment levy is imposed; and

(B) if the payment to the taxpayer required by this section is less than \$15,000, within 120 days after the date the final and unappealable judgment or order is issued in accordance with Subsection (4).

(b) A taxpayer may enter into an agreement:

(i) that establishes a time period other than a time period described in Subsection (11)(a) for making a payment to the taxpayer that is required by this section; and

(ii) with:

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

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

Section 87. Section **59-2-1602** is amended to read:

**59-2-1602 (Effective 01/01/27). Property Tax Valuation Fund -- Statewide levy --
Additional county levy.**

- (1)(a) There is created a custodial fund known as the "Property Tax Valuation Fund."
- (b) The fund consists of:
- (i) deposits made and penalties received under Subsection (3); and
 - (ii) interest on money deposited into the fund.
- (c) Deposits, penalties, and interest described in Subsection (1)(b) shall be disbursed and used as provided in Section 59-2-1603.

- (2)(a) Each county shall ~~[annually]~~impose annually a multicounty assessing and collecting levy as provided in this Subsection (2).

- (b) The tax rate of the multicounty assessing and collecting levy is the certified revenue levy rounded up to the sixth decimal place.

- (c) The state treasurer shall allocate all revenue collected from the multicounty assessing and collecting levy to the Multicounty Appraisal Trust.

- (3)(a) The county shall separately state the multicounty assessing and collecting levy imposed under Subsection (2) [shall be separately stated] on the tax notice as a multicounty assessing and collecting levy.

- (b) The multicounty assessing and collecting levy is:

- (i) exempt from Sections 17C-1-403 through 17C-1-406; and

- (ii) in addition to and exempt from the maximum levies allowable under Section 59-2-908~~[; and]~~ .

- ~~[(iii) exempt from the notice and public hearing requirements of Section 59-2-919.]~~

- (c)(i) Each county shall transmit quarterly to the state treasurer the revenue collected from the multicounty assessing and collecting levy.

- (ii) ~~The [revenue transmitted under Subsection (3)(c)(i) shall be transmitted]~~ county shall transmit the revenue described in Subsection (3)(c)(i) no later than the tenth day of the month following the end of the quarter in which the county collects the revenue[is collected].

- (iii) If a county transmits revenue described in Subsection (3)(c)(i) after the tenth day of the month following the end of the quarter in which the county collects the revenue, the county shall pay an interest penalty at the rate of 10% each year until the county transmits the revenue.

- ~~[(iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth day of the month following the end of the quarter in which the revenue is~~

5281 collected, the county shall pay an interest penalty at the rate of 10% each year
 5282 until the revenue is transmitted.]

5283 (d) The state treasurer shall allocate the penalties received under this Subsection (3) in
 5284 the same manner as ~~[revenue is allocated]~~ the state treasurer allocates the revenue
 5285 under Subsection (2)(c).

5286 (4)(a) A county may levy a county additional property tax in accordance with this
 5287 Subsection (4).

5288 (b) The county additional property tax:

5289 (i) shall be separately stated on the tax notice as a county assessing and collecting
 5290 levy;

5291 (ii) may not be incorporated into the rate of any other levy;

5292 (iii) is exempt from Sections 17C-1-403 through 17C-1-406; and

5293 (iv) is in addition to and exempt from the maximum levies allowable under Section
 5294 59-2-908.

5295 (c) ~~[Revenue]~~ A county shall use revenue collected from the county additional property
 5296 tax~~[-shall be used]~~ to:

5297 (i) promote the accurate valuation and uniform assessment levels of property as
 5298 required by Section 59-2-103;

5299 (ii) promote the efficient administration of the property tax system, including the
 5300 costs of assessment, collection, and distribution of property taxes;

5301 (iii) fund state mandated actions to meet legislative mandates or judicial or
 5302 administrative orders that relate to promoting:

5303 (A) the accurate valuation of property; and

5304 (B) the establishment and maintenance of uniform assessment levels within and
 5305 among counties; and

5306 (iv) establish reappraisal programs that:

5307 (A) are adopted by a resolution or ordinance of the county legislative body; and

5308 (B) conform to rules the commission makes in accordance with Title 63G,
 5309 Chapter 3, Utah Administrative Rulemaking Act.

5310 Section 88. Section **59-12-703** is amended to read:

5311 **59-12-703 (Effective 01/01/27). Base -- Rate -- Imposition of tax -- Expenditure of**
 5312 **revenue -- Administration -- Enactment or repeal of tax -- Effective date -- Notice**
 5313 **requirements.**

5314 (1)(a) Subject to the other provisions of this section, a county legislative body may [

5315 submit an opinion question to the residents of that county, by majority vote of all
5316 members of the legislative body, so that each resident of the county, except residents
5317 in municipalities that have already imposed a sales and use tax under Part 14, City or
5318 Town Option Funding for Botanical, Cultural, Recreational, and Zoological
5319 Organizations or Facilities, has an opportunity to express the resident's opinion on the
5320 imposition of a] impose a local sales and use tax of .1% on the transactions described
5321 in Subsection 59-12-103(1) located within the county, to:

- 5322 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
5323 organizations, cultural organizations, and zoological organizations, and rural radio
5324 stations, in ~~[that]~~ the county; or
- 5325 (ii) provide funding for a botanical organization, cultural organization, or zoological
5326 organization to pay for use of a bus or facility rental if that use of the bus or
5327 facility rental is in furtherance of the botanical organization's, cultural
5328 organization's, or zoological organization's primary purpose.

5329 [(b) The opinion question required by this section shall state:

5330 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and
5331 use tax for (list the purposes for which the revenue collected from the sales and use tax shall be
5332 expended)?"

5333 [(e)] (b) A county legislative body may not impose a tax under this section on:

- 5334 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
5335 are exempt from taxation under Section 59-12-104;
- 5336 (ii) sales and uses within a municipality that has already imposed a sales and use tax
5337 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational,
5338 and Zoological Organizations or Facilities; and
- 5339 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
5340 food ingredients.

5341 [(d)] (c) For purposes of this Subsection (1), the location of a transaction shall be
5342 determined in accordance with Sections 59-12-211 through 59-12-215.

5343 [(e)] (d) A county legislative body imposing a tax under this section shall impose the tax
5344 on the purchase price or sales price for amounts paid or charged for food and food
5345 ingredients if the food and food ingredients are sold as part of a bundled transaction
5346 attributable to food and food ingredients and tangible personal property other than
5347 food and food ingredients.

5348 [(f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local

- 5349 ~~Government Bonding Act.]~~
- 5350 (e) Before a county legislative body may impose the tax for the first time, the county
- 5351 legislative body shall:
- 5352 (i) pass an ordinance to impose the tax, contingent upon the voters' approval; and
- 5353 (ii) submit the legislation to the voters of the county, except voters in municipalities
- 5354 that have imposed a sales and use tax under Part 14, City or Town Option Funding
- 5355 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities,
- 5356 in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting
- 5357 Requirements.
- 5358 [~~(2)(a) If the county legislative body determines that a majority of the county's~~
- 5359 ~~registered voters voting on the imposition of the tax have voted in favor of the~~
- 5360 ~~imposition of the tax in accordance with Subsection (1), the county legislative body~~
- 5361 ~~may impose the tax by a majority vote of all members of the legislative body on the~~
- 5362 ~~transactions:]~~
- 5363 [~~(i) described in Subsection (1); and]~~
- 5364 [~~(ii) within the county, including the cities and towns located in the county, except~~
- 5365 ~~those cities and towns that have already imposed a sales and use tax under Part 14,~~
- 5366 ~~City or Town Option Funding for Botanical, Cultural, Recreational, and~~
- 5367 ~~Zoological Organizations or Facilities.]~~
- 5368 [~~(b) A county legislative body may revise county ordinances to reflect statutory changes~~
- 5369 ~~to the distribution formula or eligible recipients of revenue generated from a tax~~
- 5370 ~~imposed under Subsection (2)(a) without submitting an opinion question to residents~~
- 5371 ~~of the county.]~~
- 5372 (2) A county legislative body may revise county ordinances to reflect statutory changes to
- 5373 the distribution formula or eligible recipients of revenue generated from a tax imposed
- 5374 under this section without submitting the legislation to the voters of the county.
- 5375 (3)(a) Except as provided in Subsection (3)(b), a tax authorized under this part shall be
- 5376 administered, collected, enforced, and interpreted in accordance with:
- 5377 (i) the same procedures used to administer, collect, enforce, and interpret the tax
- 5378 under:
- 5379 (A) Part 1, Tax Collection; or
- 5380 (B) Part 2, Local Sales and Use Tax Act; and
- 5381 (ii) Chapter 1, General Taxation Policies.
- 5382 (b) A tax under this part is not subject to Subsections 59-12-205(2) and (4) through (6).

- 5383 (c) A tax authorized under this section is levied for a period of 10 years and may be
5384 reauthorized at the end of the 10-year period in accordance with Subsection (4).
- 5385 (4) Except as provided in Subsection (5), a county legislative body shall reauthorize a tax
5386 under this part by:
- 5387 (a) passing an ordinance continuing the tax; and
5388 (b) submitting the legislation to the voters of the county, except voters in municipalities
5389 that have imposed a sales and use tax under Part 14, City or Town Option Funding
5390 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, in
5391 accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.
- 5392 ~~[(3)]~~ (5)(a) After the residents of a county of the third, fourth, fifth, or sixth class
5393 authorize a tax under this part in accordance with ~~[Subsection (1)]~~ Subsections (1) and
5394 (4) for two consecutive 10-year periods, the tax may be reauthorized only by a
5395 majority vote of the members of the county legislative body.
- 5396 (b) For purposes of reauthorizing the tax in accordance with Subsection ~~[(3)(a)]~~ (5)(a),
5397 the county legislative body shall post the purposes for ~~[imposing]~~ continuing the tax
5398 at least 24 hours before the meeting at which the county legislative body votes to
5399 reauthorize the tax.
- 5400 ~~[(4)]~~ (6) Subject to Section 59-12-704, a county shall expend revenue ~~[collected from a tax~~
5401 ~~imposed under Subsection (2) or (3)]~~ the county collects from a tax imposed in
5402 accordance with this part:
- 5403 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
5404 within the county or a city or town located in the county, except a city or town that
5405 has already imposed a sales and use tax under Part 14, City or Town Option Funding
5406 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities;
- 5407 (b) to fund ongoing operating expenses of:
- 5408 (i) recreational facilities described in Subsection ~~[(4)(a)]~~ (6)(a);
- 5409 (ii) botanical organizations, cultural organizations, and zoological organizations
5410 within the county; and
- 5411 (iii) rural radio stations within the county; and
- 5412 (c)(i) as stated in the ~~[opinion question described in Subsection (1) if the county~~
5413 ~~authorizes the tax in accordance with Subsections (1) and (2)]~~ ballot title for
5414 legislation the county submits to voters in accordance with Subsection (1) or (4);
5415 or
- 5416 (ii) for the purposes posted by the members of the county legislative body if the

county legislative body reauthorizes the tax in accordance with Subsection ~~[(3)]~~ (5).

~~[(5)(a) A tax authorized under this part shall be:]~~

~~[(i) except as provided in Subsection (5)(b), administered, collected, enforced, and interpreted in accordance with:]~~

~~[(A) the same procedures used to administer, collect, enforce, and interpret the tax under:]~~

~~[(I) Part 1, Tax Collection; or]~~

~~[(II) Part 2, Local Sales and Use Tax Act; and]~~

~~[(B) Chapter 1, General Taxation Policies; and]~~

~~[(ii) levied for a period of 10 years and may be reauthorized at the end of the 10-year period in accordance with this section.]~~

~~[(b) A tax under this part is not subject to Subsections 59-12-205(2) and (4) through (6):]~~

~~[(6)]~~ (7)(a) For purposes of this Subsection ~~[(6)]~~ (7):

(i) "Annexation" means an annexation to a county under Title 17, Chapter 61, Part 2, Consolidation of Counties, or Part 3, County Annexation.

(ii) "Annexing area" means an area that is annexed into a county.

(b)(i) Except as provided in Subsection ~~[(6)(e) or (d)]~~ (7)(c) or (7)(d), if a county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection ~~[(6)(b)(ii)]~~ (7)(b)(ii) from the county.

(ii) The notice described in Subsection ~~[(6)(b)(i)(B)]~~ (7)(b)(i)(B) shall state:

(A) that the county will enact or repeal a tax under this part;

(B) the statutory authority for the tax described in Subsection ~~[(6)(b)(ii)(A)]~~

~~(7)(b)(ii)(A);~~

(C) the effective date of the tax described in Subsection ~~[(6)(b)(ii)(A)]~~ (7)(b)(ii)(A);

and

(D) if the county enacts the tax described in Subsection ~~[(6)(b)(ii)(A)]~~ (7)(b)(ii)(A), the rate of the tax.

(c)(i) If the billing period for a transaction begins before the effective date of the enactment of the tax under this section, the enactment of the tax takes effect on the first day of the first billing period that begins on or after the effective date of the enactment of the tax.

(ii) The repeal of a tax applies to a billing period if the billing statement for the

5451 billing period is produced on or after the effective date of the repeal of the tax
5452 imposed under this section.

5453 (d)[(f)] If a tax due under this chapter on a catalogue sale is computed on the basis of
5454 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
5455 described in Subsection [(6)(b)(i)] (7)(b)(i) takes effect:

5456 [(A)] (i) on the first day of a calendar quarter; and

5457 [(B)] (ii) beginning 60 days after the effective date of the enactment or repeal[under
5458 Subsection (6)(b)(i)].

5459 [(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
5460 the commission may by rule define the term "catalogue sale."]

5461 (e)(i) Except as provided in Subsection [(6)(f) or (g)] (7)(f) or (7)(g), if an annexation
5462 will result in the enactment or repeal of a tax under this part for an annexing area,
5463 the enactment or repeal shall take effect:

5464 (A) on the first day of a calendar quarter; and

5465 (B) after a 90-day period beginning on the date the commission receives notice
5466 meeting the requirements of Subsection [(6)(e)(ii)] (7)(e)(ii) from the county
5467 that annexes the annexing area.

5468 (ii) The notice described in Subsection [(6)(e)(i)(B)] (7)(e)(i)(B) shall state:

5469 (A) that the annexation described in Subsection [(6)(e)(i)] (7)(e)(i) will result in an
5470 enactment or repeal of a tax under this part for the annexing area;

5471 (B) the statutory authority for the tax described in Subsection [(6)(e)(ii)(A)] (7)(e)(ii)(A);
5472

5473 (C) the effective date of the tax described in Subsection [(6)(e)(ii)(A)] (7)(e)(ii)(A);
5474 and

5475 (D) the rate of the tax described in Subsection [(6)(e)(ii)(A)] (7)(e)(ii)(A).

5476 (f)(i) If the billing period for a transaction begins before the effective date of the
5477 enactment of the tax under this section, the enactment of the tax takes effect on the
5478 first day of the first billing period that begins on or after the effective date of the
5479 enactment of the tax.

5480 (ii) The repeal of a tax applies to a billing period if the billing statement for the
5481 billing period is produced on or after the effective date of the repeal of the tax
5482 imposed under this section.

5483 (g)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
5484 sales and use tax rates published in the catalogue, an enactment or repeal of a tax

5485 described in Subsection ~~[(6)(e)(i)]~~ (7)(e)(i) takes effect:

5486 (A) on the first day of a calendar quarter; and

5487 (B) beginning 60 days after the effective date of the enactment or repeal~~[-under~~
5488 ~~Subsection (6)(e)(i)]~~.

5489 ~~[(ii)]~~ (h) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
5490 the commission may by rule define the term "catalogue sale~~[-]~~" for purposes of this
5491 Subsection (7).

5492 Section 89. Section **59-12-704** is amended to read:

5493 **59-12-704 (Effective 01/01/27). Distribution of revenue -- Advisory board**
5494 **creation -- Determining operating expenses -- Administrative charge.**

5495 (1) Except as provided in Subsections (7)(b) and (9), and subject to the requirements of this
5496 section, the county legislative body of a county of the first class shall distribute annually
5497 any revenue collected under this part to support cultural facilities, recreational facilities,
5498 and zoological facilities and botanical organizations, cultural organizations, and
5499 zoological organizations within that first class county as follows:

5500 (a) 30% of the revenue to support cultural facilities and recreational facilities located
5501 within the county;

5502 (b) 16% of the revenue to support zoological facilities and zoological organizations
5503 located within the county as provided in Subsection (2);

5504 (c) as provided in Subsection (5), 45% of the revenue to support no more than 22
5505 botanical organizations and cultural organizations:

5506 (i) each of which has average annual operating expenses of more than \$250,000 as
5507 determined under Subsection (7); and

5508 (ii) whose activities impact all or a significant region of the county or state; and

5509 (d) 9% of the revenue to botanical organizations and cultural organizations that do not
5510 receive revenue under Subsection (1)(c) in communities throughout the county as
5511 determined by the county legislative body.

5512 (2)(a) The distribution described in Subsection (1)(b) shall support no more than three
5513 zoological facilities and zoological organizations located within the county and
5514 having average annual operating expenses of \$1,500,000 or more as determined
5515 under Subsection (7).

5516 (b) For the calendar years that begin on or after January 1, 2025, and on or before
5517 January 1, 2029, the county shall distribute the 16% of the revenue as follows:

5518 (i) 8.25% of the revenue to support a zoological organization having as the zoological

organization's primary purpose the operation of an aviary, or a zoological facility that is part of or integrated with an aviary;

(ii) an amount equal to the amount distributed during the previous calendar year to support a zoological organization having as the zoological organization's primary purpose the operation of a zoological park, or a zoological facility that is part of or integrated with a zoological park; and

(iii) the remaining amount to a zoological organization having as the zoological organization's primary purpose the operation of an aquarium, or a zoological facility that is part of or integrated with an aquarium.

(c) For a calendar year that begins on or after January 1, 2030, the county shall provide by ordinance for the distribution of the 16% of revenue to no more than three zoological facilities and zoological organizations located within the county and having average annual operating expenses of \$1,500,000 or more as determined under Subsection (7).

(3) If more than one zoological organization or zoological facility qualifies to receive the money described in Subsection (2), the county legislative body shall distribute the money described in the subsection for which more than one zoological organization or zoological facility qualifies to whichever zoological organization or zoological facility the county legislative body determines is most appropriate, except that a zoological organization or zoological facility may not receive money under more than one subsection under Subsection (2).

(4) If no zoological organization or zoological facility qualifies to receive money described in Subsection (2), the county legislative body shall distribute the money described in the subsection for which no zoological organization or zoological facility qualifies among the zoological organizations or zoological facilities qualifying for and receiving money under the other subsections in proportion to the zoological organizations' or zoological facilities' average annual operating expenses as determined under Subsection (7).

(5)(a) Subject to Subsection (5)(b), the county legislative body shall distribute the money described in Subsection (1)(c) among the botanical organizations and cultural organizations in proportion to the botanical organizations' and cultural organizations' average annual operating expenses as determined under Subsection (7).

(b) The county may not distribute to any botanical organization or cultural organization described in Subsection (1)(c) an amount that exceeds 35% of the botanical organization's or cultural organization's operating budget.

- (6)(a) The county legislative body of each county shall create an advisory board to advise the county legislative body on disbursement of funds to botanical organizations and cultural organizations under Subsection (1)(c).
- (b)(i) The advisory board under Subsection (6)(a) shall consist of seven members appointed by the county legislative body.
- (ii) In a county of the first class, the Division of Arts and Museums created in Section 9-6-201 shall appoint two of the seven members of the advisory board under Subsection (6)(a).
- (7)(a) Except as provided in Subsection (7)(b), to be eligible to receive money collected by the county under this part, a botanical organization, cultural organization, zoological organization, and zoological facility located within a county of the first class shall, every year:
- (i) calculate its average annual operating expenses based upon audited operating expenses for three preceding fiscal years; and
- (ii) submit to the appropriate county legislative body:
- (A) a verified audit of annual operating expenses for each of those three preceding fiscal years; and
- (B) the average annual operating expenses as calculated under Subsection (7)(a)(i).
- (b) The county legislative body may waive the operating expenses reporting requirements under Subsection (7)(a) for organizations described in Subsection (1)(d).
- (8) When calculating average annual operating expenses as described in Subsection (7), each botanical organization, cultural organization, and zoological organization shall use the same three-year fiscal period as determined by the county legislative body.
- (9)(a) By July 1 of each year, the county legislative body of a first class county may index the threshold amount in Subsections (1)(c) and (2)(a).
- (b) Any change under Subsection (9)(a) shall be rounded off to the nearest \$100.
- (10)(a) In a county except for a county of the first class, the county legislative body shall by ordinance provide for the distribution of the entire amount of the revenue generated by the tax imposed by this section:
- (i) as provided in this Subsection (10); and
- (ii) as stated in:
- (A) the ~~[opinion question described in]~~ ballot title for legislation the county submits to voters in accordance with Subsection 59-12-703(1) if the county authorizes the tax in accordance with ~~[Subsections 59-12-703(1) and (2)]~~

Subsection 59-12-703(1); or

(B) the purposes posted as required in Subsection 59-12-703(3) if the county legislative body reauthorizes the tax in accordance with Subsection 59-12-703(3).

(b) In accordance with an interlocal agreement established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, a county described in Subsection (10)(a) may distribute to a city, town, or political subdivision within the county revenue generated by a tax under this part.

(c) The revenue distributed under Subsection (10)(a) or (b) shall be used for one or more organizations or facilities defined in Section 59-12-702 regardless of whether the revenue is distributed:

(i) directly by the county described in Subsection (10)(a) to be used for an organization or facility defined in Section 59-12-702; or

(ii) in accordance with an interlocal agreement described in Subsection (10)(b).

(11) A county legislative body may retain up to 1.5% of the proceeds from a tax under this part for the cost of administering this part.

(12) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenue the commission collects from a tax under this part.

Section 90. Section **59-12-1402** is amended to read:

59-12-1402 (Effective 01/01/27). Opinion question election -- Base -- Rate -- Imposition of tax -- Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice requirements.

(1)(a) Subject to the other provisions of this section, a city or town legislative body subject to this part may ~~[submit an opinion question to the residents of that city or town, by majority vote of all members of the legislative body, so that each resident of the city or town has an opportunity to express the resident's opinion on the imposition of a local sales and use tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or town;]~~ impose a local sales and use tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or town to:

(i) fund cultural facilities, recreational facilities, and zoological facilities and botanical organizations, cultural organizations, and zoological organizations in [~~that~~] the city or town; or

(ii) provide funding for a botanical organization, cultural organization, or zoological

organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in furtherance of the botanical organization's, cultural organization's, or zoological organization's primary purpose.

~~[(b) The opinion question required by this section shall state:~~

~~"Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales and use tax for (list the purposes for which the revenue collected from the sales and use tax shall be expended)?"~~

~~[(e)] (b) A city or town legislative body may not impose a tax under this section:~~

~~(i) if the county in which the city or town is located imposes a tax under Part 7,~~

~~County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities;~~

~~(ii) on the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104; and~~

~~(iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and food ingredients.~~

~~[(d)] (c) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-211 through 59-12-215.~~

~~[(e)] (d) A city or town legislative body imposing a tax under this section shall impose the tax on the purchase price or sales price for amounts paid or charged for food and food ingredients if the food and food ingredients are sold as part of a bundled transaction attributable to food and food ingredients and tangible personal property other than food and food ingredients.~~

~~(e) Before a city or town legislative body may impose the tax for the first time, the city or town legislative body shall:~~

~~(i) comply with Subsection (6);~~

~~(ii) pass an ordinance to impose the tax, contingent upon the voters' approval; and~~

~~(iii) submit the legislation to the voters of the city or town in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.~~

~~[(f) Except as provided in Subsection (6), the election shall be held at a regular general election or a municipal general election, as those terms are defined in Section 20A-1-102, and shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.]~~

~~[(2) If the city or town legislative body determines that a majority of the city's or town's registered voters voting on the imposition of the tax have voted in favor of the~~

imposition of the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by a majority vote of all members of the legislative body.]

(2)(a) Except as provided in Subsection (2)(b), a tax authorized under this part shall be administered, collected, enforced, and interpreted in accordance with:

(i) the same procedures used to administer, collect, enforce, and interpret the tax under:

(A) Part 1, Tax Collection; or

(B) Part 2, Local Sales and Use Tax Act; and

(ii) Chapter 1, General Taxation Policies.

(b) A tax under this section is not subject to Subsections 59-12-205(2) and (4) through (6).

(c) A tax authorized under this section is levied for a period of 10 years and may be reauthorized at the end of the 10-year period in accordance with Subsection (3).

(3) A city or town legislative body shall reauthorize a tax under this part by:

(a) passing an ordinance continuing the tax; and

(b) submitting the legislation to the voters of the city or town in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.

[(3)] (4) Subject to Section 59-12-1403, a city or town shall expend revenue collected from a tax [imposed under Subsection (2) shall be expended] the city or town collects from a tax imposed in accordance with this part:

(a) to finance cultural facilities, recreational facilities, and zoological facilities within the city or town or within the geographic area of entities that are parties to an interlocal agreement, to which the city or town is a party, providing for cultural facilities, recreational facilities, or zoological facilities;

(b) to finance ongoing operating expenses of:

(i) recreational facilities described in Subsection [(3)(a)] (4)(a) within the city or town or within the geographic area of entities that are parties to an interlocal agreement, to which the city or town is a party, providing for recreational facilities; or

(ii) botanical organizations, cultural organizations, and zoological organizations within the city or town or within the geographic area of entities that are parties to an interlocal agreement, to which the city or town is a party, providing for the support of botanical organizations, cultural organizations, or zoological organizations; and

(c) as stated in the opinion question described in Subsection (1).

- 5689 ~~[(4)(a) Except as provided in Subsections (4)(b) and (c), a tax authorized under this part~~
5690 ~~shall be:]~~
- 5691 ~~[(i) administered, collected, enforced, and interpreted in accordance with:]~~
5692 ~~[(A) the same procedures used to administer, collect, enforce, and interpret the tax~~
5693 ~~under:]~~
5694 ~~[(I) Part 1, Tax Collection; or]~~
5695 ~~[(H) Part 2, Local Sales and Use Tax Act; and]~~
5696 ~~[(B) Chapter 1, General Taxation Policies; and]~~
5697 ~~[(ii)(A) levied for a period of eight years; and]~~
5698 ~~[(B) may be reauthorized at the end of the eight-year period in accordance with~~
5699 ~~this section.]~~
- 5700 ~~[(b)(i) If a tax under this part is imposed for the first time on or after July 1, 2011,~~
5701 ~~the tax shall be levied for a period of 10 years.]~~
- 5702 ~~[(ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or~~
5703 ~~after July 1, 2011, the tax shall be reauthorized for a 10-year period.]~~
- 5704 ~~[(c) A tax under this section is not subject to Subsections 59-12-205(2) and (4) through~~
5705 ~~(6).]~~
- 5706 (5)(a) For purposes of this Subsection (5):
- 5707 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2,
- 5708 Part 8, Annexation.
- 5709 (ii) "Annexing area" means an area that is annexed into a city or town.
- 5710 (b)(i) Except as provided in Subsection (5)(c) or (d), if, ~~[on or after July 1, 2004,]~~a
5711 city or town enacts or repeals a tax under this part, the enactment or repeal shall
5712 take effect:
- 5713 (A) on the first day of a calendar quarter; and
- 5714 (B) after a 90-day period beginning on the date the commission receives notice
5715 meeting the requirements of Subsection (5)(b)(ii) from the city or town.
- 5716 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
- 5717 (A) that the city or town will enact or repeal a tax under this part;
- 5718 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
- 5719 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
- 5720 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate
5721 of the tax.
- 5722 (c)(i) If the billing period for a transaction begins before the effective date of the

enactment of the tax under this section, the enactment of the tax takes effect on the first day of the first billing period that begins on or after the effective date of the enactment of the tax.

(ii) The repeal of a tax applies to a billing period if the billing statement for the billing period is produced on or after the effective date of the repeal of the tax imposed under this section.

(d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (5)(b)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal~~[under Subsection (5)(b)(i)].~~

~~[(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."]~~

(e)(i) Except as provided in Subsection (5)(f) or (g), if~~[, for an annexation that occurs on or after July 1, 2004,]~~ the annexation will result in the enactment or repeal of a tax under this part for an annexing area, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

(ii) The notice described in Subsection (5)(e)(i)(B) shall state:

(A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or repeal a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

(C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

(D) the rate of the tax described in Subsection (5)(e)(ii)(A).

(f)(i) If the billing period for a transaction begins before the effective date of the enactment of the tax under this section, the enactment of the tax takes effect on the first day of the first billing period that begins on or after the effective date of the enactment of the tax.

(ii) The repeal of a tax applies to a billing period if the billing statement for the billing period is produced on or after the effective date of the repeal of the tax imposed under this section.

(g)[(i)] If a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (5)(e)(i) takes effect:

[(A)] (i) on the first day of a calendar quarter; and

[(B)] (ii) beginning 60 days after the effective date of the enactment or repeal~~[-under Subsection (5)(e)(i)]~~.

[(ii)] (h) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale~~[-]~~" for purposes of this Subsection (5).

(6)(a) Before a city or town legislative body ~~[submits an opinion question to the residents of the city or town under Subsection (1)]~~ passes an ordinance to impose the tax, the city or town legislative body shall:

(i) submit to the county legislative body in which the city or town is located a written notice of the intent to submit the ~~[opinion question]~~ legislation to the residents of the city or town; and

(ii) receive from the county legislative body:

(A) a written resolution passed by the county legislative body stating that the county legislative body is not seeking to impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

(B) a written statement that, in accordance with Subsection (6)(b), the results of ~~[a county opinion question]~~ the county legislation submitted to the residents of the county under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city or town legislative body to submit the ~~[opinion question]~~ legislation to the residents of the city or town~~[-in accordance with this part]~~.

(b)(i) Within 60 days after the day the county legislative body receives from a city or town legislative body described in Subsection (6)(a) the notice of the intent to submit ~~[an opinion question]~~ the legislation to the residents of the city or town, the county legislative body shall provide the city or town legislative body:

(A) the written resolution described in Subsection (6)(a)(ii)(A); or

(B) written notice that the county legislative body will submit ~~[an opinion question]~~ legislation to the residents of the county under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities,

5791 for the county to impose a tax under that part.

5792 (ii) If the county legislative body provides the city or town legislative body the
5793 written notice that the county legislative body will submit [~~an opinion question~~]
5794 legislation as provided in Subsection (6)(b)(i)(B), the county legislative body shall
5795 submit the [~~opinion question~~] legislation by no later than, from the date the county
5796 legislative body sends the written notice, the later of:

5797 (A) a 12-month period;

5798 (B) the next regular primary election; or

5799 (C) the next regular general election.

5800 (iii) Within 30 days of the date of the canvass of the election at which the [~~opinion~~
5801 ~~question under~~] legislation described in Subsection (6)(b)(ii) is voted on, the
5802 county legislative body shall provide the city or town legislative body described in
5803 Subsection (6)(a) written results of the [~~opinion question~~] legislation submitted by
5804 the county legislative body under Part 7, County Option Funding for Botanical,
5805 Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:
5806 (A)(I) the city or town legislative body may not impose a tax under this part
5807 because a majority of the county's registered voters voted in favor of the
5808 county imposing the tax and the county legislative body by a majority vote
5809 approved the imposition of the tax; or
5810 (II) for at least 12 months from the date the written results are submitted to the
5811 city or town legislative body, the city or town legislative body may not
5812 submit to the county legislative body a written notice of the intent to submit [
5813 ~~an opinion question~~] legislation under this part because a majority of the
5814 county's registered voters voted against the county imposing the tax and the
5815 majority of the registered voters who are residents of the city or town
5816 described in Subsection (6)(a) voted against the imposition of the county
5817 tax; or

5818 (B) the city or town legislative body may submit the [~~opinion question~~] legislation
5819 to the residents of the city or town in accordance with this part because
5820 although a majority of the county's registered voters voted against the county
5821 imposing the tax, the majority of the registered voters who are residents of the
5822 city or town voted for the imposition of the county tax.

5823 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
5824 provide a city or town legislative body described in Subsection (6)(a) a written

resolution passed by the county legislative body stating that the county legislative body is not seeking to impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, which permits the city or town legislative body to submit ~~[under Subsection (1) an opinion question]~~ legislation to the city's or town's residents.

Section 91. Section **59-12-1403** is amended to read:

59-12-1403 (Effective 01/01/27). Distribution of revenues -- Administrative costs.

- (1)(a) The city or town legislative body shall by ordinance provide for the distribution of the entire amount of the ~~[revenues]~~ revenue collected from the tax imposed by this part:
- (i) in accordance with this section; and
 - (ii) as stated in the ~~[opinion question described in Subsection 59-12-1402(1)]~~ ballot title for legislation submitted to voters in accordance with Section 59-12-1402.
- (b) A city or town may participate in an interlocal agreement provided for under Section 59-12-704 and distribute the ~~[revenues]~~ revenue collected from the tax imposed by this part to participants in the interlocal agreement.
- (c) Subject to Subsection (1)(a), ~~[revenues]~~ revenue collected from the tax shall be used for one or more organizations or facilities defined in Section 59-12-702.
- (2) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the ~~[revenues]~~ revenue the commission collects from a tax under this part.

Section 92. Section **59-12-2208** is amended to read:

59-12-2208 (Effective 01/01/27). Legislative body approval requirements -- Notice -- Voter approval requirements.

- (1) Subject to the other provisions of this section, before imposing a sales and use tax under this part, a county, city, or town legislative body shall:
- ~~[(a) obtain approval to impose the sales and use tax from a majority of the members of the county, city, or town legislative body; and]~~
 - (a) pass an ordinance to impose the tax, contingent upon the voters' approval; and
 - (b) submit the legislation to the voters of the county, city, or town in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.
 - ~~[(b) submit an opinion question to the county's, city's, or town's registered voters voting on the imposition of the sales and use tax so that each registered voter has the opportunity to express the registered voter's opinion on whether a sales and use tax~~

5859 should be imposed under this section.]

5860 [(2) The opinion question required by this section shall state:

5861 "Shall (insert the name of the county, city, or town), Utah, be authorized to impose a
5862 (insert the tax rate of the sales and use tax) sales and use tax for (list the purposes for which the
5863 revenues collected from the sales and use tax shall be expended)?"]

5864 [(3)] (2)[(a) Subject to Subsection (3)(b), the election required by this section shall be
5865 held:]

5866 [(i) at a regular general election conducted in accordance with the procedures and
5867 requirements of Title 20A, Election Code, governing regular general elections; or]

5868 [(ii) at a municipal general election conducted in accordance with the procedures and
5869 requirements of Section 20A-1-202.]

5870 [(b)] (a)[(i)] Subject to Subsection [(3)(b)(ii)] (2)(b), the county clerk of the county in
5871 which [the opinion question required by this section will be submitted to] a county,
5872 city, or town legislative body will submit legislation to registered voters shall:

5873 [(A)] (i) provide notice for the county, city, or town, as a class A notice under Section
5874 63G-30-102, for at least 15 days before the date of the election; and

5875 [(B)] (ii) prepare an affidavit of that posting, showing a copy of the notice and the
5876 places where [the notice was] the county clerk posted the notice.

5877 [(ii)] (b) The notice under Subsection [(3)(b)(i)] (2)(a)(i) shall:

5878 [(A)] (i) state that [an opinion question will be submitted] the county, city, or town
5879 legislative body submitted legislation to the county's, city's, or town's registered
5880 voters [voting] to vote on the imposition of a sales and use tax under this section[
5881 so that each registered voter has the opportunity to express the registered voter's
5882 opinion on whether a sales and use tax should be imposed under this section]; and

5883 [(B)] (ii) list the purposes for which [the revenues collected from the sales and use tax
5884 shall be expended] the county, city, or town legislative body will expend the
5885 revenue collected.

5886 [(4) A county, city, or town that submits an opinion question to registered voters under this
5887 section is subject to Section 20A-11-1203.]

5888 [(5)] (3) Subject to Section 59-12-2209, if a county, city, or town legislative body
5889 determines that a majority of the county's, city's, or town's registered voters voting on
5890 the imposition of a sales and use tax under this part have voted in favor of the imposition
5891 of the sales and use tax in accordance with this section, the county, city, or town
5892 legislative body shall impose the sales and use tax.

~~[(6)] (4)~~ If, after imposing a sales and use tax under this part, a county, city, or town legislative body seeks to ~~[impose]~~ increase a tax rate for the sales and use tax~~[that exceeds or is less than the tax rate stated in the opinion question described in Subsection (2) or repeals the tax rate stated in the opinion question described in Subsection (2)]~~ the voters approved in accordance with this section, the county, city, or town legislative body shall:

~~[(a) obtain approval from a majority of the members of the county, city, or town legislative body to impose a tax rate for the sales and use tax that exceeds or is less than the tax rate stated in the opinion question described in Subsection (2) or repeals the tax rate stated in the opinion question described in Subsection (2); and]~~

~~[(b) in accordance with the procedures and requirements of this section, submit an opinion question to the county's, city's, or town's registered voters voting on the tax rate so that each registered voter has the opportunity to express the registered voter's opinion on whether to impose a tax rate for the sales and use tax that exceeds or is less than the tax rate stated in the opinion question described in Subsection (2) or repeal the tax rate stated in the opinion question described in Subsection (2).]~~

~~(a) pass an ordinance to increase the tax, contingent upon the voters' approval; and~~

~~(b) submit the legislation to the voters of the county, city, or town in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.~~

Section 93. Section **59-12-2213** is amended to read:

59-12-2213 (Effective 01/01/27). County, city, or town option sales and use tax to fund a system for public transit -- Base -- Rate.

~~[(4)]~~ Subject to the requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, and the other provisions of this part, a county, city, or town may impose a sales and use tax under this section of up to:

~~[(a)]~~ ~~(1)~~ for a county, city, or town other than a county, city, or town described in Subsection ~~[(1)(b)]~~ ~~(2)~~, .25% on the transactions described in Subsection 59-12-103(1)

located within the county, city, or town to fund a system for public transit; or

~~[(b)]~~ ~~(2)~~ for a county, city, or town within which a tax is not imposed under Section 59-12-2216, .30% on the transactions described in Subsection 59-12-103(1) located within the county, city, or town, to fund a system for public transit.

~~[(2) Notwithstanding Section 59-12-2208, a county, city, or town legislative body is not required to submit an opinion question to the county's, city's, or town's registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under this section]~~

if the county, city, or town imposes the sales and use tax under Section 59-12-2216 on or before July 1, 2011.]

Section 94. Section **59-12-2214** is amended to read:

59-12-2214 (Effective 01/01/27). County, city, or town option sales and use tax to fund a system for public transit, an airport facility, a water conservation project, or to be deposited into the County of the First Class Highway Projects Fund -- Base -- Rate.

(1) Subject to the requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, and the other provisions of this part, a county, city, or town may impose a sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) located within the county, city, or town.

(2) Notwithstanding Section 59-12-2212.2, and subject to Subsections (3) and (4), a county, city, or town that imposes a sales and use tax under this section shall expend the [revenues] revenue collected from the sales and use tax:

(a) to fund a system for public transit;

(b) to fund a project or service related to an airport facility for the portion of the project or service that is performed within the county, city, or town within which the sales and use tax is imposed:

(i) for a county that imposes the sales and use tax, if the airport facility is part of the regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or

(ii) for a city or town that imposes the sales and use tax, if:

(A) that city or town is located within a county of the second class;

(B) that city or town owns or operates the airport facility; and

(C) an airline is headquartered in that city or town; or

(c) for a combination of Subsections (2)(a) and (b).

(3) After application of Subsection 59-12-2206(5), a county of the first class, as classified in Section 17-60-104, that imposes a sales and use tax under this section shall expend the [revenues] revenue collected from the sales and use tax as follows:

(a) 80% of the [revenues] revenue collected from the sales and use tax shall be expended to fund a system for public transit; and

(b) 20% of the [revenues] revenue collected from the sales and use tax shall be deposited into the County of the First Class Highway Projects Fund created by Section 72-2-121.

(4)(a) A county of the third class, as classified in Section 17-60-104, that has a portion of the county annexed into a large public transit district and that has imposed a sales

and use tax under this section as of January 1, 2020, may change the list of purposes for which the sales and use tax revenue may be expended if:

(i) the proposed uses of the sales and use tax revenue are allowed uses described in this section; and

(ii) in coordination with a relevant large public transit district, the county legislative body passes an ordinance describing the allowed uses of the sales and use tax revenue.

(b) Notwithstanding Section 59-12-2208, and regardless of whether the county legislative body submitted imposition of the sales and use tax ~~[imposed-]~~ under this section ~~[was submitted-]~~ to the voters as described in Section 59-12-2208, the county legislative body is not required to submit ~~[an opinion question]~~ legislation to the county's registered voters to change the allowed uses as described in Subsection (4)(a).

Section 95. Section **59-12-2215** is amended to read:

59-12-2215 (Effective 01/01/27). City or town option sales and use tax for highways or to fund a system for public transit -- Base -- Rate.

(1) Subject to the requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, and the other provisions of this part, a city or town may impose a sales and use tax of up to .30% on the transactions described in Subsection 59-12-103(1) located within the city or town.

(2) A city or town imposing a sales and use tax under this section shall expend the ~~[revenues]~~ revenue collected from the sales and use tax as described in Section 59-12-2212.2.

~~[(3) Notwithstanding Section 59-12-2208, a city, or town legislative body may, but is not required to, submit an opinion question to the city's, or town's registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under this section.]~~

Section 96. Section **59-12-2216** is amended to read:

59-12-2216 (Effective 01/01/27). County option sales and use tax for a fixed guideway, to fund a system for public transit, or for highways -- Base -- Rate -- Allocation and expenditure of revenues.

(1) Subject to the requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, and the other provisions of this part, a county legislative body may impose a sales and use tax of up to .30% on the transactions described in Subsection 59-12-103(1) within the county, including the cities and towns within the county.

~~(2)[(a) Subject to Subsection (3), before]~~ Before obtaining voter approval in accordance with Section 59-12-2208~~[,]~~ to impose a sales and use tax in accordance with this

5995 section:

5996 (a) a county legislative body shall adopt a resolution specifying the percentage of [
5997 ~~revenues the county will receive~~] revenue from the sales and use tax under this section
5998 that [~~will be allocated~~] the county will allocate to fund uses described in Section
5999 59-12-2212.2[.] ; and

6000 (b) [~~A~~] a county legislative body of a county of the third through sixth class, as classified
6001 in Section 17-60-104, that imposes a sales and use tax as described in Subsection (1)
6002 on or after January 1, 2024, [~~shall specify the percentage of revenues the county will~~
6003 ~~receive~~] shall adopt a resolution specifying the percentage of revenue from the sales
6004 and use tax under this section that [~~will be allocated~~] the county will allocate to fund
6005 uses described in Section 59-12-2212.2 or for public safety purposes as provided in
6006 Subsection (3)(b).

6007 (3)(a) Except as provided in Subsection (2)(b), a county legislative body shall in the
6008 resolution described in Subsection (2) allocate 100% of the [~~revenues~~] revenue the
6009 county will receive from the sales and use tax under this section for one or more of
6010 the purposes described in Section 59-12-2212.2.

6011 (b) In addition to the purposes described in Section 59-12-2212.2, a county legislative
6012 body of a county of the third through sixth class, as classified in Section 17-60-104,
6013 that imposes a sales and use tax as authorized in this section on or after January 1,
6014 2024, may allocate [~~revenues~~] revenue to public safety purposes.

6015 [~~(4) Notwithstanding Section 59-12-2208, the opinion question required by Section~~
6016 ~~59-12-2208 shall state the allocations the county legislative body makes in accordance~~
6017 ~~with this section.~~]

6018 [~~(5)~~] (4) The [~~revenues~~] revenue collected from a sales and use tax under this section shall be:
6019 (a) allocated in accordance with the allocations specified in the resolution under
6020 Subsection (2); and
6021 (b) expended as provided in this section.

6022 [~~(6)~~] (5) If a county legislative body allocates [~~revenues~~] revenue collected from a sales and
6023 use tax under this section for a state highway project, before beginning the state highway
6024 project within the county, the county legislative body shall:
6025 (a) obtain approval from the Transportation Commission to complete the project; and
6026 (b) enter into an interlocal agreement established in accordance with Title 11, Chapter
6027 13, Interlocal Cooperation Act, with the Department of Transportation to complete
6028 the project.

~~[(7)]~~ (6)(a) If after a county legislative body imposes a sales and use tax under this section the county legislative body seeks to change an allocation specified in the resolution under Subsection (2), the county legislative body may change the allocation by:

(i) adopting a resolution specifying the percentage of ~~[revenues the county will receive]~~ revenue from the sales and use tax under this section that ~~[will be allocated]~~ the county will allocate to fund one or more of the items described in Section 59-12-2212.2 or Subsection (2)(b);~~[-and]~~

(ii) obtaining approval to change the allocation of the sales and use tax by a majority of all of the members of the county legislative body; and

(iii) ~~[subject to Subsection (8)(a)]~~ in accordance with Section 59-12-2208:

(A) ~~[in accordance with Section 59-12-2208,]~~submitting ~~[an opinion question]~~ the legislation to the county's registered voters voting on changing the allocation~~[so that each registered voter has the opportunity to express the registered voter's opinion on whether the allocation should be changed];~~ and

(B) ~~[in accordance with Section 59-12-2208,]~~obtaining approval to change the allocation from a majority of the county's registered voters voting on changing the allocation.

(b) A county of the third through sixth class, as classified in Section 17-60-104, that imposes a sales and use tax as authorized in this section on or after January 1, 2024, that ~~[seeks]~~ passes an ordinance to change the allocation of the ~~[revenues is not required to submit the opinion question]~~ revenue is not required to submit the legislation to the county's registered voters.

~~[(8)(a) Notwithstanding Section 59-12-2208, the opinion question required by Subsection (7)(c)(i) shall state the allocations specified in the resolution adopted in accordance with Subsection (7)(a) and approved by the county legislative body in accordance with Subsection (7)(b).]~~

~~[(b) Notwithstanding Section 59-12-2208, a county legislative body of a county of the third through sixth class that imposes a sales and use tax under this section on or after January 1, 2024, may, but is not required to, submit an opinion question to the county's registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under this section.]~~

~~[(9)]~~ (7) ~~[Revenues]~~ Revenue collected from a sales and use tax under this section that a county allocates for a state highway within the county shall be:

- 6063 (a) deposited into the Highway Projects Within Counties Fund created by Section
6064 72-2-121.1; and
- 6065 (b) expended as provided in Section 72-2-121.1.
- 6066 ~~[(10)]~~ (8)(a) Notwithstanding Section 59-12-2206 and subject to Subsection ~~[(10)(b)]~~
6067 ~~(8)(b)~~, [revenues] revenue collected from a sales and use tax under this section that a
6068 county allocates for a project, debt service, or bond issuance cost relating to a
6069 highway that is a principal arterial highway or minor arterial highway that is included
6070 in a metropolitan planning organization's regional transportation plan, but is not a
6071 state highway, shall be transferred to the Department of Transportation if the transfer
6072 of the [revenues] revenue is required under an interlocal agreement:
- 6073 (i) entered into on or before January 1, 2010; and
- 6074 (ii) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.
- 6075 (b) The Department of Transportation shall expend the [revenues] revenue described in
6076 Subsection ~~[(10)(a)]~~ (8)(a) as provided in the interlocal agreement described in
6077 Subsection ~~[(10)(a)]~~ (8)(a).

6078 Section 97. Section **59-12-2218** is amended to read:

6079 **59-12-2218 (Effective 01/01/27). County, city, or town option sales and use tax**
6080 **for airports, highways, and systems for public transit -- Base -- Rate -- Administration of**
6081 **sales and use tax.**

- 6082 (1) Subject to the other provisions of this part, ~~[and subject to]~~ the requirements of Title
6083 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, and Subsection ~~[(8)]~~ (7), the
6084 following may impose a sales and use tax under this section:
- 6085 (a) if, on April 1, 2009, a county legislative body of a county of the second class, as
6086 classified in Section 17-60-104, imposes a sales and use tax under this section, the
6087 county legislative body of the county of the second class may impose the sales and
6088 use tax on the transactions:
- 6089 (i) described in Subsection 59-12-103(1); and
- 6090 (ii) within the county, including the cities and towns within the county; or
- 6091 (b) if, on April 1, 2009, a county legislative body of a county of the second class, as
6092 classified in Section 17-60-104, does not impose a sales and use tax under this
6093 section:
- 6094 (i) a city legislative body of a city within the county of the second class, as classified
6095 in Section 17-60-104, may impose a sales and use tax under this section on the
6096 transactions described in Subsection 59-12-103(1) within that city;

(ii) a town legislative body of a town within the county of the second class, as classified in Section 17-60-104, may impose a sales and use tax under this section on the transactions described in Subsection 59-12-103(1) within that town; and

(iii) the county legislative body of the county of the second class, as classified in Section 17-60-104, may impose a sales and use tax on the transactions described in Subsection 59-12-103(1):

(A) within the county, including the cities and towns within the county, if on the date the county legislative body provides the notice described in Section 59-12-2209 to the commission stating that the county will enact a sales and use tax under this section, no city or town within that county imposes a sales and use tax under this section or has provided the notice described in Section 59-12-2209 to the commission stating that the city or town will enact a sales and use tax under this section; or

(B) within the county, except for within a city or town within that county, if, on the date the county legislative body provides the notice described in Section 59-12-2209 to the commission stating that the county will enact a sales and use tax under this section, that city or town imposes a sales and use tax under this section or has provided the notice described in Section 59-12-2209 to the commission stating that the city or town will enact a sales and use tax under this section.

(2) For purposes of Subsection (1) and subject to the other provisions of this section, a county, city, or town legislative body that imposes a sales and use tax under this section may impose the tax at a rate of .25%.

(3)(a) Except as provided in Subsection (3)(b), and subject to Subsection (4), a sales and use tax imposed under this section shall be expended as determined by the county, city, or town legislative body for uses described in Section 59-12-2212.2.

(b)(i) Notwithstanding Subsection 59-12-2212.2(1)(a), ~~[revenues]~~ a county may use revenue collected from a sales and use tax under this section ~~[may only be used]~~ only for new capacity or congestion mitigation projects~~;~~ and, except as provided in Subsection (3)(b)(ii), may not ~~[be expended]~~ expend revenue for operation or maintenance purposes.

(ii) The restriction ~~[in Subsection (3)(b)(i)]~~ from using revenue for operation or maintenance purposes does not apply to any revenue subject to rights or obligations under a contract entered into before January 1, 2019, between a

6131 county, city, or town legislative body and a public transit district.

6132 (4) A county, city, or town legislative body may not expend revenue collected within a
6133 county, city, or town from a tax under this section for a purpose described in Section
6134 59-12-2212.2 unless the purpose is recommended by:

6135 (a) for a county that is part of a metropolitan planning organization, the metropolitan
6136 planning organization of which the county is a part; or

6137 (b) for a county that is not part of a metropolitan planning organization, the council of
6138 governments of which the county is a part.

6139 (5) Before a city or town legislative body may impose a sales and use tax under this section,
6140 the city or town legislative body shall provide a copy of the notice described in Section
6141 59-12-2209 that the city or town legislative body provides to the commission:

6142 (a) to the county legislative body within which the city or town is located; and

6143 (b) at the same time as the city or town legislative body provides the notice to the
6144 commission.

6145 (6) Subject to Section 59-12-2207, the commission shall transmit ~~[revenues]~~ revenue
6146 collected within a county, city, or town from a tax under this part that will be expended
6147 for a purpose described in Section 59-12-2212.2 to the county, city, or town legislative
6148 body in accordance with Section 59-12-2206.

6149 ~~[(7) Notwithstanding Section 59-12-2208, a county, city, or town legislative body may, but~~
6150 ~~is not required to, submit an opinion question to the county's, city's, or town's registered~~
6151 ~~voters in accordance with Section 59-12-2208 to impose a sales and use tax under this~~
6152 ~~section.]~~

6153 ~~[(8)]~~ (7)(a)(i) Notwithstanding any other provision in this section, if the entire
6154 boundary of a county, city, or town is annexed into a large public transit district, if
6155 the county, city, or town legislative body wishes to impose a sales and use tax
6156 under this section, the county, city, or town legislative body shall pass the
6157 ordinance to impose a sales and use tax under this section on or before June 30,
6158 2022.

6159 (ii) If the entire boundary of a county, city, or town is annexed into a large public
6160 transit district, the county, city, or town legislative body may not pass the
6161 ordinance to impose a sales and use tax under this section on or after July 1, 2022.

6162 (b) Notwithstanding the deadline described in Subsection ~~[(8)(a)]~~ (7)(a), any sales and
6163 use tax imposed under this section by passage of a county, city, or town ordinance on
6164 or before June 30, 2022, may remain in effect.

Section 98. Section **59-12-2219** is amended to read:

59-12-2219 (Effective 01/01/27). County option sales and use tax for highways and public transit -- Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant existing budgeted transportation revenue.

- (1) Subject to Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the other provisions of this part, and ~~[subject to]~~ Subsection ~~[(13)]~~ (12), a county legislative body may impose a sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) within the county, including the cities and towns within the county.
- (2) Subject to Subsection (9), the commission shall distribute sales and use tax revenue collected under this section as provided in Subsections (3) through (8).
- (3) After application of Subsection 59-12-2206(5), if the entire boundary of a county that imposes a sales and use tax under this section is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within the county as follows:
 - (a) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
 - (b) .10% shall be distributed as provided in Subsection (6); and
 - (c) .05% shall be distributed to the county legislative body.
- (4) If the entire boundary of a county that imposes a sales and use tax under this section is not annexed into a single public transit district, but a city or town within the county is annexed into a single large public transit district, the commission shall distribute the sales and use tax revenue collected within the county as follows:
 - (a) for a city or town within the county that is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within that city or town as follows:
 - (i) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (6); and
 - (iii) .05% shall be distributed to the county legislative body;
 - (b) for an eligible political subdivision within the county, the commission shall distribute the sales and use tax revenue collected within that eligible political subdivision as follows:
 - (i) .10% shall be transferred to the eligible political subdivision in accordance with Section 59-12-2206;

- 6199 (ii) .10% shall be distributed as provided in Subsection (6); and
 6200 (iii) .05% shall be distributed to the county legislative body; and
 6201 (c) the commission shall distribute the sales and use tax revenue, except for the sales and
 6202 use tax revenue described in Subsections (4)(a) and (b), as follows:
 6203 (i) .10% shall be distributed as provided in Subsection (6); and
 6204 (ii) .15% shall be distributed to the county legislative body.
- 6205 (5) For a county not described in Subsection (3) or (4), if a county of the second, third,
 6206 fourth, fifth, or sixth class, as classified in Section 17-60-104, imposes a sales and use
 6207 tax under this section, the commission shall distribute the sales and use tax revenue
 6208 collected within the county as follows:
 6209 (a) for a city or town within the county that is annexed into a single public transit
 6210 district, the commission shall distribute the sales and use tax revenue collected within
 6211 that city or town as follows:
 6212 (i) .10% shall be distributed as provided in Subsection (6);
 6213 (ii) .10% shall be distributed as provided in Subsection (7); and
 6214 (iii) .05% shall be distributed to the county legislative body;
 6215 (b) for an eligible political subdivision within the county, the commission shall
 6216 distribute the sales and use tax revenue collected within that eligible political
 6217 subdivision as follows:
 6218 (i) .10% shall be distributed as provided in Subsection (6);
 6219 (ii) .10% shall be distributed as provided in Subsection (7); and
 6220 (iii) .05% shall be distributed to the county legislative body; and
 6221 (c) the commission shall distribute the sales and use tax revenue, except for the sales and
 6222 use tax revenue described in Subsections (5)(a) and (b), as follows:
 6223 (i) .10% shall be distributed as provided in Subsection (6); and
 6224 (ii) .15% shall be distributed to the county legislative body.
- 6225 (6)(a) Subject to Subsection (6)(b), the commission shall make the distributions required
 6226 by Subsections (3)(b), (4)(a)(ii), (4)(b)(ii), (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and [
 6227 ~~(7)(d)(ii)(A)~~] (7)(c)(ii)(A) as follows:
 6228 (i) 50% of the total revenue collected under Subsections (3)(b), (4)(a)(ii), (4)(b)(ii),
 6229 (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and [~~(7)(d)(ii)(A)~~] (7)(c)(ii)(A) within the
 6230 counties and cities that impose a tax under this section shall be distributed to the
 6231 unincorporated areas, cities, and towns within those counties and cities on the
 6232 basis of the percentage that the population of each unincorporated area, city, or

town bears to the total population of all of the counties and cities that impose a tax under this section; and

- (ii) 50% of the total revenue collected under Subsections (3)(b), (4)(a)(ii), (4)(b)(ii), (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and ~~[(7)(d)(ii)(A)]~~ (7)(c)(ii)(A) within the counties and cities that impose a tax under this section shall be distributed to the unincorporated areas, cities, and towns within those counties and cities on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215.

- (b)(i) Population for purposes of this Subsection (6) shall be based on, to the extent not otherwise required by federal law:

(A) the most recent estimate from the Utah Population Committee created in Section 63C-20-103; or

(B) if the Utah Population Committee estimate is not available for each municipality and unincorporated area, the adjusted sub-county population estimate provided by the Utah Population Committee in accordance with Section 63C-20-104.

- (ii) If a needed population estimate is not available from the United States Bureau of the Census, population figures shall be derived from an estimate from the Utah Population Committee.

- (7)(a)(i) Subject to the requirements in ~~[Subsections]~~ Subsection (7)(b)~~[- and (e)]~~, a county legislative body:

(A) for a county that obtained approval from a majority of the county's registered voters voting on the imposition of a sales and use tax under this section ~~[prior to]~~ before May 10, 2016, may, in consultation with any cities, towns, or eligible political subdivisions within the county, and in compliance with the requirements for changing an allocation under Subsection ~~[(7)(e)]~~ (7)(d), allocate the revenue under Subsection (5)(a)(ii) or (5)(b)(ii) by adopting a resolution specifying the percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision; or

(B) for a county that imposes a sales and use tax under this section on or after May 10, 2016, shall, in consultation with any cities, towns, or eligible political subdivisions within the county, allocate the revenue under Subsection (5)(a)(ii) or (5)(b)(ii) by adopting a resolution specifying the percentage of revenue

6267 under Subsection (5)(a)(ii) or (5)(b)(ii) that will be allocated to a public transit
6268 district or an eligible political subdivision.

6269 (ii) If a county described in Subsection (7)(a)(i)(A) does not allocate the revenue
6270 under Subsection (5)(a)(ii) or (5)(b)(ii) in accordance with Subsection (7)(a)(i)(A),
6271 the commission shall distribute 100% of the revenue under Subsection (5)(a)(ii) or
6272 (5)(b)(ii) to:

6273 (A) a public transit district for a city or town within the county that is annexed into
6274 a single public transit district; or

6275 (B) an eligible political subdivision within the county.

6276 (b) If a county legislative body allocates the revenue as described in Subsection (7)(a)(i),
6277 the county legislative body shall allocate not less than 25% of the revenue under
6278 Subsection (5)(a)(ii) or (5)(b)(ii) to:

6279 (i) a public transit district for a city or town within the county that is annexed into a
6280 single public transit district; or

6281 (ii) an eligible political subdivision within the county.

6282 [~~(e) Notwithstanding Section 59-12-2208, the opinion question described in Section~~
6283 ~~59-12-2208 shall state the allocations the county legislative body makes in~~
6284 ~~accordance with this Subsection (7).]~~

6285 [~~(d)~~] (c) The commission shall make the distributions required by Subsection (5)(a)(ii) or
6286 (5)(b)(ii) as follows:

6287 (i) the percentage specified by a county legislative body shall be distributed in
6288 accordance with a resolution adopted by a county legislative body under
6289 Subsection (7)(a) to an eligible political subdivision or a public transit district
6290 within the county; and

6291 (ii) except as provided in Subsection (7)(a)(ii), if a county legislative body allocates
6292 less than 100% of the revenue under Subsection (5)(a)(ii) or (5)(b)(ii) to a public
6293 transit district or an eligible political subdivision, the remainder of the revenue
6294 under Subsection (5)(a)(ii) or (5)(b)(ii) not allocated by a county legislative body
6295 through a resolution under Subsection (7)(a) shall be distributed as follows:

6296 (A) 50% of the revenue as provided in Subsection (6); and

6297 (B) 50% of the revenue to the county legislative body.

6298 [~~(e)~~] (d) If a county legislative body seeks to change an allocation specified in a
6299 resolution under Subsection (7)(a), the county legislative body may change the
6300 allocation by:

- 6301 (i) adopting a resolution in accordance with Subsection (7)(a) specifying the
 6302 percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
 6303 allocated to a public transit district or an eligible political subdivision;
- 6304 (ii) obtaining approval to change the allocation of the sales and use tax by a majority
 6305 of all the members of the county legislative body; and
- 6306 (iii) ~~[subject to Subsection (7)(f)]~~ in accordance with Section 59-12-2208:
- 6307 (A) ~~[in accordance with Section 59-12-2208,]~~submitting ~~[an opinion question]~~ the
 6308 legislation to the county's registered voters voting on changing the allocation[
 6309 so that each registered voter has the opportunity to express the registered
 6310 voter's opinion on whether the allocation should be changed]; and
- 6311 (B) ~~[in accordance with Section 59-12-2208,]~~obtaining approval to change the
 6312 allocation from a majority of the county's registered voters voting on changing
 6313 the allocation.
- 6314 ~~[(f) Notwithstanding Section 59-12-2208, the opinion question required by Subsection~~
 6315 ~~(7)(e)(iii)(A) shall state the allocations specified in the resolution adopted in~~
 6316 ~~accordance with Subsection (7)(e) and approved by the county legislative body in~~
 6317 ~~accordance with Subsection (7)(e)(ii).]~~
- 6318 ~~[(g)]~~ (e)(i) If a county makes an allocation by adopting a resolution under Subsection
 6319 (7)(a) or changes an allocation by adopting a resolution under Subsection ~~[(7)(e)]~~
 6320 ~~(7)(d)~~, the allocation shall take effect on the first distribution the commission
 6321 makes under this section after a 90-day period that begins on the date the
 6322 commission receives written notice meeting the requirements of Subsection [
 6323 ~~(7)(g)(ii)]~~ ~~(7)(e)(ii)~~ from the county.
- 6324 (ii) The notice ~~[described in Subsection (7)(g)(i)]~~ shall state:
- 6325 (A) that the county will make or change the percentage of an allocation under
 6326 Subsection (7)(a) or ~~[(e)]~~ ~~(7)(d)~~; and
- 6327 (B) the percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
 6328 allocated to a public transit district or an eligible political subdivision.
- 6329 (8)(a) If a public transit district is organized after the date a county legislative body first
 6330 imposes a tax under this section, a change in a distribution required by this section
 6331 may not take effect until the first distribution the commission makes under this
 6332 section after a 90-day period that begins on the date the commission receives written
 6333 notice from the public transit district of the organization of the public transit district.
- 6334 (b) If an eligible political subdivision intends to provide public transit service within a

county after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the eligible political subdivision stating that the eligible political subdivision intends to provide public transit service within the county.

~~[(9)(a)(i) Notwithstanding Subsections (3) through (8), for a county that has not imposed a sales and use tax under this section before May 8, 2018, and if the county imposes a sales and use tax under this section before June 30, 2019, the commission shall distribute all of the sales and use tax revenue collected by the county before June 30, 2019, to the county for the purposes described in Subsection (9)(a)(ii).]~~

~~[(ii) For any revenue collected by a county pursuant to Subsection (9)(a)(i) before June 30, 2019, the county may expend that revenue for:]~~

~~[(A) reducing transportation related debt;]~~

~~[(B) a regionally significant transportation facility; or]~~

~~[(C) a public transit project of regional significance.]~~

~~[(b)]~~ (9)(a) For a county that has not imposed a sales and use tax under this section before May 8, 2018, and if the county imposes a sales and use tax under this section before June 30, 2019, the commission shall distribute the sales and use tax revenue collected by the county on or after July 1, 2019, as described in Subsections (3) through (8).

~~[(c)]~~ (b) For a county that has not imposed a sales and use tax under this section before June 30, 2019, if the entire boundary of that county is annexed into a large public transit district, and if the county imposes a sales and use tax under this section on or after July 1, 2019, the commission shall distribute the sales and use tax revenue collected by the county as described in Subsections (3) through (8).

(10)(a) Except as provided in Subsection (10)(b), a county, city, or town may expend revenue collected from a tax under this section, except for revenue the commission distributes in accordance with Subsection (3)(a), (4)(a)(i), (4)(b)(i), or ~~[(7)(d)(i)]~~ (7)(c)(i), for a purpose described in Section 59-12-2212.2.

(b) In addition to the uses permitted in Subsection (10)(a), a county of the first class may transfer the portion allocated to the county under this section to a convention center public infrastructure district created in accordance with Section 17D-4-202.1 for

6369 revitalization of a convention center owned by the county within a city of the first
6370 class and surrounding revitalization projects related to the convention center.

6371 (11)(a) A public transit district or an eligible political subdivision may expend revenue
6372 the commission distributes in accordance with Subsection (3)(a), (4)(a)(i), (4)(b)(i),
6373 or ~~[(7)(d)(i)]~~ (7)(c)(i) for capital expenses and service delivery expenses of the public
6374 transit district or eligible political subdivision.

6375 (b) As provided in Section 59-12-2212.2, for the .10% designated for public transit
6376 described in Subsection (3)(a) that is not contractually obligated for debt service, [
6377 beginning on July 1, 2026,] a public transit district shall make available to the
6378 Department of Transportation an amount equal to 10% of the .10% to be used for
6379 public transit innovation grants as provided in Title 72, Chapter 2, Part 4, Public
6380 Transit Innovation Grants.

6381 ~~[(12) Notwithstanding Section 59-12-2208, a county, city, or town legislative body may,~~
6382 ~~but is not required to, submit an opinion question to the county's, city's, or town's~~
6383 ~~registered voters in accordance with Section 59-12-2208 to impose a sales and use tax~~
6384 ~~under this section.]~~

6385 ~~[(13)]~~ (12)(a)(i) Notwithstanding any other provision in this section, if the entire
6386 boundary of a county is annexed into a large public transit district, if the county
6387 legislative body wishes to impose a sales and use tax under this section, the
6388 county legislative body shall pass the ordinance to impose a sales and use tax
6389 under this section on or before June 30, 2022.

6390 (ii) If the entire boundary of a county is annexed into a large public transit district,
6391 the county legislative body may not pass an ordinance to impose a sales and use
6392 tax under this section on or after July 1, 2022.

6393 (b) Notwithstanding the deadline described in Subsection ~~[(13)(a)]~~ (12)(a), any sales and
6394 use tax imposed under this section by passage of a county ordinance on or before
6395 June 30, 2022, may remain in effect.

6396 ~~[(14)(a) Beginning on July 1, 2020, and subject to Subsection (15), if a county has not~~
6397 ~~imposed a sales and use tax under this section, subject to the provisions of this part,~~
6398 ~~the legislative body of a city or town described in Subsection (14)(b) may impose a~~
6399 ~~.25% sales and use tax on the transactions described in Subsection 59-12-103(1)~~
6400 ~~within the city or town.]~~

6401 ~~[(b) The following cities or towns may impose a sales and use tax described in~~
6402 ~~Subsection (14)(a):]~~

- 6403 ~~[(i) a city or town that has been annexed into a public transit district; or]~~
 6404 ~~[(ii) an eligible political subdivision.]~~
 6405 ~~[(c) If a city or town imposes a sales and use tax as provided in this section, the~~
 6406 ~~commission shall distribute the sales and use tax revenue collected by the city or~~
 6407 ~~town as follows:]~~
 6408 ~~[(i) .125% to the city or town that imposed the sales and use tax, to be distributed as~~
 6409 ~~provided in Subsection (6); and]~~
 6410 ~~[(ii) .125%, as applicable, to:]~~
 6411 ~~[(A) the public transit district in which the city or town is annexed; or]~~
 6412 ~~[(B) the eligible political subdivision for public transit services.]~~
 6413 ~~[(d) If a city or town imposes a sales and use tax under this section and the county~~
 6414 ~~subsequently imposes a sales and use tax under this section, the commission shall~~
 6415 ~~distribute the sales and use tax revenue collected within the city or town as described~~
 6416 ~~in Subsection (14)(c).]~~
 6417 ~~[(15)(a)(i) Notwithstanding any other provision in this section, if a city or town~~
 6418 ~~legislative body wishes to impose a sales and use tax under this section, the city or~~
 6419 ~~town legislative body shall pass the ordinance to impose a sales and use tax under~~
 6420 ~~this section on or before June 30, 2022.]~~
 6421 ~~[(ii) A city or town legislative body may not pass an ordinance to impose a sales and~~
 6422 ~~use tax under this section on or after July 1, 2022.]~~
 6423 ~~[(b) Notwithstanding the deadline described in Subsection (15)(a), any sales and use tax~~
 6424 ~~imposed under this section by passage of an ordinance by a city or town legislative~~
 6425 ~~body on or before June 30, 2022, may remain in effect.]~~
 6426 Section 99. Section **59-12-2220** is amended to read:
 6427 **59-12-2220 (Effective 01/01/27). County option sales and use tax to fund**
 6428 **highways or a system for public transit -- Base -- Rate.**
 6429 (1) Subject to Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the other
 6430 provisions of this part, and ~~[subject to]~~ the requirements of this section, the following
 6431 counties may impose a sales and use tax under this section:
 6432 (a) a county legislative body may impose the sales and use tax on the transactions
 6433 described in Subsection 59-12-103(1) located within the county, including the cities
 6434 and towns within the county if:
 6435 (i) the entire boundary of a county is annexed into a large public transit district; and
 6436 (ii) the maximum amount of sales and use tax authorizations allowed in accordance

6437 with Section 59-12-2203 and authorized under the following sections has been
6438 imposed:

- 6439 (A) Section 59-12-2213;
6440 (B) Section 59-12-2214;
6441 (C) Section 59-12-2215;
6442 (D) Section 59-12-2216;
6443 (E) Section 59-12-2217;
6444 (F) Section 59-12-2218; and
6445 (G) Section 59-12-2219;

6446 (b) if the county is not annexed into a large public transit district, the county legislative
6447 body may impose the sales and use tax on the transactions described in Subsection
6448 59-12-103(1) located within the county, including the cities and towns within the
6449 county if:

- 6450 (i) the county is an eligible political subdivision; or
6451 (ii) a city or town within the boundary of the county is an eligible political
6452 subdivision; or

6453 (c) a county legislative body of a county not described in Subsection (1)(a) or (1)(b) may
6454 impose the sales and use tax on the transactions described in Subsection 59-12-103(1)
6455 located within the county, including the cities and towns within the county.

6456 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
6457 county legislative body that imposes a sales and use tax under this section may impose
6458 the tax at a rate of .2%.

6459 (3)(a) The commission shall distribute sales and use tax revenue collected under this
6460 section as determined by a county legislative body as described in Subsection (3)(b).

6461 (b) If a county legislative body imposes a sales and use tax as described in this section,
6462 the county legislative body may elect to impose a sales and use tax revenue
6463 distribution as described in Subsection (4), (5), (6), or (7), depending on the class of
6464 county, and presence and type of a public transit provider in the county.

6465 (4) Subject to Subsection (11), and after application of Subsection 59-12-2206(5), if a
6466 county legislative body imposes a sales and use tax as described in this section, and the
6467 entire boundary of the county is annexed into a large public transit district, and the
6468 county is a county of the first class, the commission shall distribute the sales and use tax
6469 revenue as follows:

- 6470 (a) .10% to a public transit district as described in Subsection (11);

- 6471 (b) .05% to the cities and towns as provided in Subsection (8); and
6472 (c) .05% to the county legislative body.
- 6473 (5) Subject to Subsection (11), if a county legislative body imposes a sales and use tax as
6474 described in this section and the entire boundary of the county is annexed into a large
6475 public transit district, and the county is a county not described in Subsection (4), the
6476 commission shall distribute the sales and use tax revenue as follows:
6477 (a) .10% to a public transit district as described in Subsection (11);
6478 (b) .05% to the cities and towns as provided in Subsection (8); and
6479 (c) .05% to the county legislative body.
- 6480 (6)(a) Except as provided in Subsection (14)(c), if the entire boundary of a county that
6481 imposes a sales and use tax as described in this section is not annexed into a single
6482 public transit district, but a city or town within the county is annexed into a single
6483 public transit district, or if the city or town is an eligible political subdivision, the
6484 commission shall distribute the sales and use tax revenue collected within the county
6485 as provided in Subsection (6)(b) or (c).
6486 (b) For a city, town, or portion of the county described in Subsection (6)(a) that is
6487 annexed into the single public transit district, or an eligible political subdivision, the
6488 commission shall distribute the sales and use tax revenue collected within the portion
6489 of the county that is within a public transit district or eligible political subdivision as
6490 follows:
6491 (i) .05% to a public transit provider as described in Subsection (11);
6492 (ii) .075% to the cities and towns as provided in Subsection (8); and
6493 (iii) .075% to the county legislative body.
- 6494 (c) Except as provided in Subsection (14)(c), for a city, town, or portion of the county
6495 described in Subsection (6)(a) that is not annexed into a single public transit district
6496 or eligible political subdivision in the county, the commission shall distribute the
6497 sales and use tax revenue collected within that portion of the county as follows:
6498 (i) .08% to the cities and towns as provided in Subsection (8); and
6499 (ii) .12% to the county legislative body.
- 6500 (7) For a county without a public transit service that imposes a sales and use tax as
6501 described in this section, the commission shall distribute the sales and use tax revenue
6502 collected within the county as follows:
6503 (a) .08% to the cities and towns as provided in Subsection (8); and
6504 (b) .12% to the county legislative body.

(8)(a) Subject to Subsections (8)(b) and (c), the commission shall make the distributions required by Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) as follows:

- (i) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4) through (7) shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the percentage that the population of each unincorporated area, city, or town bears to the total population of all of the counties that impose a tax under this section; and
- (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4) through (7) shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215.

(b)(i) Population for purposes of this Subsection (8) shall be based on, to the extent not otherwise required by federal law:

(A) the most recent estimate from the Utah Population Committee created in Section 63C-20-103; or

(B) if the Utah Population Committee estimate is not available for each municipality and unincorporated area, the adjusted sub-county population estimate provided by the Utah Population Committee in accordance with Section 63C-20-104.

- (ii) If a needed population estimate is not available from the United States Census Bureau, population figures shall be derived from an estimate from the Utah Population Estimates Committee created by executive order of the governor.

(c)(i) Beginning on January 1, 2024, if the Housing and Community Development Division within the Department of Workforce Services determines that a city or town is ineligible for funds in accordance with Subsection 10-21-202(6), beginning the first day of the calendar quarter after receiving 90 days' notice, the commission shall distribute the distribution that city or town would have received under Subsection (8)(a) to cities or towns to which Subsection 10-21-202(6) does not apply.

- (ii) Beginning on January 1, 2024, if the Housing and Community Development Division within the Department of Workforce Services determines that a county is ineligible for funds in accordance with Subsection 17-80-202(6), beginning the

first day of the calendar quarter after receiving 90 days' notice, the commission shall distribute the distribution that county would have received under Subsection (8)(a) to counties to which Subsection 17-80-202(6) does not apply.

(9) If a public transit service is organized after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the public transit provider that the public transit service has been organized.

(10)(a) Except as provided in Subsections (10)(b) and (c), a county, city, or town that received distributions described in Subsections (4)(b), (4)(c), (5)(b), (5)(c), (6)(b)(ii), (6)(b)(iii), (6)(c), and (7) may only expend those funds for a purpose described in Section 59-12-2212.2.

(b) If a county described in Subsection (1)(a) that is a county of the first class imposes the sales and use tax authorized in this section, the county may also use funds distributed in accordance with Subsection (4)(c) for public safety purposes.

(c) In addition to the purposes described in Subsections (10)(a) and (b), for a city relevant to a project area, as that term is defined in Section 63N-3-1401, an allowable use of revenue from a sales and use tax under this section includes the revitalization of a convention center owned by the county within a city of the first class and surrounding revitalization projects related to the convention center.

(11)(a) Subject to Subsections (11)(b), (c), and (d), revenue designated for public transit as described in this section may be used for capital expenses and service delivery expenses of:

(i) a public transit district;

(ii) an eligible political subdivision; or

(iii) another entity providing a service for public transit or a transit facility within the relevant county, as those terms are defined in Section 17B-2a-802.

(b)(i)(A) If a county of the first class imposes a sales and use tax described in this section, beginning on the date on which the county imposes the sales and use tax under this section, and for a three-year period after at least three counties described in Subsections (4) and (5) have imposed a tax under this section, or until June 30, 2030, whichever comes first, revenue designated for public transit within a county of the first class as described in Subsection (4)(a) shall be transferred to the County of the First Class Highway Projects Fund created

- 6573 in Section 72-2-121.
- 6574 (B) Revenue deposited into the County of the First Class Highway Projects Fund
6575 created in Section 72-2-121 as described in Subsection (11)(b)(i)(A) may be
6576 used for public transit innovation grants as provided in Title 72, Chapter 2, Part
6577 4, Public Transit Innovation Grants.
- 6578 (ii) If a county of the first class imposes a sales and use tax described in this section,
6579 beginning on the day three years after the date on which at least three counties
6580 described in Subsections (4) and (5) have imposed a tax under this section, or
6581 beginning on July 1, 2030, whichever comes first, for revenue designated for
6582 public transit as described in Subsection (4)(a):
- 6583 (A) 50% of the revenue from a sales and use tax imposed under this section in a
6584 county of the first class shall be transferred to the County of the First Class
6585 Highway Projects Fund created in Section 72-2-121; and
- 6586 (B) 50% of the revenue from a sales and use tax imposed under this section in a
6587 county of the first class shall be transferred to the Transit Transportation
6588 Investment Fund created in Subsection [~~72-2-124(9)~~] 72-2-124(10).
- 6589 (c)(i) If a county that is not a county of the first class for which the entire boundary of
6590 the county is annexed into a large public transit district imposes a sales and use
6591 tax described in this section, beginning on the date on which the county imposes
6592 the sales and use tax under this section, and for a three-year period following the
6593 date on which at least three counties described in Subsections (4) and (5) have
6594 imposed a tax under this section, or until June 30, 2030, whichever comes first,
6595 revenue designated for public transit as described in Subsection (5)(a) shall be
6596 transferred to the relevant county legislative body to be used for a purpose
6597 described in Subsection (11)(a).
- 6598 (ii) If a county that is not a county of the first class for which the entire boundary of
6599 the county is annexed into a large public transit district imposes a sales and use
6600 tax described in this section, beginning on the day three years after the date on
6601 which at least three counties described in Subsections (4) and (5) have imposed a
6602 tax under this section, or beginning on July 1, 2030, whichever comes first, for the
6603 revenue that is designated for public transit in Subsection (5)(a):
- 6604 (A) 50% shall be transferred to the Transit Transportation Investment Fund
6605 created in Subsection [~~72-2-124(9)~~] 72-2-124(10); and
- 6606 (B) 50% shall be transferred to the relevant county legislative body to be used for

a purpose described in Subsection (11)(a).

(d) Except as provided in Subsection ~~[(13)(e)]~~ (11)(c), for a county that imposes a sales and use tax under this section, for revenue designated for public transit as described in Subsection (6)(b)(i), the revenue shall be transferred to the relevant county legislative body to be used for a purpose described in Subsection (11)(a).

(12) A large public transit district shall send notice to the commission at least 90 days before the earlier of:

- (a) the date that is three years after the date on which at least three counties described in Subsections (4) and (5) have imposed a tax under this section; or
- (b) June 30, 2030.

(13) For a city described in Subsection (10)(c), during the bondable term of a revitalization project described in Subsection (10)(c), the city shall transfer at least 50%, and may transfer up to 100%, of any revenue the city receives from a distribution under Subsection (4)(b) to a convention center public infrastructure district created in accordance with Section 17D-4-202.1 for revitalization of a convention center owned by the county within a city of the first class and surrounding revitalization projects related to the convention center as permitted in Subsection (10)(c).

~~[(14)(a) Notwithstanding Section 59-12-2208, a county legislative body may, but is not required to, submit an opinion question to the county's registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under this section.]~~

~~[(b)]~~ (14)(a) If a county ~~[passes an ordinance]~~ complies with Section 59-12-2208 to impose a sales and use tax as described in this section, the sales and use tax shall take effect on the first day of the calendar quarter after a 90-day period that begins on the date the commission receives written notice from the county of the ~~[passage of the ordinance]~~ voters' approval of the legislation.

~~[(e)]~~ (b) A county that imposed the local option sales and use tax described in this section before January 1, 2023, may maintain that county's distribution allocation in place as of January 1, 2023.

(15)(a) Revenue collected from a sales and use tax under this section may not be used to supplant existing General Fund appropriations that a county, city, or town budgeted for transportation or public transit as of the date the tax becomes effective for a county, city, or town.

(b) The limitation under Subsection (15)(a) does not apply to a designated transportation or public transit capital or reserve account a county, city, or town established before

6641 the date the tax becomes effective.

6642 Section 100. Section **59-12-2402** is amended to read:

6643 **59-12-2402 (Effective 01/01/27). Imposition of emergency services tax --**

6644 **Permitted rates -- Expenditure and distribution of tax revenue -- Administration,**
6645 **collection, and enforcement of tax -- Administrative charge.**

6646 (1)(a) The governing body of a qualifying political subdivision may, subject to
6647 Subsection (1)(b), impose a sales and use tax on the transactions described in
6648 Subsection 59-12-103(1) in the following amount:

6649 (i) before January 1, 2027, an amount of up to .33% if the governing body:

6650 (A) first holds a public hearing at which the tax is discussed, subject to Subsection
6651 (2); and

6652 (B) after the public hearing is held, passes an ordinance or resolution approving
6653 the tax; or

6654 (ii) an amount of up to 1% if the governing body obtains approval to impose the tax
6655 from a majority of:

6656 (A) the members of the governing body; and

6657 (B) voters within the qualifying political subdivision voting in an election held [
6658 ~~for that purpose in accordance with Title 11, Chapter 14, Local Government~~
6659 ~~Bonding Act]~~ in accordance with Title 20A, Chapter 7, Part 9, Tax Increase
6660 Voting Requirements.

6661 (b)(i) A tax imposed by a county under Subsection (1)(a) shall be imposed within all
6662 unincorporated areas of the county.

6663 (ii) A tax imposed by a special service district under Subsection (1)(a) shall be
6664 imposed within the boundaries of each city and town located within the area of the
6665 special service district.

6666 (iii) A tax may not be imposed under this section within:

6667 (A) a portion of a city, town, or the unincorporated area of a county; or

6668 (B) an area in which a tax under this section has already been imposed.

6669 (c) Notwithstanding Subsection (1)(a), a qualifying political subdivision may not impose
6670 a tax under this section on:

6671 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
6672 are exempt from taxation under Section 59-12-104; and

6673 (ii) except as provided in Subsection (1)(e), amounts paid or charged for food and
6674 food ingredients.

(d) For purposes of this Subsection (1), the location of a transaction is determined in accordance with Sections 59-12-211 through 59-12-215.

(e) A qualifying political subdivision that imposes a tax under this section shall impose the tax on the purchase price or sales price for amounts paid or charged for food and food ingredients if the food and food ingredients are sold as part of a bundled transaction attributable to food and food ingredients and tangible personal property other than food and food ingredients.

(2)(a) The governing body of a qualifying political subdivision proposing a tax rate described in Subsection (1)(a)(i) shall, as a class A notice under Section 63G-30-102, publish notice of the public hearing required by Subsection (1)(a)(i)(A) for at least 14 days before the day of the public hearing.

(b) The notice described in Subsection (2)(a) shall:

(i) state the governing body's intent to adopt a tax under this section;

(ii) describe the proposed tax rate;

(iii) describe the cities, towns, and unincorporated areas within which the proposed tax is to be imposed;

(iv) specify the date, time, and location of the public hearing; and

(v) state that the purpose of the public hearing is to obtain public comments regarding the proposed tax.

(3) For a county proposing a tax rate described in Subsection (1)(a)(ii), the voter approval requirement in Subsection (1)(a)(ii)(B) applies only to voters residing within the unincorporated areas of the county.

(4)(a) Subject to Subsection (4)(b), a qualifying political subdivision may use money collected from a tax imposed under this section to fund emergency services provided by, or on behalf of, a qualifying political subdivision.

(b) A qualifying political subdivision that imposes a tax under this section may:

(i) use money collected from the tax to fund emergency services within an area in which the tax is not imposed; and

(ii) enter into an agreement authorized by Title 11, Chapter 13, Interlocal Cooperation Act, allowing for another qualifying political subdivision to use money collected from the tax to fund emergency services.

(5)(a) Except as provided in Subsection (5)(b), a tax under this section shall be administered, collected, and enforced in accordance with the same procedures used to administer, collect, and enforce the tax under:

(i)(A) Part 1, Tax Collection; or

(B) Part 2, Local Sales and Use Tax Act; and

(ii) Chapter 1, General Taxation Policies.

(b) A tax under this section is not subject to Subsections 59-12-205(2) through (5).

(c) A tax under this section shall be levied for a period of 10 years and may, in accordance with the procedures and requirements for levying a tax under Subsections (1) through (3), be reauthorized at the end of the 10-year period by:

(i) the governing body that imposed the tax, for reauthorizing a tax rate described in Subsection (1)(a)(i); or

(ii) the governing body that imposed the tax and the qualifying political subdivision's voters, for reauthorizing a tax rate described in Subsection (1)(a)(ii).

(d) Except as provided in Subsection (5)(e), the commission shall distribute the revenue the commission collects from a tax imposed under this section directly to the qualifying political subdivision imposing the tax.

(e) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenue the commission collects from a tax under this section.

Section 101. Section **59-13-201** is amended to read:

59-13-201 (Effective 01/01/27). Rate -- Tax basis -- Exemptions -- Revenue deposited into the Transportation Fund -- Restricted account for boating uses -- Refunds -- Reduction of tax in limited circumstances.

(1)(a)(i) Subject to the provisions of this section and except as provided in Subsection (1)(e), a tax is imposed at the rate of 14.2% of the statewide average rack price of a gallon of motor fuel per gallon upon all motor fuel that is sold, used, or received for sale or used in this state.

(ii) Notwithstanding Subsection (1)(a)(i), for the period beginning on July 1, 2023, and ending on December 31, 2023, the rate described in Subsection (1)(a)(i) shall be 34.5 cents per gallon.

(b)(i) Until December 31, 2018, and subject to the requirements under Subsection (1)(c), the statewide average rack price of a gallon of motor fuel under Subsection (1)(a) shall be determined by calculating the previous fiscal year statewide average rack price of a gallon of regular unleaded motor fuel, excluding federal and state excise taxes, for the 12 months ending on the previous June 30 as published by an oil pricing service.

- 6743 (ii) Beginning on January 1, 2019, and ending on December 31, 2026, and subject to
6744 the requirements under Subsection (1)(c), the statewide average rack price of a
6745 gallon of motor fuel under Subsection (1)(a) shall be determined by calculating
6746 the previous three fiscal years statewide average rack price of a gallon of regular
6747 unleaded motor fuel, excluding federal and state excise taxes, for the 36 months
6748 ending on the previous June 30 as published by an oil pricing service.
- 6749 (c)(i) Subject to the requirement in Subsection (1)(c)(ii), the statewide average rack
6750 price of a gallon of motor fuel determined under Subsection (1)(b) may not be less
6751 than \$1.78 per gallon.
- 6752 (ii) Beginning on January 1, 2019, and ending on December 31, 2026, the
6753 commission shall, on January 1, annually adjust the minimum statewide average
6754 rack price of a gallon of motor fuel described in Subsection (1)(c)(i) by taking the
6755 minimum statewide average rack price of a gallon of motor fuel for the previous
6756 calendar year and adding an amount equal to the greater of:
- 6757 (A) an amount calculated by multiplying the minimum statewide average rack
6758 price of a gallon of motor fuel for the previous calendar year by the actual
6759 percent change during the previous fiscal year in the Consumer Price Index; and
6760 (B) 0.
- 6761 (iii) The statewide average rack price of a gallon of motor fuel determined by the
6762 commission under Subsection (1)(b) may not exceed:
- 6763 (A) for a calendar year beginning on January 1, 2024, \$2.57 per gallon;
6764 (B) for a calendar year beginning on January 1, 2025, \$2.71 per gallon; and
6765 (C) for a calendar year beginning on January 1, 2026, \$2.82 per gallon[; and] .
6766 [(D) for a calendar year beginning on January 1, 2028, and thereafter, \$2.96 per
6767 gallon.]
- 6768 (iv) The minimum statewide average rack price of a gallon of motor fuel described
6769 and adjusted under Subsections (1)(c)(i) and (ii) may not exceed the maximum
6770 statewide average rack price of a gallon of motor fuel under Subsection (1)(c)(iii).
- 6771 (d)(i) The commission shall annually:
- 6772 [~~(A) determine the statewide average rack price of a gallon of motor fuel in~~
6773 ~~accordance with Subsections (1)(b) and (c);]~~
- 6774 [(B)] (A) adjust the fuel tax rate imposed under Subsection (1)(a), rounded to the
6775 nearest one-tenth of a cent, based on the determination under Subsection (1)(b);
6776 [(C)] (B) publish the adjusted fuel tax as a cents per gallon rate; and

6777 [~~(D)~~] (C) post or otherwise make public the adjusted fuel tax rate [as determined in
6778 Subsection (1)(d)(i)(~~B~~)] no later than 60 days before the annual effective date
6779 under Subsection (1)(d)(ii).

6780 (ii) The tax rate imposed under this Subsection (1) and adjusted as required under
6781 Subsection (1)(d)(i) shall take effect on January 1 of each year.

6782 (e) In lieu of the tax imposed under Subsection (1)(a) and subject to the provisions of
6783 this section, a tax is imposed at the rate of 3/19 of the rate imposed under Subsection
6784 (1)(a), rounded up to the nearest penny, upon all motor fuels that meet the definition
6785 of clean fuel in Section 59-13-102 and are sold, used, or received for sale or use in
6786 this state.

6787 (2) Any increase or decrease in tax rate applies to motor fuel that is imported to the state or
6788 sold at refineries in the state on or after the effective date of the rate change.

6789 (3)(a) No motor fuel tax is imposed upon:

6790 (i) motor fuel that is brought into and sold in this state in original packages as purely
6791 interstate commerce sales;

6792 (ii) motor fuel that is exported from this state if proof of actual exportation on forms
6793 prescribed by the commission is made within 180 days after exportation;

6794 (iii) motor fuel or components of motor fuel that is sold and used in this state and
6795 distilled from coal, oil shale, rock asphalt, bituminous sand, or solid hydrocarbons
6796 located in this state; or

6797 (iv) motor fuel that is sold to the United States government, this state, or the political
6798 subdivisions of this state.

6799 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6800 commission shall make rules governing the procedures for administering the tax
6801 exemption provided under Subsection (3)(a)(iv).

6802 (4) The commission may either collect no tax on motor fuel exported from the state or,
6803 upon application, refund the tax paid.

6804 (5)(a) All revenue received by the commission under this part shall be deposited daily
6805 with the state treasurer and credited to the Transportation Fund.

6806 (b) An appropriation from the Transportation Fund shall be made to the commission to
6807 cover expenses incurred in the administration and enforcement of this part and the
6808 collection of the motor fuel tax.

6809 (6)(a) The commission shall determine what amount of motor fuel tax revenue is
6810 received from the sale or use of motor fuel used in motorboats registered under Title

73, Chapter 18, State Boating Act, and this amount shall be deposited into a restricted revenue account in the General Fund of the state.

(b) The funds from this account shall be used for the construction, improvement, operation, and maintenance of state-owned boating facilities and for the payment of the costs and expenses of the Division of Outdoor Recreation in administering and enforcing Title 73, Chapter 18, State Boating Act.

(7)(a) The United States government or any of its instrumentalities, this state, or a political subdivision of this state that has purchased motor fuel from a licensed distributor or from a retail dealer of motor fuel and has paid the tax on the motor fuel as provided in this section is entitled to a refund of the tax and may file with the commission for a quarterly refund.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the application and refund provided for in Subsection (7)(a).

(8)(a) The commission shall refund annually into the Off-highway Vehicle Account in the General Fund an amount equal to .5% of the motor fuel tax revenues collected under this section.

(b) This amount shall be used as provided in Section 41-22-19.

(9)(a) Beginning on April 1, 2001, a tax imposed under this section on motor fuel that is sold, used, or received for sale or use in this state is reduced to the extent provided in Subsection (9)(b) if:

(i) a tax imposed on the basis of the sale, use, or receipt for sale or use of the motor fuel is paid to the Navajo Nation;

(ii) the tax described in Subsection (9)(a)(i) is imposed without regard to whether ~~or~~ ~~not~~ the person required to pay the tax is an enrolled member of the Navajo Nation; and

(iii) the commission and the Navajo Nation execute and maintain an agreement as provided in this Subsection (9) for the administration of the reduction of tax.

(b)(i) If but for Subsection (9)(a) the motor fuel is subject to a tax imposed by this section:

(A) the state shall be paid the difference described in Subsection (9)(b)(ii) if that difference is greater than \$0; and

(B) a person may not require the state to provide a refund, a credit, or similar tax relief if the difference described in Subsection (9)(b)(ii) is less than or equal to

6845 \$0.

6846 (ii) The difference described in Subsection (9)(b)(i) is equal to the difference between:

6847 (A) the amount of tax imposed on the motor fuel by this section; less

6848 (B) the tax imposed and collected by the Navajo Nation on the motor fuel.

6849 (c) For purposes of Subsections (9)(a) and (b), the tax paid to the Navajo Nation under a
6850 tax imposed by the Navajo Nation on the basis of the sale, use, or receipt for sale or
6851 use of motor fuel does not include any interest or penalties a taxpayer may be
6852 required to pay to the Navajo Nation.

6853 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6854 commission shall make rules governing the procedures for administering the
6855 reduction of tax provided under this Subsection (9).

6856 (e) The agreement required under Subsection (9)(a):

6857 (i) may not:

6858 (A) authorize the state to impose a tax in addition to a tax imposed under this
6859 chapter;

6860 (B) provide a reduction of taxes greater than or different from the reduction
6861 described in this Subsection (9); or

6862 (C) affect the power of the state to establish rates of taxation;

6863 (ii) shall:

6864 (A) be in writing;

6865 (B) be signed by:

6866 (I) the chair of the commission or the chair's designee; and

6867 (II) a person designated by the Navajo Nation that may bind the Navajo Nation;

6868 (C) be conditioned on obtaining any approval required by federal law;

6869 (D) state the effective date of the agreement; and

6870 (E) state any accommodation the Navajo Nation makes related to the construction
6871 and maintenance of state highways and other infrastructure within the Utah
6872 portion of the Navajo Nation; and

6873 (iii) may:

6874 (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the
6875 Navajo Nation information that is:

6876 (I) contained in a document filed with the commission; and

6877 (II) related to the tax imposed under this section;

6878 (B) provide for maintaining records by the commission or the Navajo Nation; or

(C) provide for inspections or audits of distributors, carriers, or retailers located or doing business within the Utah portion of the Navajo Nation.

(f)(i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax imposed on motor fuel, any change in the reduction of taxes under this Subsection (9) as a result of the change in the tax rate is not effective until the first day of the calendar quarter after a 60-day period beginning on the date the commission receives notice:

(A) from the Navajo Nation; and

(B) meeting the requirements of Subsection (9)(f)(ii).

(ii) The notice described in Subsection (9)(f)(i) shall state:

(A) that the Navajo Nation has changed or will change the tax rate of a tax imposed on motor fuel;

(B) the effective date of the rate change of the tax described in Subsection (9)(f)(ii)(A); and

(C) the new rate of the tax described in Subsection (9)(f)(ii)(A).

(g) If the agreement required by Subsection (9)(a) terminates, a reduction of tax is not permitted under this Subsection (9) beginning on the first day of the calendar quarter after a 30-day period beginning on the day the agreement terminates.

(h) If there is a conflict between this Subsection (9) and the agreement required by Subsection (9)(a), this Subsection (9) governs.

Section 102. Section **59-13-301** is amended to read:

59-13-301 (Effective 01/01/27). Tax basis -- Rate -- Exemptions -- Revenue deposited with treasurer and credited to Transportation Fund -- Reduction of tax in limited circumstances.

(1)(a) Except as provided in Subsections (2), (3), (11), and (12) and Section 59-13-304, a tax is imposed at the same rate imposed under Subsection 59-13-201(1)(a) on the:

(i) removal of undyed diesel fuel from any refinery;

(ii) removal of undyed diesel fuel from any terminal;

(iii) entry into the state of any undyed diesel fuel for consumption, use, sale, or warehousing;

(iv) sale of undyed diesel fuel to any person who is not registered as a supplier under this part unless the tax has been collected under this section;

(v) any untaxed special fuel blended with undyed diesel fuel; or

(vi) use of untaxed special fuel other than propane or electricity.

- 6913 (b) The tax imposed under this section shall only be imposed once upon any special fuel.
- 6914 (2)(a) No special fuel tax is imposed or collected upon dyed diesel fuel which:
- 6915 (i) is sold or used for any purpose other than to operate or propel a motor vehicle
- 6916 upon the public highways of the state, but this exemption applies only in those
- 6917 cases where the purchasers or the users of special fuel establish to the satisfaction
- 6918 of the commission that the special fuel was used for purposes other than to operate
- 6919 a motor vehicle upon the public highways of the state; or
- 6920 (ii) is sold to this state or any of its political subdivisions.
- 6921 (b) No special fuel tax is imposed on undyed diesel fuel or clean fuel that is:
- 6922 (i) sold to the United States government or any of its instrumentalities or to this state
- 6923 or any of its political subdivisions;
- 6924 (ii) exported from this state if proof of actual exportation on forms prescribed by the
- 6925 commission is made within 180 days after exportation;
- 6926 (iii) used in a vehicle off-highway;
- 6927 (iv) used to operate a power take-off unit of a vehicle;
- 6928 (v) used for off-highway agricultural uses;
- 6929 (vi) used in a separately fueled engine on a vehicle that does not propel the vehicle
- 6930 upon the highways of the state; or
- 6931 (vii) used in machinery and equipment not registered and not required to be
- 6932 registered for highway use.
- 6933 (3) No tax is imposed or collected on special fuel if it is:
- 6934 (a)(i) purchased for business use in machinery and equipment not registered and not
- 6935 required to be registered for highway use; and
- 6936 (ii) used ~~[pursuant to]~~ in accordance with the conditions of a state implementation
- 6937 plan approved under Title 19, Chapter 2, Air Conservation Act; or
- 6938 (b) propane or electricity.
- 6939 (4) Upon request of a buyer meeting the requirements under Subsection (3), the Division of
- 6940 Air Quality shall issue an exemption certificate that may be shown to a seller.
- 6941 (5) The special fuel tax shall be paid by the supplier.
- 6942 (6)(a) The special fuel tax shall be paid by every user who is required by Sections
- 6943 59-13-303 and 59-13-305 to obtain a special fuel user permit and file special fuel tax
- 6944 reports.
- 6945 (b) The user shall receive a refundable credit for special fuel taxes paid on purchases
- 6946 which are delivered into vehicles and for which special fuel tax liability is reported.

- (7)(a) Except as provided under Subsections (7)(b) and (c), all revenue received by the commission from taxes and license fees under this part shall be deposited daily with the state treasurer and credited to the Transportation Fund.
- (b) An appropriation from the Transportation Fund shall be made to the commission to cover expenses incurred in the administration and enforcement of this part and the collection of the special fuel tax.
- (c) Five dollars of each special fuel user trip permit fee paid under Section 59-13-303 may be used by the commission as a dedicated credit to cover the costs of electronic credentialing as provided in Section 41-1a-303.
- (8) The commission may either collect no tax on special fuel exported from the state or, upon application, refund the tax paid.
- (9)(a) The United States government or any of its instrumentalities, this state, or a political subdivision of this state that has purchased special fuel from a supplier or from a retail dealer of special fuel and has paid the tax on the special fuel as provided in this section is entitled to a refund of the tax and may file with the commission for a quarterly refund in a manner prescribed by the commission.
- (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the application and refund provided for in Subsection (9)(a).
- (10)(a) The purchaser shall pay the tax on diesel fuel or clean fuel purchased for uses under Subsections (2)(b)(i), (iii), (iv), (v), (vi), and (vii) and apply for a refund for the tax paid as provided in Subsection (9) and this Subsection (10).
- (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the application and refund for off-highway and nonhighway uses provided under Subsections (2)(b)(iii), (iv), (vi), and (vii).
- (c) A refund of tax paid under this part on diesel fuel used for nonhighway agricultural uses shall be made in accordance with the tax return procedures under Section 59-13-202.
- (11)(a) Beginning on April 1, 2001, a tax imposed under this section on special fuel is reduced to the extent provided in Subsection (11)(b) if:
- (i) the Navajo Nation imposes a tax on the special fuel;
 - (ii) the tax described in Subsection (11)(a)(i) is imposed without regard to whether the person required to pay the tax is an enrolled member of the Navajo Nation; and
 - (iii) the commission and the Navajo Nation execute and maintain an agreement as

provided in this Subsection (11) for the administration of the reduction of tax.

(b)(i) If but for Subsection (11)(a) the special fuel is subject to a tax imposed by this section:

(A) the state shall be paid the difference described in Subsection (11)(b)(ii) if that difference is greater than \$0; and

(B) a person may not require the state to provide a refund, a credit, or similar tax relief if the difference described in Subsection (11)(b)(ii) is less than or equal to \$0.

(ii) The difference described in Subsection (11)(b)(i) is equal to the difference between:

(A) the amount of tax imposed on the special fuel by this section; less

(B) the tax imposed and collected by the Navajo Nation on the special fuel.

(c) For purposes of Subsections (11)(a) and (b), the tax paid to the Navajo Nation on the special fuel does not include any interest or penalties a taxpayer may be required to pay to the Navajo Nation.

(d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the procedures for administering the reduction of tax provided under this Subsection (11).

(e) The agreement required under Subsection (11)(a):

(i) may not:

(A) authorize the state to impose a tax in addition to a tax imposed under this chapter;

(B) provide a reduction of taxes greater than or different from the reduction described in this Subsection (11); or

(C) affect the power of the state to establish rates of taxation;

(ii) shall:

(A) be in writing;

(B) be signed by:

(I) the chair of the commission or the chair's designee; and

(II) a person designated by the Navajo Nation that may bind the Navajo Nation;

(C) be conditioned on obtaining any approval required by federal law;

(D) state the effective date of the agreement; and

(E) state any accommodation the Navajo Nation makes related to the construction and maintenance of state highways and other infrastructure within the Utah

- 7015 portion of the Navajo Nation; and
- 7016 (iii) may:
- 7017 (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the
- 7018 Navajo Nation information that is:
- 7019 (I) contained in a document filed with the commission; and
- 7020 (II) related to the tax imposed under this section;
- 7021 (B) provide for maintaining records by the commission or the Navajo Nation; or
- 7022 (C) provide for inspections or audits of suppliers, distributors, carriers, or retailers
- 7023 located or doing business within the Utah portion of the Navajo Nation.
- 7024 (f)(i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax
- 7025 imposed on special fuel, any change in the amount of the reduction of taxes under
- 7026 this Subsection (11) as a result of the change in the tax rate is not effective until
- 7027 the first day of the calendar quarter after a 60-day period beginning on the date the
- 7028 commission receives notice:
- 7029 (A) from the Navajo Nation; and
- 7030 (B) meeting the requirements of Subsection (11)(f)(ii).
- 7031 (ii) The notice described in Subsection (11)(f)(i) shall state:
- 7032 (A) that the Navajo Nation has changed or will change the tax rate of a tax
- 7033 imposed on special fuel;
- 7034 (B) the effective date of the rate change of the tax described in Subsection
- 7035 (11)(f)(ii)(A); and
- 7036 (C) the new rate of the tax described in Subsection (11)(f)(ii)(A).
- 7037 (g) If the agreement required by Subsection (11)(a) terminates, a reduction of tax is not
- 7038 permitted under this Subsection (11) beginning on the first day of the calendar
- 7039 quarter after a 30-day period beginning on the day the agreement terminates.
- 7040 (h) If there is a conflict between this Subsection (11) and the agreement required by
- 7041 Subsection (11)(a), this Subsection (11) governs.
- 7042 (12)(a)(i) Subject to Subsections (12)(a)(ii) and (iii), a tax imposed under this section
- 7043 on compressed natural gas is imposed at a rate of:
- 7044 (A) until June 30, 2016, 10-1/2 cents per gasoline gallon equivalent;
- 7045 (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per gasoline
- 7046 gallon equivalent;
- 7047 (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per gasoline
- 7048 gallon equivalent; and

- 7049 (D) beginning on or after July 1, 2018, 16-1/2 cents per gasoline gallon equivalent.
- 7050 (ii) Beginning on January 1, 2020, and ending on December 31, 2026, the
- 7051 commission shall, on January 1, annually adjust the rate of a tax imposed under
- 7052 this section on compressed natural gas by taking the rate for the previous calendar
- 7053 year and adding an amount equal to the greater of:
- 7054 (A) an amount calculated by multiplying the rate of a tax imposed under this
- 7055 section on compressed natural gas for the previous calendar year by the actual
- 7056 percent change during the previous fiscal year in the Consumer Price Index; and
- 7057 (B) 0.
- 7058 (iii) The rate of a tax imposed under this section on compressed natural gas
- 7059 determined by the commission under Subsection (12)(a)(ii) may not exceed 22-1/2
- 7060 cents per gasoline gallon equivalent.
- 7061 (b)(i) Subject to Subsections (12)(b)(ii) and (iii), a tax imposed under this section on
- 7062 liquified natural gas is imposed at a rate of:
- 7063 (A) until June 30, 2016, 10-1/2 cents per diesel gallon equivalent;
- 7064 (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per diesel
- 7065 gallon equivalent;
- 7066 (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per diesel
- 7067 gallon equivalent; and
- 7068 (D) beginning on or after July 1, 2018, 16-1/2 cents per diesel gallon equivalent.
- 7069 (ii) Beginning on January 1, 2020, and ending on December 31, 2026, the
- 7070 commission shall, on January 1, annually adjust the rate of a tax imposed under
- 7071 this section on liquified natural gas by taking the rate for the previous calendar
- 7072 year and adding an amount equal to the greater of:
- 7073 (A) an amount calculated by multiplying the rate of a tax imposed under this
- 7074 section on liquified natural gas for the previous calendar year by the actual
- 7075 percent change during the previous fiscal year in the Consumer Price Index; and
- 7076 (B) 0.
- 7077 (iii) The rate of a tax imposed under this section on liquified natural gas determined
- 7078 by the commission under Subsection (12)(b)(ii) may not exceed 22-1/2 cents per
- 7079 diesel gallon equivalent.
- 7080 (c)(i) Subject to Subsections (12)(c)(ii) and (iii), a tax imposed under this section on
- 7081 hydrogen used to operate or propel a motor vehicle upon the public highways of
- 7082 the state is imposed at a rate of:

- 7083 (A) until June 30, 2016, 10-1/2 cents per gasoline gallon equivalent;
 7084 (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per gasoline
 7085 gallon equivalent;
 7086 (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per gasoline
 7087 gallon equivalent; and
 7088 (D) beginning on or after July 1, 2018, 16-1/2 cents per gasoline gallon equivalent.
 7089 (ii) Beginning on January 1, 2020, and ending on December 31, 2026, the
 7090 commission shall, on January 1, annually adjust the rate of a tax imposed under
 7091 this section on hydrogen used to operate or propel a motor vehicle upon the public
 7092 highways of the state by taking the rate for the previous calendar year and adding
 7093 an amount equal to the greater of:
 7094 (A) an amount calculated by multiplying the rate of a tax imposed under this
 7095 section on hydrogen used to operate or propel a motor vehicle upon the public
 7096 highways of the state for the previous calendar year by the actual percent
 7097 change during the previous fiscal year in the Consumer Price Index; and
 7098 (B) 0.
 7099 (iii) The rate of a tax imposed under this section on hydrogen used to operate or
 7100 propel a motor vehicle upon the public highways of the state determined by the
 7101 commission under Subsection (12)(c)(ii) may not exceed 22-1/2 cents per gasoline
 7102 gallon equivalent.
 7103 (d)(i) The commission shall annually:
 7104 [~~(A) adjust the fuel tax rates imposed under Subsections (12)(a)(ii), (b)(ii), and~~
 7105 ~~(c)(ii), rounded to the nearest one-tenth of a cent;~~]
 7106 [~~(B)~~] (A) publish the [adjusted] fuel tax as a cents per gallon rate; and
 7107 [~~(C)~~] (B) post or otherwise make public the [adjusted] fuel tax rate [as determined
 7108 ~~in Subsection (12)(d)(i)(A)~~] no later than 60 days [~~prior to~~] before the annual
 7109 effective date under Subsection (12)(d)(ii).
 7110 (ii) The tax rates imposed under this Subsection (12) [~~and adjusted as required under~~
 7111 ~~Subsection (12)(d)(i)~~] shall take effect on January 1 of each year.

7112 Section 103. Section **63G-7-704** is amended to read:

7113 **63G-7-704 (Effective 01/01/27). Tax levy by political subdivisions for payment of**
 7114 **claims, judgments, or insurance premiums.**

- 7115 (1) Notwithstanding any provision of law to the contrary, a political subdivision may levy
 7116 an annual property tax sufficient to pay:

- 7117 (a) any claim, settlement, or judgment, including interest payments and issuance costs
 7118 for bonds issued under Subsection 11-14-103(1)(d) to pay the portion of any claim,
 7119 settlement, or judgment that exceeds \$3,000,000;
- 7120 (b) the costs to defend against any claim, settlement, or judgment; or
 7121 (c) for the establishment and maintenance of a reserve fund for the payment of claims,
 7122 settlements, or judgments that may be reasonably anticipated.
- 7123 (2)(a) The payments authorized to pay for punitive damages or to pay the premium for
 7124 authorized insurance is money spent for a public purpose within the meaning of this
 7125 section and Utah Constitution, Article XIII, Sec. 5, even though, as a result of the
 7126 levy, the maximum levy as otherwise restricted by law is exceeded.
- 7127 (b)(i) Except as provided in Subsection (2)(b)(ii), a levy under this section may not
 7128 exceed .0001 per dollar of taxable value of taxable property.
- 7129 (ii) A levy under Subsection (1)(a) to pay the portion of any claim, settlement, or
 7130 judgment that exceeds \$3,000,000 may not exceed .001 per dollar of taxable value
 7131 of taxable property.
- 7132 (c) Except as provided in Subsection 17-63-808(2), the revenues derived from this levy
 7133 may not be used for any purpose other than those specified in this section.
- 7134 (3) ~~[Beginning January 1, 2012, a]~~ A local school board may not levy a tax in accordance
 7135 with this section.
- 7136 (4) A political subdivision that levies an annual property tax under Subsection (1)(a) to pay
 7137 the portion of any claim, settlement, or judgment~~[that exceeds \$3,000,000]:~~
- 7138 (a) shall comply with the notice and public hearing requirements under Section [
 7139 ~~59-2-919]~~ 59-2-918.5; and
- 7140 (b) may levy the annual property tax until the bonds' maturity dates expire.
- 7141 Section 104. Section **72-2-121.1** is amended to read:
- 7142 **72-2-121.1 (Effective 01/01/27). Highway Projects Within Counties Fund --**
 7143 **Accounting for revenues -- Interest -- Expenditure of revenues.**
- 7144 (1) There is created a special revenue fund within the Transportation Fund known as the
 7145 "Highway Projects Within Counties Fund."
- 7146 (2) The Highway Projects Within Counties Fund shall be funded by revenues generated by
 7147 a tax imposed by a county under Section 59-12-2216, if those revenues are allocated:
- 7148 (a) for a state highway within the county; and
 7149 (b) in accordance with Section 59-12-2216.
- 7150 (3) The department shall make a separate accounting for:

(a) the revenues described in Subsection (2); and

(b) each county for which revenues are deposited into the Highway Projects Within Counties Fund.

(4)(a) The Highway Projects Within Counties Fund shall earn interest.

(b) The department shall allocate the interest earned on the Highway Projects Within Counties Fund:

(i) proportionately;

(ii) to each county's balance in the Highway Projects Within Counties Fund; and

(iii) on the basis of each county's balance in the Highway Projects Within Counties Fund.

(5) The department shall expend the revenues and interest deposited into the Highway Projects Within Counties Fund to pay:

(a) for a state highway project within the county for which the requirements of Subsection [59-12-2216(6)] 59-12-2216(5) are met;

(b) debt service on a project described in Subsection (5)(a); or

(c) bond issuance costs related to a project described in Subsection (5)(a).

Section 105. **Repealer.**

This bill repeals:

Section **20A-7-609.5, Election on referendum challenging local tax law conducted entirely by mail.**

Section **20A-7-613, Property tax referendum petition.**

Section **53F-8-402, Special tax to buy school building sites, build and furnish schoolhouses, or improve school property.**

Section **59-1-1602, Definitions.**

Section **59-1-1603, Applicability of part.**

Section **59-2-301.3, Definitions -- Assessment of real property subject to a low-income housing covenant.**

Section **59-2-301.8, Assessment of multi-tenant residential property.**

Section **59-2-306.5, Valuation of personal property of telecommunications service provider -- Reporting information to counties.**

Section **59-2-402, Proportional assessment of transitory personal property brought from outside state -- Exemptions -- Reporting requirements -- Penalty for failure to file report -- Claims for rebates and adjustments.**

Section **59-2-918.6, New and remaining school district budgets -- Advertisement --**

7185 **Public hearing.**

7186 Section **59-2-919.2, Consolidated advertisement of public hearings.**

7187 Section **59-2-922, Replacement resolution for greater tax rate.**

7188 Section **59-2-923, Expenditures of money prior to adoption of budget or tax rate.**

7189 Section **59-12-2212.1, Transition provisions.**

7190 Section 106. **Effective Date.**

7191 This bill takes effect on January 1, 2027, if the amendment to the Utah Constitution
_ 7192 proposed by H.J.R. 20, Proposal to Amend Utah Constitution -- Utah Taxpayer Oversight of
_ 7193 Government Spending, 2026 General Session, passes the Legislature and is approved by a
_ 7194 majority of those voting on it at the next regular general election.