

Tiara Auxier proposes the following substitute bill:

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;
- ▶ provides for suspension of the voter approval and spending limits in an emergency with a two-thirds vote of the legislative body;
- ▶ repeals provisions requiring residential property to be assessed using any method other than the sales comparison approach;
- ▶ modifies elections provisions to accommodate voting requirements;
- ▶ 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:

29 **10-5-102.5 (Contingently Effective 01/01/27)**, as enacted by Laws of Utah 2014,
30 Chapters 176, 253 and 377 and last amended by Coordination Clause, Laws of Utah 2014,
31 Chapter 253
32 **10-5-109 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2019,
33 Chapter 322
34 **10-5-112 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2021,
35 Chapter 434
36 **10-5-113 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2021,
37 Chapter 52
38 **10-6-106 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2019,
39 Chapter 136
40 **10-6-116 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2021,
41 Chapter 52
42 **10-6-118 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2019,
43 Chapter 322
44 **10-6-133 (Effective 01/01/27)**, as last amended by Laws of Utah 2021, Chapter 434
45 **10-6-135 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2019,
46 Chapter 322
47 **10-6-136 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 354
48 **11-13-509 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 435
49 **11-13-514 (Effective 01/01/27)**, as enacted by Laws of Utah 2015, Chapter 265
50 **17-63-101 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
51 First Special Session, Chapter 13
52 **17-63-305 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
53 First Special Session, Chapter 13
54 **17-63-306 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
55 First Special Session, Chapter 13
56 **17B-1-609 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapters 15, 435
57 **17B-1-614 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 15
58 **17B-1-627 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 15
59 **17B-1-629 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 15
60 **17B-2a-608 (Effective 01/01/27)**, as last amended by Laws of Utah 2017, Chapter 112
61 **17B-2a-705 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 435
62 **17B-2a-1009 (Effective 01/01/27)**, as last amended by Laws of Utah 2017, Chapters 112,

63 418
64 **17C-1-1002 (Effective 01/01/27)**, as enacted by Laws of Utah 2021, Chapter 214
65 **17C-1-1005 (Effective 01/01/27)**, as enacted by Laws of Utah 2021, Chapter 214
66 **17D-1-105 (Effective 01/01/27)**, as enacted by Laws of Utah 2008, Chapter 360
67 **17D-3-107 (Effective 01/01/27)**, as last amended by Laws of Utah 2021, Chapter 84
68 **17D-4-301 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 347
69 **20A-1-203 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
70 Session, Chapter 16
71 **20A-1-204 (Effective 01/01/27)**, as last amended by Laws of Utah 2022, Chapter 170
72 **20A-3a-202 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 381,
73 448
74 **20A-3a-702 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2020,
75 Chapter 31
76 **20A-5-400.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 15
77 **20A-7-101 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
78 Session, Chapter 16
79 **20A-7-103 (Effective 01/01/27) (Contingently Superseded 01/01/27)**, as last amended by
80 Laws of Utah 2025, Chapter 448
81 **20A-7-103 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2025,
82 Chapter 492
83 **20A-7-601 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
84 Session, Chapter 15
85 **20A-7-607 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
86 Session, Chapter 16
87 **20A-7-702 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 465
88 **20A-7-703.1 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 448
89 **53F-8-201 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 186
90 **53F-8-301 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2018,
91 Chapter 2
92 **53F-8-302 (Effective 01/01/27)**, as last amended by Laws of Utah 2018, Chapter 456 and
93 renumbered and amended by Laws of Utah 2018, Chapter 2
94 **53G-3-304 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 526
95 **53G-7-303 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
96 Session, Chapter 16

97 **53G-7-306 (Effective 01/01/27)**, as last amended by Laws of Utah 2021, Chapter 214
98 **59-2-110 (Effective 01/01/27)**, as enacted by Laws of Utah 2020, Chapter 105
99 **59-2-909 (Effective 01/01/27)**, as last amended by Laws of Utah 1993, Chapter 227
100 **59-2-911 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
101 Session, Chapter 17
102 **59-2-912 (Effective 01/01/27)**, as last amended by Laws of Utah 2013, Chapter 183
103 **59-2-913 (Effective 01/01/27)**, as last amended by Laws of Utah 2018, Chapter 368
104 **59-2-918.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 246
105 **59-2-919 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
106 Session, Chapter 17
107 **59-2-919.1 [~~(Effective 07/01/26)~~]** **(Effective 01/01/27)**, as last amended by Laws of Utah
108 2025, Chapter 518
109 **59-2-920 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 322
110 **59-2-921 (Effective 01/01/27)**, as last amended by Laws of Utah 2009, Chapter 204
111 **59-2-924 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
112 Session, Chapter 15
113 **59-2-924.2 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 29
114 **59-2-1004 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 337
115 **59-2-1006 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 172
116 **59-2-1330 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 172
117 **59-2-1602 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 337,
118 484
119 **59-12-703 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
120 Session, Chapter 17
121 **59-12-704 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 290
122 **59-12-1402 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 290,
123 399
124 **59-12-1403 (Effective 01/01/27)**, as last amended by Laws of Utah 2011, Chapters 309,
125 416
126 **59-12-2208 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 435
127 **59-12-2213 (Effective 01/01/27)**, as last amended by Laws of Utah 2011, Chapter 223
128 **59-12-2214 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 29
129 **59-12-2215 (Effective 01/01/27)**, as last amended by Laws of Utah 2020, Chapter 377
130 **59-12-2216 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 501

131 **59-12-2218 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 479
 132 **59-12-2219 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 400
 133 **59-12-2220 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
 134 Session, Chapter 15
 135 **59-12-2402 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, First Special
 136 Session, Chapter 12
 137 **59-13-201 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 464
 138 **59-13-301 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 479
 139 **63G-7-704 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
 140 Session, Chapter 17
 141 **72-2-121.1 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 479

ENACTS:

143 **11-72-101 (Effective 01/01/27)**, Utah Code Annotated 1953
 144 **11-72-102 (Effective 01/01/27)**, Utah Code Annotated 1953
 145 **11-72-103 (Effective 01/01/27)**, Utah Code Annotated 1953
 146 **17-63-810 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 147 **17B-1-646 (Effective 01/01/27)**, Utah Code Annotated 1953
 148 **20A-7-901 (Effective 01/01/27)**, Utah Code Annotated 1953
 149 **20A-7-902 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 150 **20A-7-903 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 151 **20A-7-904 (Effective 01/01/27)**, Utah Code Annotated 1953
 152 **53G-7-310 (Effective 01/01/27)**, Utah Code Annotated 1953
 153 **59-1-1901 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 154 **59-1-1902 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 155 **59-1-1903 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 156 **59-1-1904 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 157 **59-1-1905 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 158 **59-1-1906 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 159 **59-1-1907 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953
 160 **59-1-1908 (Contingently Effective 01/01/27)**, Utah Code Annotated 1953

RENUMBERS AND AMENDS:

162 **20A-7-905 (Effective 01/01/27)**, (Renumbered from 59-1-1604, as last amended by
 163 Laws of Utah 2016, Chapter 53)
 164 **20A-7-906 (Effective 01/01/27)**, (Renumbered from 59-1-1605, as last amended by

165 Laws of Utah 2016, Chapter 53)

166 REPEALS:

167 **20A-7-609.5 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2025,
168 Chapters 381, 448

169 **20A-7-613 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2025,
170 Chapter 448

171 **53F-8-402 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 186

172 **59-1-1602 (Effective 01/01/27)**, as enacted by Laws of Utah 2014, Chapter 356

173 **59-1-1603 (Effective 01/01/27)**, as enacted by Laws of Utah 2014, Chapter 356

174 **59-2-301.3 (Contingently Effective 01/01/27)**, as last amended by Laws of Utah 2022,
175 Chapter 267

176 **59-2-301.8 (Contingently Effective 01/01/27)**, as enacted by Laws of Utah 2020, Chapter
177 86

178 **59-2-306.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 315

179 **59-2-402 (Effective 01/01/27)**, as last amended by Laws of Utah 2007, Chapter 210

180 **59-2-918.6 (Effective 01/01/27)**, as last amended by Laws of Utah 2018, Chapter 415

181 **59-2-919.2 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 337

182 **59-2-922 (Effective 01/01/27)**, as last amended by Laws of Utah 2009, Chapter 204

183 **59-2-923 (Effective 01/01/27)**, as last amended by Laws of Utah 2009, Chapter 204

184 **59-12-2212.1 (Effective 01/01/27)**, as enacted by Laws of Utah 2010, Chapter 263

185

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

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

188 **10-5-102.5 (Contingently Effective 01/01/27). Definitions.**

189 As used in this chapter:

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

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

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

- 199 (4) "Interfund loan" means a loan of cash from one fund to another, subject to future
200 repayment.
- 201 (5) "Town general fund" means the general fund used by a town.
- 202 (6) "Utility" means a utility owned by a town, in whole or in part, that provides electricity,
203 gas, water, or sewer, or any combination of them.

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

205 **10-5-109 (Contingently Effective 01/01/27). Adoption of budgets -- Filing.**

- 206 (1) Before June 30 of each year, [~~or September 1 in the case of a property tax increase~~
207 ~~under Sections 59-2-919 through 59-2-923,~~]the council shall by resolution or ordinance
208 adopt a budget for the ensuing fiscal year for each fund for which this chapter requires a
209 budget[~~is required under this chapter~~].
- 210 (2) The final budget may not exceed the town's fiscal year spending limit described in
211 Section 59-1-1904.
- 212 [~~(2)~~] (3) The council shall file a copy of the final budget for each fund with the state auditor
213 within 30 days after [~~adoption~~] the day on which the council adopts the budget for the
214 fund.

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

216 **10-5-112 (Contingently Effective 01/01/27). Property tax levy set by ordinance --**
217 **Maximum -- Certification.**

- 218 (1)(a) [~~Not later than~~] Before June 22 of each year, [~~or September 1 in the case of a~~
219 ~~property tax increase under Sections 59-2-919 through 59-2-923,~~]the council, at a
220 regular meeting or special meeting called for that purpose, shall by ordinance or
221 resolution set the real and personal property tax levy for town purposes[~~, but the levy~~
222 ~~may be set at an appropriate later date with the approval of the State Tax Commission~~].
- 223 (b) Notwithstanding Subsection (1)(a), the council may set the levy at an appropriate
224 later date with the approval of the State Tax Commission.
- 225 (2) The combined levies for each town, for all purposes in any year, excluding the
226 retirement of general obligation bonds and the payment of any interest, and taxes
227 expressly authorized by law to be levied in addition, may not exceed .007 per dollar of
228 taxable value of taxable property.
- 229 (3) The town clerk shall certify the ordinance or resolution setting the levy to the county
230 auditor, or auditors, if the town is located in more than one county, not later than June 22
231 of each year.
- 232 (4) For the first fiscal year after the year in which a county imposes a levy under Section

233 11-46-104, a town shall reduce the levy imposed under this section for general tax
 234 purposes by the amount necessary to offset the revenue described in Subsection
 235 11-46-104(5)(c)(iii).

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

237 **10-5-113 (Contingently Effective 01/01/27). Accumulation of retained earnings**
 238 **or fund balance -- Limit as to general fund -- Reserve for capital improvements.**

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

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

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

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

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

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

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

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

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

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

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

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

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

266 **10-6-106 (Contingently Effective 01/01/27). Definitions.**

267 As used in this chapter:

- 268 (1) "Account group" is defined by generally accepted accounting principles as reflected in
269 the Uniform Accounting Manual for Utah Cities.
- 270 (2) "Appropriation" means an allocation of money by the governing body for a specific
271 purpose.
- 272 (3)(a) "Budget" means a plan of financial operations for a fiscal period which embodies
273 estimates of proposed expenditures for given purposes and the proposed means of
274 financing them.
- 275 (b) "Budget" may refer to the budget of a particular fund for which a budget is required
276 by law or it may refer collectively to the budgets for all such funds.
- 277 (4) "Budget officer" means the city auditor in a city of the first and second class, the mayor
278 or some person appointed by the mayor with the approval of the city council in a city of
279 the third, fourth, or fifth class, the mayor in the council-mayor optional form of
280 government, or the person designated by the charter in a charter city.
- 281 (5) "Budget period" means the fiscal period for which a budget is prepared.
- 282 (6) "Budgetary fund" means a fund for which a budget is required.
- 283 (7) "Check" means an order in a specific amount drawn upon a depository by an authorized
284 officer of a city.
- 285 (8) "City general fund" means the general fund used by a city.
- 286 (9) "Current period" means the fiscal period in which a budget is prepared and adopted, i.e.,
287 the fiscal period next preceding the budget period.
- 288 (10) "Department" means any functional unit within a fund that carries on a specific
289 activity, such as a fire or police department within a city general fund.
- 290 (11) "Encumbrance system" means a method of budgetary control in which part of an
291 appropriation is reserved to cover a specific expenditure by charging obligations, such as
292 purchase orders, contracts, or salary commitments to an appropriation account at [~~their~~]
293 the time of origin. Such obligations cease to be encumbrances when paid or when the
294 actual liability is entered on the city's books of account.
- 295 (12) "Enterprise fund" means a fund as defined by the Governmental Accounting Standards
296 Board that is used by a municipality to report an activity for which a fee is charged to
297 users for goods or services.
- 298 (13) "Estimated revenue" means the amount of revenue estimated to be received from all
299 sources during the budget period in each fund for which a budget is being prepared.
- 300 (14) "Financial officer" means the mayor in the council-mayor optional form of government

- 301 or the city official as authorized by Section 10-6-158.
- 302 (15) "Fiscal period" means the annual or biennial period for accounting for fiscal operations
303 in each city.
- 304 (16) "Fund" is as defined by generally accepted accounting principles as reflected in the
305 Uniform Accounting Manual for Utah Cities.
- 306 (17) "Fund balance," "retained earnings," and "deficit" have the meanings commonly
307 accorded such terms under generally accepted accounting principles as reflected in the
308 Uniform Accounting Manual for Utah Cities.
- 309 (18) "General fund" [~~is-as~~] means the same as that term is defined by the Governmental
310 Accounting Standards Board as reflected in the Uniform Accounting Manual for All
311 Local Governments prepared by the Office of the [~~Utah~~]State Auditor.
- 312 (19) "Governing body" means a city council, or city commission, as the case may be, but
313 the authority to make any appointment to any position created by this chapter is vested
314 in the mayor in the council-mayor optional form of government.
- 315 (20) "Interfund loan" means a loan of cash from one fund to another, subject to future
316 repayment.
- 317 (21) "Last completed fiscal period" means the fiscal period next preceding the current
318 period.
- 319 (22)(a) "Public funds" means any money or payment collected or received by an officer
320 or employee of the city acting in an official capacity and includes money or payment
321 to the officer or employee for services or goods provided by the city, or the officer or
322 employee while acting within the scope of employment or duty.
- 323 (b) "Public funds" does not include money or payments collected or received by an
324 officer or employee of a city for charitable purposes if the mayor or city council has
325 consented to the officer's or employee's participation in soliciting contributions for a
326 charity.
- 327 (23) "Special fund" means any fund other than the city general fund.
- 328 (24) "Utility" means a utility owned by a city, in whole or in part, that provides electricity,
329 gas, water, or sewer, or any combination of them.
- 330 (25) "Warrant" means an order drawn upon the city treasurer, in the absence of sufficient
331 money in the city's depository, by an authorized officer of a city for the purpose of
332 paying a specified amount out of the city treasury to the person named or to the bearer as
333 money becomes available.

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

335 **10-6-116 (Contingently Effective 01/01/27). Accumulated fund balances --**
 336 **Limitations -- Excess balances -- Unanticipated excess of revenues -- Reserves for capital**
 337 **improvements.**

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

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

342 (i) to provide working capital to finance expenditures from the beginning of the
 343 budget period until general property taxes, sales taxes, or other applicable
 344 revenues are collected, thereby reducing the amount the city must borrow during
 345 the period;

346 (ii) to provide a resource to meet emergency expenditures under Section 10-6-129;
 347 and

348 (iii) to cover a pending year-end excess of expenditures over revenues from an
 349 unavoidable shortfall in revenues.

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

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

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

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

360 (4) ~~[Any]~~ The city may use a fund balance in excess of 5% of the total revenues of the city
 361 general fund ~~[may be utilized]~~ for budget purposes.

362 (5)(a) Within a capital improvements fund, the governing body may appropriate, in any
 363 budget period, ~~[appropriate]~~ from estimated revenue or fund balance to a reserve for
 364 capital improvements for the purpose of financing future specific capital
 365 improvements, under a formal long-range capital plan adopted by the governing body.

366 (b) The reserves described in Subsection (5)(a) may accumulate from fiscal period to
 367 fiscal period until the accumulated total is sufficient to permit economical
 368 expenditure for the specified purposes.

369 (c) Disbursements from reserves described in Subsection (5)(a) shall be made only by
 370 transfer to a revenue or transfer account within the capital improvements fund, under
 371 a budget appropriation in a budget for the fund adopted in the manner provided by
 372 this chapter.

373 (d) Expenditures from the above appropriation budget accounts shall conform to all
 374 requirements of this chapter relating to execution and control of budgets.

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

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

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

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

384 (d)(i) Except as provided in Subsection (6)(d)(ii), the governing body shall make a
 385 refund during the next fiscal year.

386 (ii) The governing body may reserve the revenue that exceeds the city's fiscal year
 387 spending limit one additional fiscal year if the cost of administration, as
 388 determined by the governing body, exceeds the amount of refunds.

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

390 **10-6-118 (Contingently Effective 01/01/27). Adoption of final budget --**

391 **Certification and filing.**

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

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

399 [~~(2)~~] (3) The budget officer of the governing body shall certify a copy of the final budget
 400 and file the copy with the state auditor within 30 days after [adoption] the governing
 401 body adopts the budget.

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

403 **10-6-133 (Effective 01/01/27). Property tax levy -- Time for setting --**
 404 **Computation of total levy -- Apportionment of proceeds -- Maximum levy.**

- 405 (1)(a) Before June 22 of each year, [~~or September 1 in the case of a property tax rate~~
 406 ~~increase under Sections 59-2-919 through 59-2-923,~~]the governing body of each
 407 city, including charter cities, at a regular meeting or special meeting called for that
 408 purpose, shall by ordinance or resolution set the real and personal property tax levy
 409 for various municipal purposes.
- 410 (b) Notwithstanding Subsection (1)(a), the governing body may set the levy at an
 411 appropriate later date with the approval of the State Tax Commission.
- 412 (2) In the governing body's computation of the total levy, the governing body shall
 413 determine the requirements of each fund for which property taxes are to be levied and
 414 shall specify in the governing body's ordinance or resolution adopting the levy the
 415 amount apportioned to each fund.
- 416 (3) The proceeds of the levy apportioned for city general fund purposes shall be credited as
 417 revenue in the city general fund.
- 418 (4) The proceeds of the levy apportioned for special fund purposes shall be credited to the
 419 appropriate accounts in the applicable special funds.
- 420 (5) For the first fiscal year after the year in which a county imposes a levy under Section
 421 11-46-104, a city shall reduce the levy imposed under this section for general tax
 422 purposes by the amount necessary to offset the revenue described in Subsection
 423 11-46-104(5)(c)(iii).
- 424 (6) The combined levies for each city, including charter cities, for all purposes in any year,
 425 excluding the retirement of general obligation bonds and the payment of any interest,
 426 and taxes expressly authorized by law to be levied in addition, may not exceed .007 per
 427 dollar of taxable value of taxable property.

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

429 **10-6-135 (Contingently Effective 01/01/27). Operating and capital budgets.**

- 430 (1)(a) As used in this section, "operating and capital budget" means a plan of financial
 431 operation for an enterprise fund or other required special fund that includes estimates
 432 of operating resources, expenses, and other outlays for a fiscal period.
- 433 (b) Except as otherwise expressly provided, any reference to "budget" or "budgets" and
 434 the procedures and controls relating to a budget or budgets in other sections of this
 435 chapter do not apply or refer to the operating and capital budgets described in this
 436 section.

- 437 (2) At or before the time the governing body adopts budgets for the funds described in
 438 Section 10-6-109, the governing body shall adopt:
- 439 (a) an operating and capital budget for each enterprise fund for the ensuing fiscal period;
 440 and
- 441 (b) the type of budget for other special funds as required by the Uniform Accounting
 442 Manual for Utah Cities.
- 443 (3)(a) The governing body shall adopt and administer an operating and capital budget in
 444 accordance with this Subsection (3).
- 445 (b) At or before the first regularly scheduled meeting of the governing body in the last
 446 May of the current fiscal period, the budget officer shall:
- 447 (i) prepare for the ensuing fiscal period and file with the governing body a tentative
 448 operating and capital budget for:
- 449 (A) each enterprise fund; and
 450 (B) other required special funds;
- 451 (ii) include with the tentative operating and capital budget described in Subsection [
 452 ~~(3)(e)~~] (3)(b)(i) specific work programs as submitted by each department head; and
 453 (iii) include any other supporting data required by the governing body.
- 454 (c) Each city of the first or second class shall, and each city of the third, fourth, or fifth
 455 class may, submit a supplementary estimate of all capital projects which a department
 456 head believes should be undertaken within the three next succeeding fiscal periods.
- 457 (d)(i) Subject to Subsection (3)(d)(ii), the budget officer shall prepare all estimates
 458 after review and consultation with each department head described in Subsection
 459 (3)(c).
- 460 (ii) After complying with Subsection (3)(d)(i), the budget officer may revise any
 461 departmental estimate before ~~[it is filed]~~ the budget officer files the departmental
 462 estimate with the governing body.
- 463 (4)(a) ~~[Each]~~ The governing body shall review and consider each tentative budget,
 464 amendment to a budget, or budget ~~[shall be reviewed and considered by the~~
 465 ~~governing body at any]~~ at a regular meeting or a special meeting called for that
 466 purpose.
- 467 (b) The governing body may make changes in the tentative budgets.
- 468 (5) Budgets for enterprise or other required special funds shall comply with the public
 469 hearing requirements established in Sections 10-6-113 and 10-6-114.
- 470 (6)(a) Before the last June 30 of each fiscal period, ~~[or, in the case of a property tax~~

471 increase under Sections 59-2-919 through 59-2-923, before September 1 of the year
 472 for which a property tax increase is proposed,]the governing body shall adopt an
 473 operating and capital budget for each applicable fund for the ensuing fiscal period.

474 (b) A copy of the budget as finally adopted for each fund shall be:

475 (i) certified by the budget officer;

476 (ii) filed by the budget officer in the office of the city auditor or city recorder;

477 (iii) available to the public during regular business hours; and

478 (iv) filed with the state auditor within 30 days after the day on which the governing
 479 body adopts the budget[~~is adopted~~].

480 (7)(a) Upon final adoption, the operating and capital budget is in effect for the budget
 481 period, subject to later amendment.

482 (b) During the budget period the governing body may, in [~~any~~] a regular meeting or a
 483 special meeting called for that purpose, review any one or more of the operating and
 484 capital budgets for the purpose of determining if the [~~total of any of them should be~~
 485 ~~increased~~] governing body should increase the total of any operating and capital
 486 budget.

487 (c) If the governing body decides that the governing body should increase the budget
 488 total of one or more of the [~~funds should be increased under Subsection (7)(b)]
 489 operating and capital budgets, the governing body shall follow the procedures set
 490 forth in Section 10-6-136.~~

491 (8) Expenditures from operating and capital budgets shall conform to the requirements
 492 relating to budgets specified in Sections 10-6-121 through 10-6-126.

493 Section 10. Section **10-6-136** is amended to read:

494 **10-6-136 (Effective 01/01/27). Increase in appropriations for operating and**
 495 **capital budget funds -- Notice.**

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

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

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

504 (2) [~~The~~] A member of the governing body may waive notice [~~may be waived~~]in writing or

505 orally during attendance at the meeting~~[by any member of the governing body].~~

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

507 **11-13-509 (Effective 01/01/27). Hearing to consider adoption -- Notice.**

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

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

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

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

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

517 ~~[(b) shall be published in accordance with the advertisement provisions of Section
518 59-2-919.]~~

519 ~~[(3)]~~ (2) Proof that notice was given in accordance with Subsection (1)(b)~~[-or (2)]~~ is prima
520 facie evidence that notice was properly given.

521 ~~[(4)]~~ (3) If a notice required under Subsection (1)(b)~~[-or (2)]~~ is not challenged within 30
522 days after the day on which the hearing is held, the notice is adequate and proper.

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

524 **11-13-514 (Effective 01/01/27). Adoption of final budget -- Certification and
525 filing.**

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

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

532 ~~[(2)]~~ (3) The interlocal entity's budget officer shall file, within 30 days after adoption, the
533 final budget with the members and the state auditor.

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

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

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17, 17B, 17D, and 53E

Part 1. Taxpayer Bill of Rights

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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.

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.

- 571 (b) A refund of property tax revenue shall be proportional.
 572 (4)(a) Except as provided in Subsection (4)(b), the governing body shall make a refund
 573 during the next fiscal year.
 574 (b) The governing body may reserve the revenue that exceeds the political subdivision's
 575 fiscal year spending limit for one additional fiscal year if the cost of administration,
 576 as determined by the governing body, exceeds the amount of refunds.

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

578 **17-63-101 (Effective 01/01/27). Definitions.**

579 As used in this chapter:

- 580 (1) "Accrual basis of accounting" means a method where revenues are recorded when
 581 earned and expenditures recorded when they become liabilities notwithstanding that the
 582 receipt of the revenue or payment of the expenditure may take place in another
 583 accounting period.
- 584 (2) "Appropriation" means an allocation of money for a specific purpose.
- 585 (3)(a) "Budget" means a plan for financial operations for a fiscal period, embodying
 586 estimates for proposed expenditures for given purposes and the means of financing
 587 the expenditures.
- 588 (b) "Budget" may refer to the budget of a fund for which a budget is required by law, or
 589 collectively to the budgets for all those funds.
- 590 (4) "Budgetary fund" means a fund for which a budget is required, such as those described
 591 in Section 17-63-301.
- 592 (5) "Budget period" means the fiscal period for which a budget is prepared.
- 593 (6) "Check" means an order in a specific amount drawn upon the depository by any
 594 authorized officer in accordance with:
- 595 (a) Section 17-69-307; or
- 596 (b) Section 17-74-301.
- 597 (7) "County general fund" means the general fund used by a county.
- 598 (8) "Countywide service" means a service provided in both incorporated and
 599 unincorporated areas of a county.
- 600 (9) "Current period" means the fiscal period in which a budget is prepared and adopted.
- 601 (10) "Department" means any functional unit within a fund which carries on a specific
 602 activity.
- 603 (11) "Encumbrance system" means a method of budgetary control where part of an
 604 appropriation is reserved to cover a specific expenditure by charging obligations, such as

- 605 purchase orders, contracts, or salary commitments to an appropriation account. An
606 expenditure ceases to be an encumbrance when paid or when the actual liability is
607 entered in the books of account.
- 608 (12) "Estimated revenue" means any revenue estimated to be received during the budget
609 period in any fund for which a budget is prepared.
- 610 (13) "Finance officer" means:
- 611 (a)(i) the county auditor; or
612 (ii) the person selected to provide accounting services for the county in accordance
613 with Section 17-69-304; or
- 614 (b) notwithstanding Subsection (13)(a), for the purposes of preparing a tentative budget
615 in a county operating under a county executive-council form of county government,
616 the county executive.
- 617 (14) "Fiscal period" means the annual or biennial period for recording county fiscal
618 operations.
- 619 (15) "Fund" means an independent fiscal and accounting entity comprised of a sum of
620 money or other resources segregated for a specific purpose or objective.
- 621 (16) "Fund balance" means the excess of the assets over liabilities, reserves, and
622 contributions, as reflected by [its] the fund's books of account.
- 623 (17) "Fund deficit" means the excess of liabilities, reserves, and contributions over [its-]
624 assets, as reflected by [its] the fund's books of account.
- 625 (18) "General fund" means the same as that term is defined by the Governmental
626 Accounting Standards Board as reflected in the Uniform Accounting Manual for All
627 Local Governments prepared by the Office of the [~~Utah~~]State Auditor.
- 628 (19) "Interfund loan" means a loan of cash from one fund to another, subject to future
629 repayment.
- 630 (20) "Last completed fiscal period" means the fiscal period immediately before the current
631 period.
- 632 (21) "Modified accrual basis of accounting" means a method under which expenditures
633 other than accrued interest on general long-term debt are recorded at the time liabilities
634 are incurred and revenues are recorded when they become measurable and available to
635 finance expenditures of the current period.
- 636 (22) "Municipal capital project" means the acquisition, construction, or improvement of
637 capital assets that facilitate providing municipal service.
- 638 (23) "Municipal service" means a service not provided on a countywide basis and not

639 accounted for in an enterprise fund, and includes police patrol, fire protection, culinary
 640 or irrigation water retail service, water conservation, local parks, sewers, sewage
 641 treatment and disposal, cemeteries, garbage and refuse collection, street lighting,
 642 airports, planning and zoning, local streets and roads, curb, gutter, and sidewalk
 643 maintenance, and ambulance service.

644 (24) "Retained earnings" means that part of the net earnings retained by an enterprise or
 645 internal service fund [~~which~~] that is not segregated or reserved for any specific purpose.

646 (25) "Special fund" means any fund other than the county general fund.

647 (26) "Unappropriated surplus" means that part of a fund [~~which~~] that is not appropriated for
 648 an ensuing budget period.

649 (27) "Warrant" means an order for payment in a specific amount, issued by a county officer
 650 or county employee with the authority to make the order, directing the disbursement of
 651 funds.

652 Section 17. Section **17-63-305** is amended to read:

653 **17-63-305 (Effective 01/01/27). Adoption of final budget -- Appropriations in**
 654 **final budget -- Addressing deficits.**

655 (1)(a) On or before the last day of each fiscal period, the governing body by resolution
 656 shall adopt the final budget.

657 (b) The final budget may not exceed the county's fiscal year spending limit described in
 658 Section 59-1-1904.

659 (2) A final budget adopted in accordance with Subsection (1) is, unless amended, in effect
 660 for the next fiscal period.

661 (3) The finance officer shall:

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

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

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

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

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

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

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

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

674 **17-63-306 (Effective 01/01/27). Review of second year's budget for biennial**
675 **budgets.**

676 (1) In a county that has adopted a fiscal period that is a biennial period under Section
677 17-63-201, the governing body shall, in a public hearing before December 31 of the first
678 year of the biennial period, review the individual budgets of the funds set forth in
679 Sections 17-63-301 and 17-63-802 for the second year of the biennial period.

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

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

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

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

686 (a) amend the budget; and

687 (b) make necessary budget appropriation reductions in accordance with Section
688 17-63-401.

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

690 **17-63-810 (Contingently Effective 01/01/27). Tax refunds.**

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

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

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

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

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

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

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

706 **17B-1-609 (Effective 01/01/27). Hearing to consider adoption -- Notice.**

- 707 (1) At the meeting at which the tentative budget is adopted, the board of trustees shall:
- 708 (a) establish the time and place of a public hearing to consider [its] the final budget's
- 709 adoption; and
- 710 (b) except as provided in Subsection (5) or (6) ~~or (7)~~, order that notice of the hearing
- 711 be published for the district, as a class A notice under Section 63G-30-102, for at
- 712 least seven days before the day of the hearing.
- 713 ~~[(2) If the budget hearing is held in conjunction with a tax increase hearing, the notice~~
- 714 ~~required in Subsection (1)(b):]~~
- 715 ~~[(a) may be combined with the notice required under Section 59-2-919; and]~~
- 716 ~~[(b) shall be published in accordance with the advertisement provisions of Section~~
- 717 ~~59-2-919.]~~
- 718 ~~[(3)]~~ (2) If the budget hearing is to be held in conjunction with a fee increase hearing, the
- 719 notice required in Subsection (1)(b):
- 720 (a) may be combined with the notice required under Section 17B-1-643; and
- 721 (b) shall be published or mailed in accordance with the notice provisions of Section
- 722 17B-1-643.
- 723 ~~[(4)]~~ (3) Proof that notice was given in accordance with Subsection (1)(b), (2), ~~[(3), or (6)]~~ or
- 724 (5) is prima facie evidence that notice was properly given.
- 725 ~~[(5)]~~ (4) If a notice required under Subsection (1)(b), (2), ~~[(3), or (6)]~~ or (5) is not challenged
- 726 within 30 days after the day on which the hearing is held, the notice is adequate and
- 727 proper.
- 728 ~~[(6)]~~ (5) A board of trustees of a special district with an annual operating budget of less than
- 729 \$250,000 may satisfy the notice requirements in Subsection (1)(b) by:
- 730 (a) mailing a written notice, postage prepaid, to each voter in the special district; and
- 731 (b) posting the notice in three public places within the district.
- 732 ~~[(7)]~~ (6) The notice described in this section is exempt from the physical posting
- 733 requirement described in Subsection 63G-30-102(1)(c).
- 734 Section 21. Section **17B-1-614** is amended to read:
- 735 **17B-1-614 (Effective 01/01/27). Adoption of final budget -- Certification and**
- 736 **filing.**
- 737 (1) The board of trustees of each special district shall by resolution adopt a budget for the
- 738 ensuing fiscal year for each fund for which a budget is required under this part ~~[prior to]~~
- 739 before the beginning of the fiscal year~~[-except as provided in Sections 59-2-919 through~~
- 740 ~~59-2-923].~~

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

743 [~~(2)~~] (3) The special district's budget officer shall certify a copy of the final budget for each
 744 fund and file it with the state auditor within 30 days after adoption.

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

746 **17B-1-627 (Effective 01/01/27). Property tax levy -- Time for setting --**
 747 **Computation of total levy -- Apportionment of proceeds -- Maximum levy.**

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

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

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

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

761 (5) The combined levies for each district for all purposes in any year, excluding the
 762 retirement of general obligation bonds and the payment of any interest on the bonds, and
 763 any taxes expressly authorized by law to be levied in addition, may not exceed the limit
 764 enumerated by the laws governing each district.

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

766 **17B-1-629 (Effective 01/01/27). Operating and capital budgets.**

767 (1)(a) As used in this section, "operating and capital budget" means a plan of financial
 768 operation for a proprietary or other required special fund, embodying estimates of
 769 operating resources and expenses and other outlays for a fiscal year.

770 (b) Except as otherwise expressly provided, the reference to "budget" or "budgets" and
 771 the procedures and controls relating to [~~them~~] the budget or budgets in other sections
 772 of this part do not apply or refer to the "operating and capital budgets" provided for in
 773 this section.

774 (2) On or before the time the board of trustees adopts budgets for the governmental funds

775 under Section 17B-1-605, ~~it~~ the board of trustees shall adopt for the ensuing year an
 776 operating and capital budget for each proprietary fund and shall adopt the type of budget
 777 for other special funds which is required by the Uniform Accounting Manual for Special
 778 Districts.

779 (3) Operating and capital budgets shall be adopted and administered in the following
 780 manner:

781 (a)(i) On or before the first regularly scheduled meeting of the board of trustees, in
 782 November for calendar year entities and May for fiscal year entities, the budget
 783 officer shall prepare for the ensuing fiscal year, and file with the board of trustees,
 784 a tentative operating and capital budget for each proprietary fund and for other
 785 required special funds, together with specific work programs and any other
 786 supporting data required by the board.

787 (ii) If, within any proprietary fund, allocations or transfers that are not reasonable
 788 allocations of costs between funds are included in a tentative budget, a written
 789 notice of the date, time, place, and purpose of the hearing shall be mailed to utility
 790 fund customers at least seven days before the hearing.

791 (iii) The purpose portion of the notice required under Subsection (3)(a)(ii) shall
 792 identify:

793 (A) the enterprise utility fund from which money is being transferred;

794 (B) the amount being transferred; and

795 (C) the fund to which the money is being transferred.

796 (b)(i) The board of trustees shall review and consider the tentative budgets at any
 797 regular meeting or special meeting called for that purpose.

798 (ii) The board of trustees may make any changes in the tentative budgets that ~~it~~ the
 799 board of trustees considers advisable.

800 (c) Budgets for proprietary or other required special funds shall comply with the public
 801 hearing requirements established in Sections 17B-1-609 and 17B-1-610.

802 (d)(i) The board of trustees shall adopt an operating and capital budget for each
 803 proprietary fund for the ensuing fiscal year before the beginning of each fiscal year[
 804 ~~, except as provided in Sections 59-2-919 through 59-2-923].~~

805 (ii)(A) ~~[A]~~ The budget officer shall certify a copy of the budget as finally adopted
 806 for each proprietary fund [shall be certified by the budget officer-] and [filed by
 807 the officer] file a copy of the budget as finally adopted for each proprietary fund
 808 in the district office[and shall be] .

- 809 (B) A special district shall make a copy of the budget as finally adopted for each
 810 proprietary fund available to the public during regular business hours.
- 811 (iii) A copy of the budget shall also be filed with the state auditor within 30 days after
 812 adoption.
- 813 (e)(i) Upon final adoption, the operating and capital budget is in effect for the budget
 814 year, subject to later amendment.
- 815 (ii) During the budget year, the board of trustees may, in any regular meeting or
 816 special meeting called for that purpose, review any one or more of the operating
 817 and capital budgets for the purpose of determining if the total of any of them
 818 should be increased.
- 819 (iii) If the board of trustees decides that the budget total of one or more of these
 820 proprietary funds should be increased, the board shall follow the procedures
 821 established in Section 17B-1-630.
- 822 (f) Expenditures from operating and capital budgets shall conform to the requirements
 823 relating to budgets specified in Sections 17B-1-617 through 17B-1-620.

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

825 **17B-1-646 (Effective 01/01/27). Tax refunds.**

- 826 (1) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in
 827 Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the board of trustees of
 828 each special district shall refund revenue that exceeds the special district's fiscal year
 829 spending limit to taxpayers.
- 830 (2) The preferred form of refund is a property tax rate reduction, but the board of trustees
 831 shall determine the form of refund, at the lowest cost and by any reasonable method.
- 832 (3) A refund of property tax shall be proportional.
- 833 (4)(a) Except as provided in Subsection (4)(b), the board of trustees of a special district
 834 shall make a refund of a deposit during the next fiscal year.
- 835 (b) The board of trustees of a special district may reserve the revenue that exceeds the
 836 special district's fiscal year spending limit for one additional fiscal year if the cost of
 837 administration, as determined by the board of trustees, exceeds the amount of refunds.

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

839 **17B-2a-608 (Effective 01/01/27). Limit on property tax authority -- Exceptions.**

- 840 (1) As used in this section, "elected official" means a metropolitan water district board of
 841 trustee member who is elected to the board of trustees by metropolitan water district
 842 voters at an election held for that purpose.

- 843 (2) The board of trustees of a metropolitan water district may not collect property tax
 844 revenue [in a tax year beginning on or after January 1, 2015,] that would exceed the
 845 certified tax rate under Section 59-2-924 unless:
- 846 (a) the members of the board of trustees are all elected officials; or
 847 (b) the proposed tax levy has previously been approved by:
- 848 (i)(A) before January 1, 2027, a majority of the metropolitan water district voters
 849 who vote in an election held for that purpose on a date specified in Section
 850 20A-1-204; or
- 851 (B) on or after January 1, 2027, a majority of the metropolitan water district voters
 852 who vote in an election held in accordance with Title 20A, Chapter 7, Part 9,
 853 Tax Increase Voting Requirements; or
- 854 (ii) the legislative body of each municipality that appoints a member to the board of
 855 trustees under Section 17B-2a-604.

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

857 **17B-2a-705 (Effective 01/01/27). Taxation -- Additional levy -- Election -- Notice.**

- 858 (1) If a mosquito abatement district board of trustees determines that the funds required
 859 during the next ensuing fiscal year will exceed the maximum amount that the district is
 860 authorized to levy under Subsection 17B-1-103(2)(g), the board of trustees may [~~call an~~
 861 ~~election on a date specified in Section 20A-1-204 and]submit, in accordance with Title
 862 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, to district voters the question
 863 of whether the district should be authorized to impose an additional tax to raise the
 864 necessary additional funds.~~
- 865 (2) The board shall provide notice of the election for the district, as a class A notice under
 866 Section 63G-30-102, for at least four weeks before the day of the election.
- 867 (3) No particular form of ballot is required, and no informalities in conducting the election
 868 may invalidate the election, if it is otherwise fairly conducted.
- 869 [~~(4) At the election each ballot shall contain the words, "Shall the district be authorized to~~
 870 ~~impose an additional tax to raise the additional sum of \$_____?"~~]
- 871 [(~~5~~)] (4) The board of trustees shall canvass the votes cast at the election, and, if a majority
 872 of the votes cast are in favor of the imposition of the tax, the district is authorized to
 873 impose an additional levy to raise the additional amount of money required.

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

875 **17B-2a-1009 (Effective 01/01/27). Limit on property tax authority -- Exceptions.**

- 876 (1) As used in this section:

- 877 (a) "Appointed board of trustees" means a board of trustees of a water conservancy
 878 district that includes a member who is appointed to the board of trustees in
 879 accordance with this part.
- 880 (b) "Elected board of trustees" means a board of trustees of a water conservancy district
 881 that consists entirely of members who are elected to the board of trustees in
 882 accordance with this part.
- 883 (2)(a) [~~For a taxable year beginning on or after January 1, 2018, a~~] A water conservancy
 884 district may not collect property tax revenue that would exceed the certified tax rate
 885 under Section 59-2-924 unless the proposed tax levy has been previously approved
 886 by:
- 887 (i) an elected board of trustees;
- 888 (ii) subject to Subsection (2)(b), an appointed board of trustees;
- 889 (iii)(A) before January 1, 2027, a majority of the water conservancy district voters
 890 who vote in an election held for that purpose on a date specified in Section
 891 20A-1-204; or
- 892 (B) on or after January 1, 2027, a majority of the metropolitan water district voters
 893 who vote in an election held in accordance with Title 20A, Chapter 7, Part 9,
 894 Tax Increase Voting Requirements; or
- 895 (iv) for a district described in Subsection 17B-2a-1005(2)(b), the appointing authority.
- 896 (b) For a water conservancy district with an appointed board of trustees, each appointed
 897 member of the board of trustees shall comply with the trustee reporting requirements
 898 described in Section 17B-1-1003 before the water conservancy district may impose a
 899 property tax levy that exceeds the certified tax rate.
- 900 Section 28. Section **17C-1-1002** is amended to read:
- 901 **17C-1-1002 (Effective 01/01/27). Transferring project area incremental revenue**
 902 **-- Agency may levy a property tax.**
- 903 (1) An agency and an eligible taxing entity may enter into an interlocal agreement for the
 904 purpose of transferring all or a portion of the eligible taxing entity's project area
 905 incremental revenue.
- 906 (2) An agency shall ensure that an interlocal agreement described in Subsection (1):
- 907 (a) identifies each project area that is subject to the interlocal agreement;
- 908 (b) is adopted by the board and the taxing entity in accordance with Section 17C-1-1003;
- 909 (c) for each project area:
- 910 (i) states the amount of project area incremental revenue that the eligible taxing entity

- 911 agrees to transfer to the agency;
- 912 (ii) states the year in which the eligible taxing entity will transfer the amount
- 913 described in Subsection (2)(c)(i); and
- 914 (iii) for the year described in Subsection (2)(c)(ii), requires the agency to add the
- 915 project area incremental revenue transferred in the agency's budget;
- 916 (d) includes a copy of the implementation plan described in Section 17C-1-1004;
- 917 (e) requires the agency to dissolve, in accordance with Section 17C-1-702, any project
- 918 area:
- 919 (i) that is subject to the interlocal agreement; and
- 920 (ii) for which the project area funds collection period will expire; and
- 921 (f) is filed with the county auditor, the State Tax Commission, and the eligible taxing
- 922 entity.
- 923 (3) If an agency and an eligible taxing entity enter into an interlocal agreement under this
- 924 section:
- 925 (a) subject to Subsection (4) and Section 17C-1-1004, the agency may levy a property
- 926 tax on taxable property within the agency's geographic boundaries; and
- 927 (b) except as provided in Subsection (5), the agency may not:
- 928 (i) create a new community reinvestment project area within the taxing entity's
- 929 geographic boundaries; or
- 930 (ii) amend a project area plan or budget if the amendment:
- 931 (A) enlarges the project area from which tax increment is collected;
- 932 (B) permits the agency to receive a greater amount of tax increment; or
- 933 (C) extends the project area funds collection period.
- 934 (4)(a) An agency may levy a property tax for a fiscal year that:
- 935 (i) is after the year in which the agency receives project area incremental revenue; and
- 936 (ii) begins on or after the January 1 on which the agency has authority to impose a
- 937 property tax under this section.
- 938 (b) An agency board shall calculate the agency's certified tax rate in accordance with
- 939 Section 59-2-924.
- 940 (c) An agency may levy a property tax rate that exceeds the agency's certified rate only
- 941 if the agency complies with [~~Sections 59-2-919 through 59-2-923~~] Title 20A, Chapter
- 942 7, Part 9, Tax Increase Voting Requirements.
- 943 (5) For a cooperative development project or an economic development project, an agency
- 944 may, in accordance with Chapter 5, Community Reinvestment:

945 (a) create a new community reinvestment project area; or

946 (b) amend a community reinvestment project area plan or budget.

947 Section 29. Section **17C-1-1005** is amended to read:

948 **17C-1-1005 (Effective 01/01/27). Agency property tax levy -- Budget --**

949 **Accounting for property tax revenue.**

950 (1)(a) Each agency that levies and collects property tax under this part shall levy and
951 collect the property tax in accordance with Title 59, Chapter 2, Property Tax Act.

952 (b) [~~Except as provided in Subsection (1)(c), an~~ An agency, at a regular meeting or
953 special meeting called for that purpose, shall, by resolution, set the property tax rate
954 by the date described in Section 59-2-912.

955 [~~(c) An agency may set the rate described in Subsection (1)(b) at an appropriate later
956 date in accordance with Sections 59-2-919 through 59-2-923.]~~

957 (2)(a) An agency shall include in the agency's budget any project area incremental
958 revenue transferred by an eligible taxing entity under this part.

959 (b) The amount of project area incremental revenue described in Subsection (2)(a) plus
960 the ad valorem property tax revenue that the agency budgeted for the prior year shall
961 constitute the basis for determining the property tax levy that the agency sets for the
962 corresponding tax year.

963 (3)(a) An agency shall create a property tax revenue fund and separately account for
964 property tax revenue generated under this part.

965 (b) An agency shall include revenue and expenditures of the property tax revenue fund
966 described in Subsection (3)(a) in the annual budget adopted in accordance with
967 Section 17C-1-601.5.

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

969 **17D-1-105 (Effective 01/01/27). Authority of county or municipality to levy**
970 **property tax on property within a special service district.**

971 (1) Subject to Subsections (2) and (3), a county or municipality that has created a special
972 service district may levy a tax on the taxable property in the special service district.

973 (2) Each levy under Subsection (1) is subject to the prior approval of a majority of the
974 registered voters of the special service district voting in an election held for that purpose [
975 under Title 11, Chapter 14, ~~Local Government Bonding Act~~, in the same manner as for
976 ~~an election for the issuance of bonds~~] in accordance with Title 20A, Chapter 7, Part 9,
977 Tax Increase Voting Requirements.

978 (3) A tax levied under this section for a special service district that provides jail service as

979 provided in Subsection 17D-1-201(10) is considered to be levied by the county for
 980 purposes of the county's tax limitation under Section 59-2-908.

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

982 **17D-3-107 (Effective 01/01/27). Annual budget and financial reports**
 983 **requirements.**

984 (1) Upon agreement with the commission, the state auditor may modify:

985 (a) for filing a budget, a requirement in Subsection [~~17B-1-614(2)~~] 17B-1-614(3) or
 986 17B-1-629(3)(d); or

987 (b) for filing a financial report, a requirement in Section 17B-1-639.

988 (2) Beginning on July 1, 2019, a conservation district is a participating local entity, as that
 989 term is defined in Section 67-3-12, and is subject to Section 67-3-12.

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

991 **17D-4-301 (Effective 01/01/27). Public infrastructure district bonds.**

992 (1)(a) Subject to Subsection (1)(b), a public infrastructure district may issue negotiable
 993 bonds or other debt instruments for the purposes described in Section 17D-4-203, as
 994 provided in, as applicable:

995 (i) Title 11, Chapter 14, Local Government Bonding Act;

996 (ii) Title 11, Chapter 27, Utah Refunding Bond Act;

997 (iii) Title 11, Chapter 42, Assessment Area Act;

998 (iv) Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act; and

999 (v) this section.

1000 (b) A public infrastructure district created by a bonding political subdivision, as defined
 1001 in Section 63C-25-101, may not issue bonds under this part unless the board first:

1002 (i) adopts a parameters resolution for the bonds that sets forth:

1003 (A) the maximum:

1004 (I) amount of bonds;

1005 (II) term; and

1006 (III) interest rate; and

1007 (B) the expected security for the bonds; and

1008 (ii) submits the parameters resolution for review and recommendation to the State
 1009 Finance Review Commission created in Section 63C-25-201.

1010 (2) A public infrastructure district bond shall mature within 40 years of the date of issuance.

1011 (3)(a) A public infrastructure district may issue a limited tax bond, in the same manner
 1012 as a general obligation bond:

- 1013 (i)(A) with the consent of 100% of surface property owners within the boundaries
1014 of the public infrastructure district; and
- 1015 (B) with the consent of a majority of the registered voters, if any, within the
1016 boundaries of the proposed public infrastructure district as of the day on which
1017 the board finds that the consent of a majority of registered voters has been
1018 obtained; or
- 1019 (ii) upon approval of a majority of the registered voters within the boundaries of the
1020 public infrastructure district voting in an election held for that purpose under Title
1021 11, Chapter 14, Local Government Bonding Act.
- 1022 (b) A limited tax bond described in Subsection (3)(a):
- 1023 (i) is not subject to the limitation on a general obligation bond described in
1024 Subsection 17B-1-1102(4); and
- 1025 (ii) is subject to a limitation, if any, on the principal amount of indebtedness as
1026 described in the governing document.
- 1027 (c) Unless limited tax bonds are initially purchased exclusively by one or more qualified
1028 institutional buyers as defined in Rule 144A, 17 C.F.R. Sec. 230.144A, or an
1029 investment grade rating is obtained for the limited tax bonds by one or more
1030 nationally recognized rating agencies, the public infrastructure district may only issue
1031 limited tax bonds in denominations of not less than \$500,000, and in integral
1032 multiples above \$500,000 of not less than \$1,000 each.
- 1033 (d)(i) Without any further election or consent of property owners or registered voters,
1034 a public infrastructure district may convert a limited tax bond described in
1035 Subsection (3)(a) to a general obligation bond if the principal amount of the
1036 related limited tax bond together with the principal amount of other related
1037 outstanding general obligation bonds of the public infrastructure district does not
1038 exceed 15% of the fair market value of taxable property in the public
1039 infrastructure district securing the general obligation bonds, determined by:
- 1040 (A) an appraisal from an appraiser who is a member of the Appraisal Institute that
1041 is addressed to the public infrastructure district or a financial institution; or
- 1042 (B) the most recent market value of the property from the assessor of the county in
1043 which the property is located.
- 1044 (ii) The consent to the issuance of a limited tax bond described in Subsection (3)(a) is
1045 sufficient to meet any statutory or constitutional election requirement necessary
1046 for the issuance of the limited tax bond and any general obligation bond to be

- 1047 issued in place of the limited tax bond upon meeting the requirements of this
 1048 Subsection (3)(d).
- 1049 (e) A public infrastructure district that levies a property tax for payment of debt service
 1050 on a limited tax bond issued under this section on or after January 1, 2027, is ~~[not~~
 1051 ~~required to comply with the notice and hearing requirements of Section 59-2-919~~
 1052 ~~unless the rate exceeds the rate established in:]~~ required to comply with Title 20A,
 1053 Chapter 7, Part 9, Tax Increase Voting Requirements.
- 1054 ~~[(i) Section 17D-4-303, except as provided in Subsection (13);]~~
 1055 ~~[(ii) the governing document; or]~~
 1056 ~~[(iii) the documents relating to the issuance of the limited tax bond.]~~
- 1057 (4)(a) For a public infrastructure district seeking the consent described in Subsection
 1058 (3)(a)(i)(B), a public infrastructure district may:
- 1059 (i) post a class A notice under Section 63G-30-102 for at least 30 days; and
 1060 (ii) mail a request for consent to each registered voter within the boundaries of the
 1061 public infrastructure district according to voter registration records.
- 1062 (b) The request for consent described in Subsection (4)(a)(ii) shall include:
- 1063 (i) the purpose for the issuance of the bonds;
 1064 (ii) the maximum principal amount of the bonds to be issued;
 1065 (iii) the maximum tax rate proposed to be pledged for the repayment of the bonds;
 1066 (iv) the words "For the issuance of bonds" and "Against the issuance of bonds," with
 1067 appropriate boxes in which the voter may indicate the voter's choice; and
 1068 (v) a return address and phone number where additional information may be obtained
 1069 from the public infrastructure district.
- 1070 (c) Any registered voter who does not return the request for consent within 30 days of
 1071 the day they are mailed to the voter is considered:
- 1072 (i) non-participatory in the request for consent; and
 1073 (ii) shall not be included in a calculation to determine the percentage of registered
 1074 voters who consent to the issuance of bonds.
- 1075 (d) If a majority of the registered voters who return the request for consent under this
 1076 Subsection (4) indicate "For the issuance of bonds," or if no registered voters return
 1077 the request for consent within the time frame described in Subsection (4)(c), the
 1078 requirement described in Subsection (3)(a)(i)(B) is met.
- 1079 (e) Nothing in this Subsection (4):
- 1080 (i) prevents a public infrastructure district from obtaining the consent of registered

- 1081 voters for the issuance of a bond through another method; or
- 1082 (ii) shall be interpreted to affect or otherwise interfere with any consents of registered
- 1083 voters obtained before the effective date of this bill.
- 1084 (5) Nothing in this section shall be interpreted to:
- 1085 (a) prevent a public infrastructure district from withdrawing property from the public
- 1086 infrastructure district's boundaries where the property owners or registered voters
- 1087 associated with that property do not consent to the issuance of bonds or vote against
- 1088 the issuance of bonds; or
- 1089 (b) require a public infrastructure district to withdraw property from the public
- 1090 infrastructure district's boundaries where the property owners or registered voters
- 1091 associated with that property do not consent to the issuance of bonds or vote against
- 1092 the issuance of bonds.
- 1093 (6)(a) Beginning on the effective date of this bill, once consent or approval is obtained
- 1094 under Subsection (3)(a), the consent or approval is valid for a period of 10 years from
- 1095 the day on which the board:
- 1096 (i) adopts a resolution or ordinance finding that the consent or approval is obtained;
- 1097 and
- 1098 (ii) publishes a notice of the resolution or ordinance described in Subsection (6)(a)(i)
- 1099 as a class A notice under Section 63G-30-102 for at least 30 days.
- 1100 (b) The tolling provisions of Section 11-14-301 apply during the 10-year period
- 1101 described in Subsection (6)(a).
- 1102 (c) After a public infrastructure district obtains consent or approval under Subsection
- 1103 (3)(a), the public infrastructure district does not require any additional consent to or
- 1104 approval of the issuance of bonds, and the subsequent annexation of property to, or
- 1105 withdrawal of property from, the public infrastructure district does not impact:
- 1106 (i) the validity of already obtained consent or approval;
- 1107 (ii) the 10-year period described in Subsection (6)(a); or
- 1108 (iii) any bond issued, or to be issued, pursuant to the consent or approval that was
- 1109 obtained under Subsection (3)(a).
- 1110 (d) Subsection (6)(a) does not invalidate or alter any consent or approval, or finding of
- 1111 consent or approval, that occurred before the effective date of this bill.
- 1112 (7)(a) Except as provided in Subsection (7)(b), there is no limitation on the duration of
- 1113 revenues that a public infrastructure district may receive to cover any shortfall in the
- 1114 payment of principal of and interest on a bond that the public infrastructure district

- 1115 issues.
- 1116 (b) A public infrastructure governing document or bond documents may limit the
1117 duration of time described in Subsection (7)(a).
- 1118 (8) Section 11-42-106 governs any action to challenge an assessment imposed by a public
1119 infrastructure district or any proceeding to designate an assessment area conducted by a
1120 public infrastructure district.
- 1121 (9) A public infrastructure district is not a municipal corporation for purposes of the debt
1122 limitation of Utah Constitution, Article XIV, Section 4.
- 1123 (10) Notwithstanding any other provision, the board may directly or by resolution delegate
1124 to one or more officers of the public infrastructure district the authority to:
- 1125 (a) in accordance and within the parameters set forth in a resolution adopted in
1126 accordance with Section 11-14-302, approve the final interest rate, price, principal
1127 amount, maturity, redemption features, and other terms of the bond;
- 1128 (b) approve and execute any document or contract relating to the issuance of a bond; and
- 1129 (c) approve any contract related to the acquisition and construction of the improvements,
1130 facilities, or property to be financed with a bond.
- 1131 (11)(a) Subject to Subsection (11)(b), before a public infrastructure district may issue a
1132 limited tax bond or assessment bond, the public infrastructure district shall engage a
1133 municipal advisor who, in connection with the issuance of bonds, shall deliver a
1134 certificate stating that:
- 1135 (i) the municipal advisor qualifies to serve as a municipal advisor, as defined in
1136 Section 17D-4-102, including the basis for the municipal advisor's qualifications;
- 1137 (ii) the structure of the limited tax bond or assessment bond the public infrastructure
1138 district is about to issue is a reasonable structure, as of the date of the issuance of
1139 the limited tax bond or assessment bond, as applicable; and
- 1140 (iii) the interest rate of the limited tax bond or assessment bond the public
1141 infrastructure district is about to offer is a reasonable market rate, as of the date of
1142 the issuance of the limited tax bond or assessment bond, as applicable.
- 1143 (b) The provisions of this Subsection (11) do not apply to a public infrastructure district
1144 created by a development authority.
- 1145 (12)(a) Any person may contest the legality of the issuance of a public infrastructure
1146 district bond or any provisions for the security and payment of the bond for a period
1147 of 30 days after:
- 1148 (i) posting the resolution authorizing the bond as a class A notice under Section

- 1149 63G-30-102; or
- 1150 (ii) posting a notice of bond containing substantially the items required under
- 1151 Subsection 11-14-316(2) as a class A notice under Section 63G-30-102.
- 1152 (b) After the 30-day period described in Subsection (12)(a), no person may bring a
- 1153 lawsuit or other proceeding contesting the regularity, formality, or legality of the
- 1154 bond for any reason.
- 1155 (13)(a) [~~In the event of any~~] If there is a statutory change in the methodology of
- 1156 assessment or collection of property taxes in a manner that reduces the amounts [
- 1157 ~~which~~] that are devoted or pledged to the repayment of limited tax bonds, a public
- 1158 infrastructure district may charge a rate sufficient to receive the amount of property
- 1159 taxes or assessment the public infrastructure district would have received before the
- 1160 statutory change in order to pay the debt service on outstanding limited tax bonds.
- 1161 (b) The rate increase described in Subsection (13)(a) may exceed the limit described in
- 1162 Section 17D-4-303.
- 1163 (c) The public infrastructure district may charge the rate increase described in
- 1164 Subsection (13)(a) until the bonds, including any associated refunding bonds, or other
- 1165 securities, together with applicable interest, are fully met and discharged.
- 1166 (14) No later than 60 days after the closing of any bonds by a public infrastructure district
- 1167 created by a bonding political subdivision, as defined in Section 63C-25-101, the public
- 1168 infrastructure district shall report the bond issuance, including the amount of the bonds,
- 1169 terms, interest rate, and security, to:
- 1170 (a) the Executive Appropriations Committee; and
- 1171 (b) the State Finance Review Commission created in Section 63C-25-201.
- 1172 Section 33. Section **20A-1-203** is amended to read:
- 1173 **20A-1-203 (Effective 01/01/27). Calling and purpose of special elections --**
- 1174 **Two-thirds vote limitations.**
- 1175 (1) Statewide and local special elections may be held for any purpose authorized by law.
- 1176 (2)(a) Statewide special elections shall be conducted using the procedure for regular
- 1177 general elections.
- 1178 (b) Except as otherwise provided in this title, local special elections shall be conducted
- 1179 using the procedures for regular municipal elections.
- 1180 (3) The governor may call a statewide special election by issuing an executive order that
- 1181 designates:
- 1182 (a) the date for the statewide special election; and

- 1183 (b) the purpose for the statewide special election.
- 1184 (4) The Legislature may call a statewide special election by passing a joint or concurrent
1185 resolution that designates:
- 1186 (a) the date for the statewide special election; and
1187 (b) the purpose for the statewide special election.
- 1188 (5)(a) The legislative body of a local political subdivision may call a local special
1189 election only for:
- 1190 (i) a vote on a bond or debt issue;
1191 [~~(ii) a vote on a voted local levy authorized by Section 53F-8-402 or 53F-8-301;~~]
1192 [~~(iii)~~] (ii) an initiative authorized by Chapter 7, Part 5, Local Initiatives - Procedures;
1193 [~~(iv)~~] (iii) a referendum authorized by Chapter 7, Part 6, Local Referenda - Procedures;
1194 [~~(v)~~] (iv) if required or authorized by federal law, a vote to determine whether Utah's
1195 legal boundaries should be changed;
1196 [~~(vi) a vote authorized or required by Title 59, Chapter 12, Sales and Use Tax Act;~~]
1197 [~~(vii)~~] (v) a vote on a municipality providing a broadband service, a cable television
1198 service, or a public telecommunications service under Section 10-18-204;
1199 [~~(viii)~~] (vi) a vote to create a new county under Section 17-61-401; or
1200 [~~(ix) a vote on a special property tax under Section 53F-8-402; or~~]
1201 [~~(x)~~] (vii) a vote on the incorporation of a municipality in accordance with Section
1202 10-2a-210.
- 1203 (b) The legislative body of a local political subdivision may call a local special election
1204 by adopting an ordinance or resolution that designates:
- 1205 (i) the date for the local special election as authorized by Section 20A-1-204; and
1206 (ii) the purpose for the local special election.
- 1207 (c) A local political subdivision may not call a local special election unless the ordinance
1208 or resolution calling a local special election under Subsection (5)(b) is adopted by a
1209 two-thirds majority of all members of the legislative body, if the local special
1210 election is for[~~;~~]
- 1211 [~~(i)~~] a vote on a bond or debt issue as described in Subsection (5)(a)(i)[~~;~~];
1212 [~~(ii) a vote on a voted leeway or levy program as described in Subsection (5)(a)(ii); or~~]
1213 [~~(iii) a vote authorized or required for a sales tax issue as described in Subsection~~
1214 (5)(a)(vi)-]
- 1215 Section 34. Section **20A-1-204** is amended to read:
1216 **20A-1-204 (Effective 01/01/27). Date of special election -- Legal effect.**

- 1217 (1)(a) Except as provided by Subsection (1)(d), the governor, Legislature, or the
 1218 legislative body of a local political subdivision calling a statewide special election or
 1219 local special election under Section 20A-1-203 shall schedule the special election to
 1220 be held on:
- 1221 (i) in an even-numbered year:
 - 1222 (A) the fourth Tuesday in June; or
 - 1223 (B) the first Tuesday after the first Monday in November; or
 - 1224 (ii) in an odd-numbered year:
 - 1225 (A) the second Tuesday after the first Monday in August; or
 - 1226 (B) the first Tuesday after the first Monday in November.
- 1227 (b) Except as provided in Subsection (1)(c), the governor, Legislature, or the legislative
 1228 body of a local political subdivision calling a statewide special election or local
 1229 special election under Section 20A-1-203 may not schedule a special election to be
 1230 held on any other date.
- 1231 (c)(i) Notwithstanding the requirements of Subsection (1)(b) or (1)(d), the legislative
 1232 body of a local political subdivision may call a local special election on a date
 1233 other than those specified in this section if the legislative body:
- 1234 (A) determines and declares that there is a disaster, as defined in Section
 1235 53-2a-102, requiring that a special election be held on a date other than the
 1236 ones authorized in statute;
 - 1237 (B) identifies specifically the nature of the disaster, as defined in Section
 1238 53-2a-102, and the reasons for holding the special election on that other date;
 1239 and
 - 1240 (C) votes unanimously to hold the special election on that other date.
- 1241 (ii) The legislative body of a local political subdivision may not hold a local special
 1242 election on the same date as the presidential primary election conducted under
 1243 Chapter 9, Part 8, Presidential Primary Election.
- 1244 (d) The legislative body of a local political subdivision may only call a special election
 1245 for a ballot proposition related to a bond[;] or debt[~~, leeway, levy, or tax~~] on the first
 1246 Tuesday after the first Monday in November.
- 1247 (e) Nothing in this section prohibits:
- 1248 (i) the governor or Legislature from submitting a matter to the voters at the regular
 1249 general election if authorized by law; or
 - 1250 (ii) a local government from submitting a matter to the voters at the regular municipal

1251 election if authorized by law.

1252 (2)(a) Two or more entities shall comply with Subsection (2)(b) if those entities hold a
1253 special election within a county on the same day as:

1254 (i) another special election;

1255 (ii) a regular general election; or

1256 (iii) a municipal general election.

1257 (b) Entities described in Subsection (2)(a) shall, to the extent practicable, coordinate:

1258 (i) polling places;

1259 (ii) ballots;

1260 (iii) election officials; and

1261 (iv) other administrative and procedural matters connected with the election.

1262 Section 35. Section **20A-3a-202** is amended to read:

1263 **20A-3a-202 (Effective 01/01/27). Conducting election in person and by mail --**

1264 **Mailing ballots to voters -- Exceptions by mail.**

1265 (1)(a) [~~Except as otherwise provided for an election conducted entirely by mail under~~
1266 ~~Section 20A-7-609.5, an~~] An election officer shall administer an election primarily by
1267 mail, in accordance with this section.

1268 (b) An individual who did not provide valid voter identification at the time the voter
1269 registered to vote shall provide valid voter identification before voting.

1270 (2) An election officer who administers an election:

1271 (a) shall in accordance with Subsection (3), no sooner than 21 calendar days before
1272 election day and no later than seven calendar days before election day, mail to the
1273 applicable voters, in accordance with Subsection 20A-3a-202.5(3), and subject to
1274 Subsection 20A-3a-202.5(4):

1275 (i) a manual ballot;

1276 (ii) a return envelope;

1277 (iii) instructions for returning the ballot that include an express notice about any
1278 relevant deadlines that the voter [~~must~~] shall meet in order for the voter's vote to be
1279 counted;

1280 (iv) information regarding the location and hours of operation of any election day
1281 voting center at which the voter may vote or a website address where the voter
1282 may view this information; and

1283 (v) instructions on how a voter may sign up to receive electronic ballot status
1284 notifications via the ballot tracking system described in Section 20A-3a-401.5;

- 1285 (b) may not mail a ballot under this section to:
- 1286 (i) an inactive voter, unless the inactive voter requests a manual ballot; or
- 1287 (ii) a voter whom the election officer is prohibited from sending a ballot under
- 1288 Subsection 20A-3a-202.5(4);
- 1289 (c) shall, on the outside of the envelope in which the election officer mails the ballot,
- 1290 include instructions for returning the ballot if the individual to whom the election
- 1291 officer mails the ballot does not live at the address to which the ballot is sent;
- 1292 (d) shall provide a method of accessible voting to a voter with a disability who is not
- 1293 able to vote by mail; and
- 1294 (e) shall include, on the election officer's website and with each ballot mailed,
- 1295 instructions regarding how a voter described in Subsection (2)(d) may vote.
- 1296 (3)(a) An election officer who mails a manual ballot under Subsection (2) shall mail the
- 1297 manual ballot to the address:
- 1298 (i) provided at the time of registration or updated by the voter after the time of
- 1299 registration; or
- 1300 (ii) if, at or after the time of registration, the voter files an alternate address request
- 1301 form described in Subsection (3)(b), the alternate address indicated on the form.
- 1302 (b) The lieutenant governor shall make available to voters an alternate address request
- 1303 form that permits a voter to request that the election officer mail the voter's ballot to a
- 1304 location other than the voter's residence.
- 1305 (c) A voter shall provide the completed alternate address request form to the election
- 1306 officer no later than 11 calendar days before the day of the election.
- 1307 (d) Beginning on November 5, 2025, through December 31, 2028, an election officer shall
- 1308 include, with each ballot mailed to a voter, a separate paper document containing the following
- 1309 statements:
- 1310 "WARNING
- 1311 If you have a valid Utah driver license or a valid Utah state identification card, failure to
- 1312 provide the last four digits of the license or card number may result in your ballot not being
- 1313 counted. You also have the option of providing the last four digits of your social security
- 1314 number as identification. If you do not have any of these identification types, your ballot will
- 1315 still be counted if your signature on the affidavit on this envelope matches your signature on
- 1316 file with the election officer.
- 1317 NOTICE
- 1318 Beginning in 2029, you will not receive a ballot by mail unless you request to receive a

1319 ballot by mail. You may request to receive a ballot by mail at [insert a uniform resource
1320 locator where the voter can make the request online]. If you are unable to make a request
1321 online, contact your county clerk's office at the following number for instructions on how to
1322 make the request in person or by mail [insert phone number here].".

1323 (e) Beginning on January 1, 2029, an election officer shall include, with each ballot mailed to a
1324 voter, a separate paper document containing the following statement:

1325 "WARNING

1326 If you have a valid Utah driver license or a valid Utah state identification card, failure to
1327 provide the last four digits of your license or card number will result in your ballot not being
1328 counted.

1329 If you do not have a license or card described above, you may enter the last four digits of
1330 your social security number as identification, or include a photocopy of one of the following in
1331 the return envelope:

- 1332 • a currently valid identification card that is issued by the state or a branch, department, or
1333 agency of the United States;
- 1334 • a currently valid Utah permit to carry a concealed weapon;
- 1335 • a currently valid United States passport;
- 1336 • a currently valid United States military identification card; or
- 1337 • a currently valid tribal identification card, Bureau of Indian Affairs card, or tribal treaty
1338 card.

1339 If you do not have any of the forms of identification listed above, you must vote in person
1340 at a polling place, unless you qualify for an exemption from this requirement. You may obtain
1341 information regarding an exemption at [insert a uniform resource locator where the voter can
1342 view this information] or by calling [insert a phone number that a voter may call to access this
1343 information]."

1344 (4) The return envelope shall include:

1345 (a) the name, official title, and post office address of the election officer on the front of
1346 the envelope;

1347 (b) subject to Subsection (9), beginning on or before January 1, 2026, a place for the
1348 voter to enter the last four digits of the voter's Utah driver license number, Utah state
1349 identification card number, or social security number;

1350 (c) the following statement:

1351 "IMPORTANT: See the warning and notice enclosed with your ballot.";

1352 (d) a space where a voter may write an email address and phone number by which the

1353 election officer may contact the voter if the voter's ballot is rejected; and

1354 (e) a printed affidavit in substantially the following form:

1355 "County of ____ State of ____

1356 I, ____, solemnly swear that: I am a qualified resident voter of the ____ voting precinct
1357 in ____ County, Utah and that I am entitled to vote in this election. I am not a convicted felon
1358 currently incarcerated for commission of a felony.

1359 _____

1360 Signature of Voter

1361 WARNING

1362 The above affidavit must be signed by the voter to whom the ballot is addressed. It is a
1363 FELONY for any other individual to sign the above affidavit, even if the voter to whom the
1364 ballot is addressed gives permission for another to sign the affidavit for the voter."

1365 (5) If the election officer determines that the voter has not yet provided valid voter
1366 identification with the voter's voter registration, the election officer may:

1367 (a) mail a ballot to the voter;

1368 (b) instruct the voter to enclose a copy of the voter's valid voter identification in the
1369 return envelope; and

1370 (c) provide instructions to the voter on how the voter may sign up to receive electronic
1371 ballot status notifications via the ballot tracking system described in Section
1372 20A-3a-401.5.

1373 (6) An election officer who administers an election shall:

1374 (a)(i) before the election, obtain the signatures of each voter qualified to vote in the
1375 election; or

1376 (ii) obtain the signature of each voter within the voting precinct from the county
1377 clerk; and

1378 (b) maintain the signatures on file in the election officer's office.

1379 (7) Upon receipt of a returned ballot, the election officer shall review and process the ballot
1380 under Section 20A-3a-401.

1381 (8) A county that administers an election:

1382 (a) shall provide at least one election day voting center in accordance with Part 7,
1383 Election Day Voting Center, and at least one additional election day voting center for
1384 every 5,000 active voters in the county who, under Section 20A-3a-202.5, will not
1385 receive a ballot by mail;

1386 (b) shall ensure that each election day voting center operated by the county has at least

- 1387 one voting device that is accessible, in accordance with the Help America Vote Act
 1388 of 2002, Pub. L. No. 107-252, for individuals with disabilities;
- 1389 (c) may reduce the early voting period described in Section 20A-3a-601, if:
- 1390 (i) the county clerk conducts early voting on at least four days;
- 1391 (ii) the early voting days are within the period beginning on the date that is 14
 1392 calendar days before the date of the election and ending on the day before the
 1393 election; and
- 1394 (iii) the county clerk provides notice of the reduced early voting period in accordance
 1395 with Section 20A-3a-604; and
- 1396 (d) is not required to pay return postage for a return envelope.
- 1397 (9) A return envelope shall be designed in a manner that the information described in
 1398 Subsections (4)(b) and (d), and the voter's signature, is covered from view after the
 1399 return envelope is sealed.
- 1400 (10) A county clerk shall, at least 90 calendar days before an election administered by the
 1401 county clerk, contact local post offices to:
- 1402 (a) coordinate the handling of mail-in ballots for the upcoming election; and
- 1403 (b) take measures to ensure that:
- 1404 (i) ballots are clearly and properly postmarked, or otherwise marked in accordance
 1405 with Subsection 20A-3a-204(2)(a)(i), with the date on which the ballot was
 1406 mailed; and
- 1407 (ii) ballots are delivered in an expeditious manner to optimize the timely receipt of
 1408 ballots.

1409 Section 36. Section **20A-3a-702** is amended to read:

1410 **20A-3a-702 (Effective 01/01/27). Election day voting center -- Hours of operation**
 1411 **-- Compliance with Election Code.**

- 1412 (1) [~~Except as provided in Section 20A-7-609.5, an~~] An election officer may operate an
 1413 election day voting center in one or more locations designated under Section 20A-3a-703.
- 1414 (2) An election officer shall provide for voting at an election day voting center by:
- 1415 (a) regular ballot if:
- 1416 (i)(A) the election day voting center is designated under Section 20A-5-403 as the
 1417 polling place for the voting precinct in which the voter resides; and
- 1418 (B) the voter is eligible to vote a regular ballot at the election day voting center in
 1419 accordance with this title; or
- 1420 (ii)(A) the voter resides within the political subdivision holding the election;

- 1421 (B) the voter is otherwise eligible to vote a regular ballot in accordance with this
 1422 title; and
- 1423 (C) the jurisdiction holding the election uses a method that confirms that the voter
 1424 has not voted previously in the election;
- 1425 (b) voting center ballot if:
- 1426 (i) the election day voting center is not designated under Section 20A-5-403 as the
 1427 polling place for the voting precinct in which the voter resides;
- 1428 (ii) the voter resides within the political subdivision holding the election; and
- 1429 (iii) the voter is otherwise eligible to vote a regular ballot in accordance with this
 1430 title; or
- 1431 (c) provisional ballot if the voter is only eligible to vote using a provisional ballot in
 1432 accordance with this title.
- 1433 (3) An election officer shall ensure that an election day voting center:
- 1434 (a) is open on election day during the time period specified under Section 20A-1-302;
- 1435 (b) allows an eligible voter to vote if the voter:
- 1436 (i) resides within the political subdivision holding an election; and
- 1437 (ii) arrives at the election day voting center by the designated closing time in
 1438 accordance with Section 20A-1-302; and
- 1439 (c) is administered according to the requirements of this title.
- 1440 (4) An individual may submit a completed manual ballot at an election day voting center
 1441 for the political subdivision in which the individual resides.

1442 Section 37. Section **20A-5-400.5** is amended to read:

1443 **20A-5-400.5 (Effective 01/01/27). Election officer for bond and leeway elections.**

- 1444 (1) When a voted leeway or bond election is held on the regular general election date, the
 1445 county clerk shall serve as the provider election officer to conduct that election.
- 1446 (2)(a) When a [~~voted leeway or~~]bond election is held on the municipal general election
 1447 date or any other election date permitted for special elections under Section
 1448 20A-1-204, and the local political subdivision calling the election is entirely within
 1449 the boundaries of the unincorporated county, the county clerk shall serve as the
 1450 provider election officer to conduct that election subject to Subsection (3).
- 1451 (b) When a [~~voted leeway or~~]bond election is held on the municipal general election
 1452 date or any other election date permitted for special elections under Section
 1453 20A-1-204, and the local political subdivision calling the election is entirely within
 1454 the boundaries of a municipality, the municipal clerk for that municipality shall,

1455 except as provided in Subsection (3), serve as the provider election officer to conduct
1456 that election.

1457 (c) When a [~~voted leeway or~~]bond election is held on the municipal general election
1458 date or any other election date permitted for special elections under Section
1459 20A-1-204, and the local political subdivision calling the election extends beyond the
1460 boundaries of a single municipality:

1461 (i) except as provided in Subsection (3), the municipal clerk shall serve as the
1462 provider election officer to conduct the election for those portions of the local
1463 political subdivision where the municipal general election or other election is
1464 being held; and

1465 (ii) except as provided in Subsection (3), the county clerk shall serve as the provider
1466 election officer to conduct the election for the unincorporated county and for those
1467 portions of any municipality where no municipal general election or other election
1468 is being held.

1469 (3) When a [~~voted leeway or~~]bond election is held on a date when no other election, other
1470 than another [~~voted leeway or~~]bond election, is being held in the entire area comprising
1471 the local political subdivision calling the [~~voted leeway or~~]bond election:

1472 (a) the clerk or chief executive officer of a special district or the business administrator
1473 or superintendent of the school district, as applicable, shall serve as the election
1474 officer to conduct the bond election for [~~those~~] the portions of the local political
1475 subdivision in which no other election, other than another [~~voted leeway or~~]bond
1476 election, is being held, unless the special district or school district has contracted with
1477 a provider election officer; and

1478 (b) the county clerk, municipal clerk, or both, as determined by the local political
1479 subdivision holding the bond election, shall serve as the provider election officer to
1480 conduct the bond election for [~~those~~] the portions of the local political subdivision in
1481 which another election, other than another [~~voted leeway or~~]bond election, is being
1482 held.

1483 (4) A provider election officer required by this section to conduct an election for a local
1484 political subdivision shall comply with Section 20A-5-400.1.

1485 Section 38. Section **20A-7-101** is amended to read:

1486 **20A-7-101 (Effective 01/01/27). Definitions.**

1487 As used in this chapter:

1488 (1) "Approved device" means a device described in Subsection 20A-21-201(4) used to

- 1489 gather signatures for the electronic initiative process, the electronic referendum process,
1490 or the electronic candidate qualification process.
- 1491 (2) "Budget officer" means:
- 1492 (a) for a county, the person designated as finance officer as defined in Section 17-63-101;
1493 (b) for a city, the person designated as budget officer in Subsection 10-6-106(4); or
1494 (c) for a town, the town council.
- 1495 (3) "Certified" means that the county clerk has acknowledged a signature as being the
1496 signature of a registered voter.
- 1497 (4) "Circulation" means the process of submitting an initiative petition or a referendum
1498 petition to legal voters for their signature.
- 1499 (5) "Electronic initiative process" means:
- 1500 (a) ~~[as it relates to]~~ for a statewide initiative, the process, described in Sections 20A-7-215
1501 and 20A-21-201, for gathering signatures; or
1502 (b) ~~[as it relates to]~~ for a local initiative, the process, described in Sections 20A-7-514
1503 and 20A-21-201, for gathering signatures.
- 1504 (6) "Electronic referendum process" means:
- 1505 (a) ~~[as it relates to]~~ for a statewide referendum, the process, described in Sections
1506 20A-7-313 and 20A-21-201, for gathering signatures; or
1507 (b) ~~[as it relates to]~~ for a local referendum, the process, described in Sections 20A-7-614
1508 and 20A-21-201, for gathering signatures.
- 1509 (7) "Eligible voter" means a legal voter who resides in the jurisdiction of the county, city, or
1510 town that is holding an election on a ballot proposition.
- 1511 (8) "Final fiscal impact statement" means a financial statement prepared after voters
1512 approve an initiative that contains the information required by Subsection
1513 20A-7-202.5(2) or 20A-7-502.5(2).
- 1514 (9) "Initial fiscal impact statement" means a financial statement prepared under Section
1515 20A-7-202.5 after the filing of a statewide initiative application.
- 1516 (10) "Initial fiscal impact and legal statement" means a financial and legal statement
1517 prepared under Section 20A-7-502.5 or 20A-7-602.5 for a local initiative or a local
1518 referendum.
- 1519 (11) "Initiative" means a new law proposed for adoption by the public as provided in this
1520 chapter.
- 1521 (12) "Initiative application" means:
- 1522 (a) for a statewide initiative, an application described in Subsection 20A-7-202(2) that

- 1523 includes all the information, statements, documents, and notarized signatures
1524 required under Subsection 20A-7-202(2); or
- 1525 (b) for a local initiative, an application described in Subsection 20A-7-502(2) that
1526 includes all the information, statements, documents, and notarized signatures
1527 required under Subsection 20A-7-502(2).
- 1528 (13) "Initiative packet" means a copy of the initiative petition, a copy of the proposed law,
1529 and the signature sheets, all of which have been bound together as a unit.
- 1530 (14) "Initiative petition":
- 1531 (a) [~~as it relates to~~] for a statewide initiative[;] using the manual initiative process:
1532 (i) means the form described in Subsection 20A-7-203(2)(a), petitioning for
1533 submission of the initiative to the Legislature or the legal voters; and
1534 (ii) if the initiative proposes a tax increase, includes the statement described in
1535 Subsection 20A-7-203(2)(b);
- 1536 (b) [~~as it relates to~~] for a statewide initiative[;] using the electronic initiative process:
1537 (i) means the form described in Subsections 20A-7-215(2) and (3), petitioning for
1538 submission of the initiative to the Legislature or the legal voters; and
1539 (ii) if the initiative proposes a tax increase, includes the statement described in
1540 Subsection 20A-7-215(5)(b);
- 1541 (c) [~~as it relates to~~] for a local initiative[;] using the manual initiative process:
1542 (i) means the form described in Subsection 20A-7-503(2)(a), petitioning for
1543 submission of the initiative to the legislative body or the legal voters; and
1544 (ii) if the initiative proposes a tax increase, includes the statement described in
1545 Subsection 20A-7-503(2)(b); or
- 1546 (d) [~~as it relates to~~] for a local initiative[;] using the electronic initiative process:
1547 (i) means the form described in Subsection 20A-7-514(2)(a), petitioning for
1548 submission of the initiative to the legislative body or the legal voters; and
1549 (ii) if the initiative proposes a tax increase, includes the statement described in
1550 Subsection 20A-7-514(4)(a).
- 1551 (15)(a) "Land use law" means a law of general applicability, enacted based on the
1552 weighing of broad, competing policy considerations, that relates to the use of land,
1553 including a land use regulation, a general plan, a land use development code, an
1554 annexation ordinance, the rezoning of a single property or multiple properties, or a
1555 comprehensive zoning ordinance or resolution.
- 1556 (b) "Land use law" does not include a land use decision, as defined in Section 10-20-102

1557 or 17-79-102.

1558 (16) "Legal signatures" means the number of signatures of legal voters that:

1559 (a) meet the numerical requirements of this chapter; and

1560 (b) have been obtained, certified, and verified as provided in this chapter.

1561 (17) "Legal voter" means an individual who is registered to vote in Utah.

1562 (18) "Legally referable to voters" means:

1563 (a) for a proposed local initiative, that the proposed local initiative is legally referable to
1564 voters under Section 20A-7-502.7; or

1565 (b) for a proposed local referendum, that the proposed local referendum is legally
1566 referable to voters under Section 20A-7-602.7.

1567 (19) "Local attorney" means the county attorney, city attorney, or town attorney in whose
1568 jurisdiction a local initiative or referendum petition is circulated.

1569 (20) "Local clerk" means the county clerk, city recorder, or town clerk in whose jurisdiction
1570 a local initiative or referendum petition is circulated.

1571 (21)(a) "Local law" includes:

1572 (i) an ordinance;

1573 (ii) a resolution;

1574 (iii) a land use law;

1575 (iv) a land use regulation, as defined in Section 10-20-102; or

1576 (v) other legislative action of a local legislative body.

1577 (b) "Local law" does not include:

1578 (i) a land use decision, as defined in Section 10-20-102; or

1579 (ii) a law that is subject to the vote requirements described in Section 59-1-1903.

1580 (22) "Local legislative body" means the legislative body of a county, city, or town.

1581 (23) "Local obligation law" means a local law passed by the local legislative body
1582 regarding a bond that was approved by a majority of qualified voters in an election.

1583 [~~(24) "Local tax law" means a law, passed by a political subdivision with an annual or~~
1584 ~~biannual calendar fiscal year, that increases a tax or imposes a new tax.~~]

1585 [(25)] (24) "Manual initiative process" means the process for gathering signatures for an
1586 initiative using paper signature packets that a signer physically signs.

1587 [(26)] (25) "Manual referendum process" means the process for gathering signatures for a
1588 referendum using paper signature packets that a signer physically signs.

1589 [(27)] (26)(a) "Measure" means a proposed constitutional amendment, an initiative, or
1590 referendum.

- 1591 (b) "Measure" does not include a ballot proposition for the creation of a new school
1592 district under Section 53G-3-301.1, 53G-3-301.3, or 53G-3-301.4.
- 1593 [~~(28)~~] (27) "Presiding officers" means the president of the Senate and the speaker of the
1594 House of Representatives.
- 1595 [~~(29)~~] (28) "Referendum" means a process by which a law passed by the Legislature or by a
1596 local legislative body is submitted or referred to the voters for [~~their~~] the voters' approval
1597 or rejection.
- 1598 [~~(30)~~] (29) "Referendum application" means:
- 1599 (a) for a statewide referendum, an application described in Subsection 20A-7-302(2) that
1600 includes all the information, statements, documents, and notarized signatures
1601 required under Subsection 20A-7-302(2); or
- 1602 (b) for a local referendum, an application described in Subsection 20A-7-602(2) that
1603 includes all the information, statements, documents, and notarized signatures
1604 required under Subsection 20A-7-602(2).
- 1605 [~~(31)~~] (30) "Referendum packet" means a copy of the referendum petition, a copy of the law
1606 being submitted or referred to the voters for their approval or rejection, and the signature
1607 sheets, all of which have been bound together as a unit.
- 1608 [~~(32)~~] (31) "Referendum petition" means:
- 1609 (a) [~~as it relates to~~] for a statewide referendum[;] using the manual referendum process,
1610 the form described in Subsection 20A-7-303(2)(a), petitioning for submission of a
1611 law passed by the Legislature to legal voters for [~~their~~] the voters' approval or
1612 rejection;
- 1613 (b) [~~as it relates to~~] for a statewide referendum[;] using the electronic referendum
1614 process, the form described in Subsection 20A-7-313(2), petitioning for submission
1615 of a law passed by the Legislature to legal voters for [~~their~~] the voters' approval or
1616 rejection;
- 1617 (c) [~~as it relates to~~] for a local referendum[;] using the manual referendum process, the
1618 form described in Subsection 20A-7-603(2)(a), petitioning for submission of a local
1619 law to legal voters for [~~their~~] the voters' approval or rejection; or
- 1620 (d) [~~as it relates to~~] for a local referendum[;] using the electronic referendum process, the
1621 form described in Subsection 20A-7-614(2), petitioning for submission of a local law
1622 to legal voters for [~~their~~] the voters' approval or rejection.
- 1623 [~~(33)~~] (32) "Signature":
- 1624 (a) for a statewide initiative:

- 1625 (i) [~~as it relates to~~] using the electronic initiative process, means an electronic
1626 signature collected under Section 20A-7-215 and Subsection 20A-21-201(6)(c); or
1627 (ii) [~~as it relates to~~] using the manual initiative process:
1628 (A) means a holographic signature collected physically on a signature sheet
1629 described in Section 20A-7-203;
1630 (B) as it relates to an individual who, due to a qualifying disability under the
1631 Americans with Disabilities Act, is unable to fill out the signature sheet or to
1632 sign the voter's name consistently, the initials "AV," indicating that the voter's
1633 identity will be verified by an alternate verification process described in
1634 Section 20A-7-106; and
1635 (C) does not include an electronic signature;
- 1636 (b) for a statewide referendum:
1637 (i) [~~as it relates to~~] using the electronic referendum process, means an electronic
1638 signature collected under Section 20A-7-313 and Subsection 20A-21-201(6)(c); or
1639 (ii) [~~as it relates to~~] using the manual referendum process:
1640 (A) means a holographic signature collected physically on a signature sheet
1641 described in Section 20A-7-303;
1642 (B) as it relates to an individual who, due to a qualifying disability under the
1643 Americans with Disabilities Act, is unable to fill out the signature sheet or to
1644 sign the voter's name consistently, the initials "AV," indicating that the voter's
1645 identity will be verified by an alternate verification process described in
1646 Section 20A-7-106; and
1647 (C) does not include an electronic signature;
- 1648 (c) for a local initiative:
1649 (i) [~~as it relates to~~] using the electronic initiative process, means an electronic
1650 signature collected under Section 20A-7-514 and Subsection 20A-21-201(6)(c); or
1651 (ii) [~~as it relates to~~] using the manual initiative process:
1652 (A) means a holographic signature collected physically on a signature sheet
1653 described in Section 20A-7-503;
1654 (B) as it relates to an individual who, due to a qualifying disability under the
1655 Americans with Disabilities Act, is unable to fill out the signature sheet or to
1656 sign the voter's name consistently, the initials "AV," indicating that the voter's
1657 identity will be verified by an alternate verification process described in
1658 Section 20A-7-106; and

- 1659 (C) does not include an electronic signature; or
- 1660 (d) for a local referendum:
- 1661 (i) ~~[as it relates to]~~ using the electronic referendum process, means an electronic
- 1662 signature collected under Section 20A-7-614 and Subsection 20A-21-201(6)(c); or
- 1663 (ii) ~~[as it relates to]~~ using the manual referendum process:
- 1664 (A) means a holographic signature collected physically on a signature sheet
- 1665 described in Section 20A-7-603;
- 1666 (B) as it relates to an individual who, due to a qualifying disability under the
- 1667 Americans with Disabilities Act, is unable to fill out the signature sheet or to
- 1668 sign the voter's name consistently, the initials "AV," indicating that the voter's
- 1669 identity will be verified by an alternate verification process described in
- 1670 Section 20A-7-106; and
- 1671 (C) does not include an electronic signature.
- 1672 ~~[(34)]~~ (33) "Signature sheets" means sheets in the form required by this chapter that are used
- 1673 under the manual initiative process or the manual referendum process to collect
- 1674 signatures in support of an initiative or referendum.
- 1675 ~~[(35)]~~ (34)(a) "Special local ballot proposition" means a local ballot proposition that is
- 1676 not a standard local ballot proposition.
- 1677 (b) "Special local ballot proposition" does not include a ballot proposition as that term is
- 1678 defined in Section 20A-7-901.
- 1679 ~~[(36)]~~ (35) "Sponsors" means the legal voters who support the initiative or referendum and
- 1680 who sign the initiative application or referendum application.
- 1681 ~~[(37)]~~ (36)(a) "Standard local ballot proposition" means a local ballot proposition for an
- 1682 initiative or a referendum.
- 1683 (b) "Standard local ballot proposition" does not include a ~~[property tax referendum~~
- 1684 ~~described in Section 20A-7-613]~~ ballot proposition as that term is defined in Section
- 1685 20A-7-901.
- 1686 ~~[(38)]~~ (37) "Tax percentage difference" means the difference between the tax rate proposed
- 1687 by an initiative or an initiative petition and the current tax rate.
- 1688 ~~[(39)]~~ (38) "Tax percentage increase" means a number calculated by dividing the tax
- 1689 percentage difference by the current tax rate and rounding the result to the nearest
- 1690 thousandth.
- 1691 ~~[(40)]~~ (39) "Verified" means acknowledged by the person circulating the petition as required
- 1692 in Section 20A-7-105.

1693 Section 39. Section **20A-7-103** is amended to read:

1694 **20A-7-103 (Effective 01/01/27) (Contingently Superseded 01/01/27).**

1695 **Constitutional amendments and other questions submitted by the Legislature --**

1696 **Publication -- Ballot title -- Procedures for submission to popular vote.**

- 1697 (1) The procedures contained in this section govern when the Legislature submits a
1698 proposed constitutional amendment or other question to the voters.
- 1699 (2) The lieutenant governor shall, not more than 60 calendar days or less than 14 calendar
1700 days before the date of the election, publish the full text of the amendment, question, or
1701 statute for the state, as a class A notice under Section 63G-30-102, through the date of
1702 the election.
- 1703 (3) The presiding officers shall:
- 1704 (a) entitle each proposed constitutional amendment "Constitutional Amendment ___" and
1705 assign a letter to the constitutional amendment in accordance with the requirements
1706 of Section 20A-6-107;
- 1707 (b) entitle each proposed question "Proposition Number ___" with the number assigned to
1708 the proposition under Section 20A-6-107 placed in the blank;
- 1709 (c) for each proposed amendment or question submitted by the Legislature, other than
1710 legislation subject to Part 9, Tax Increase Voting Requirements, draft and designate a
1711 ballot title [~~for each proposed amendment or question submitted by the Legislature-~~]
1712 that:
- 1713 (i) summarizes the subject matter of the amendment or question; and
- 1714 (ii) for a proposed constitutional amendment, summarizes any legislation that is
1715 enacted and will become effective upon the voters' adoption of the proposed
1716 constitutional amendment; and
- 1717 (d) deliver each letter or number and ballot title to the lieutenant governor.
- 1718 (4) The lieutenant governor shall certify the letter or number and ballot title of each
1719 amendment or question to the county clerk of each county no later than 65 calendar days
1720 before the date of the election.
- 1721 (5) The county clerk of each county shall:
- 1722 (a) ensure that the letter or number and the ballot title of each amendment and question
1723 prepared in accordance with this section or Section 20A-7-903 are included in the
1724 sample ballots and official ballots; and
- 1725 (b) publish the sample ballots and official ballots as provided by law.

1726 Section 40. Section **20A-7-103** is amended to read:

1727 **20A-7-103 (Contingently Effective 01/01/27). Constitutional amendments and**
 1728 **other questions submitted by the Legislature -- Publication -- Ballot title -- Procedures**
 1729 **for submission to popular vote.**

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

1761 sample ballots and official ballots; and

1762 (b) publish the sample ballots and official ballots as provided by law.

1763 Section 41. Section **20A-7-601** is amended to read:

1764 **20A-7-601 (Effective 01/01/27). Referenda -- General signature requirements --**
 1765 **Signature requirements for land use laws, subjurisdictional laws, and transit area land**
 1766 **use laws -- Time requirements.**

1767 (1) As used in this section:

1768 (a) "Number of active voters" means the number of active voters in the county, city, or
 1769 town on the immediately preceding January 1.

1770 (b) "Qualifying county" means a county that has created a small public transit district, as
 1771 defined in Section 17B-2a-802, on or before January 1, 2022.

1772 (c) "Qualifying transit area" means:

1773 (i) a station area, as defined in Section 10-21-101, for which the municipality with
 1774 jurisdiction over the station area has satisfied the requirements of Subsection
 1775 10-21-203(1)(a)(i), as demonstrated by the adoption of a station area plan or
 1776 resolution under Subsection 10-21-203(1); or

1777 (ii) a housing and transit reinvestment zone, as defined in Section 63N-3-602, created
 1778 within a qualifying county.

1779 (d) "Subjurisdiction" means an area comprised of all precincts and subprecincts in the
 1780 jurisdiction of a county, city, or town that are subject to a subjurisdictional law.

1781 (e)(i) "Subjurisdictional law" means a local law or local obligation law passed by a
 1782 local legislative body that imposes a ~~[tax or other]~~ payment obligation, other than
 1783 a tax, on property in an area that does not include all precincts and subprecincts
 1784 under the jurisdiction of the county, city, or town.

1785 (ii) "Subjurisdictional law" does not include a land use law.

1786 (f) "Transit area land use law" means a land use law that relates to the use of land within
 1787 a qualifying transit area.

1788 (g) "Voter participation area" means an area described in Subsection 20A-7-401.3(1)(a)
 1789 or (2)(b).

1790 (2) Except as provided in Subsections (3) through (5), an eligible voter seeking to have a
 1791 local law passed by the local legislative body submitted to a vote of the people shall,
 1792 after filing a referendum application, obtain legal signatures equal to:

1793 (a) for a county of the first class:

1794 (i) 7.75% of the number of active voters in the county; and

- 1795 (ii) beginning on January 1, 2020, 7.75% of the number of active voters in at least
1796 75% of the county's voter participation areas;
- 1797 (b) for a city of the first class:
- 1798 (i) 7.5% of the number of active voters in the city; and
1799 (ii) beginning on January 1, 2020, 7.5% of the number of active voters in at least 75%
1800 of the city's voter participation areas;
- 1801 (c) for a county of the second class:
- 1802 (i) 8% of the number of active voters in the county; and
1803 (ii) beginning on January 1, 2020, 8% of the number of active voters in at least 75%
1804 of the county's voter participation areas;
- 1805 (d) for a city of the second class:
- 1806 (i) 8.25% of the number of active voters in the city; and
1807 (ii) beginning on January 1, 2020, 8.25% of the number of active voters in at least
1808 75% of the city's voter participation areas;
- 1809 (e) for a county of the third class:
- 1810 (i) 9.5% of the number of active voters in the county; and
1811 (ii) beginning on January 1, 2020, 9.5% of the number of active voters in at least 75%
1812 of the county's voter participation areas;
- 1813 (f) for a city of the third class:
- 1814 (i) 10% of the number of active voters in the city; and
1815 (ii) beginning on January 1, 2020, 10% of the number of active voters in at least 75%
1816 of the city's voter participation areas;
- 1817 (g) for a county of the fourth class:
- 1818 (i) 11.5% of the number of active voters in the county; and
1819 (ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least
1820 75% of the county's voter participation areas;
- 1821 (h) for a city of the fourth class:
- 1822 (i) 11.5% of the number of active voters in the city; and
1823 (ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least
1824 75% of the city's voter participation areas;
- 1825 (i) for a city of the fifth class or a county of the fifth class, 25% of the number of active
1826 voters in the city or county; or
- 1827 (j) for a town or a county of the sixth class, 35% of the number of active voters in the
1828 town or county.

- 1829 (3) Except as provided in Subsection (4) or (5), an eligible voter seeking to have a land use
1830 law or local obligation law passed by the local legislative body submitted to a vote of the
1831 people shall, after filing a referendum application, obtain legal signatures equal to:
- 1832 (a) for a county of the first, second, third, or fourth class:
- 1833 (i) 16% of the number of active voters in the county; and
- 1834 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
- 1835 of the county's voter participation areas;
- 1836 (b) for a county of the fifth or sixth class:
- 1837 (i) 16% of the number of active voters in the county; and
- 1838 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
- 1839 of the county's voter participation areas;
- 1840 (c) for a city of the first class:
- 1841 (i) 15% of the number of active voters in the city; and
- 1842 (ii) beginning on January 1, 2020, 15% of the number of active voters in at least 75%
- 1843 of the city's voter participation areas;
- 1844 (d) for or a city of the second class:
- 1845 (i) 16% of the number of active voters in the city; and
- 1846 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
- 1847 of the city's voter participation areas;
- 1848 (e) for a city of the third class:
- 1849 (i) 27.5% of the number of active voters in the city; and
- 1850 (ii) beginning on January 1, 2020, 27.5% of the number of active voters in at least
- 1851 75% of the city's voter participation areas;
- 1852 (f) for a city of the fourth class:
- 1853 (i) 29% of the number of active voters in the city; and
- 1854 (ii) beginning on January 1, 2020, 29% of the number of active voters in at least 75%
- 1855 of the city's voter participation areas;
- 1856 (g) for a city of the fifth class, 35% of the number of active voters in the city; or
- 1857 (h) for a town, 40% of the number of active voters in the town.
- 1858 (4) A person seeking to have a subjurisdictional law passed by the local legislative body
1859 submitted to a vote of the people shall, after filing a referendum application, obtain legal
1860 signatures of the residents in the subjurisdiction equal to:
- 1861 (a) 10% of the number of active voters in the subjurisdiction if the number of active
1862 voters exceeds 25,000;

- 1863 (b) 12.5% of the number of active voters in the subjurisdiction if the number of active
1864 voters does not exceed 25,000 but is more than 10,000;
- 1865 (c) 15% of the number of active voters in the subjurisdiction if the number of active
1866 voters does not exceed 10,000 but is more than 2,500;
- 1867 (d) 20% of the number of active voters in the subjurisdiction if the number of active
1868 voters does not exceed 2,500 but is more than 500;
- 1869 (e) 25% of the number of active voters in the subjurisdiction if the number of active
1870 voters does not exceed 500 but is more than 250; and
- 1871 (f) 30% of the number of active voters in the subjurisdiction if the number of active
1872 voters does not exceed 250.
- 1873 (5) An eligible voter seeking to have a transit area land use law passed by the local
1874 legislative body submitted to a vote of the people shall, after filing a referendum
1875 application, obtain legal signatures equal to:
- 1876 (a) for a county:
- 1877 (i) 20% of the number of active voters in the county; and
- 1878 (ii) 21% of the number of active voters in at least 75% of the county's voter
1879 participation areas;
- 1880 (b) for a city of the first class:
- 1881 (i) 20% of the number of active voters in the city; and
- 1882 (ii) 20% of the number of active voters in at least 75% of the city's voter participation
1883 areas;
- 1884 (c) for a city of the second class:
- 1885 (i) 20% of the number of active voters in the city; and
- 1886 (ii) 21% of the number of active voters in at least 75% of the city's voter participation
1887 areas;
- 1888 (d) for a city of the third class:
- 1889 (i) 34% of the number of active voters in the city; and
- 1890 (ii) 34% of the number of active voters in at least 75% of the city's voter participation
1891 areas;
- 1892 (e) for a city of the fourth class:
- 1893 (i) 36% of the number of active voters in the city; and
- 1894 (ii) 36% of the number of active voters in at least 75% of the city's voter participation
1895 areas; or
- 1896 (f) for a city of the fifth class or a town, 40% of the number of active voters in the city or

- 1897 town.
- 1898 (6) Sponsors of any referendum petition challenging, under Subsection (2), (3), (4), or (5),
- 1899 any local law passed by a local legislative body shall file the application no later than the
- 1900 first business day that is at least five days after the day on which the local law was
- 1901 passed.
- 1902 (7) This section does not authorize a local legislative body to impose a tax or other payment
- 1903 obligation on a subjurisdiction in order to benefit an area outside of the subjurisdiction.
- 1904 Section 42. Section **20A-7-607** is amended to read:
- 1905 **20A-7-607 (Effective 01/01/27). Evaluation by the local clerk -- Determination of**
- 1906 **election for vote on referendum.**
- 1907 (1) In relation to the manual referendum process, when the local clerk receives a
- 1908 referendum packet from a county clerk, the local clerk shall record the number of the
- 1909 referendum packet received.
- 1910 (2) The county clerk shall:
- 1911 (a) in relation to the manual referendum process:
- 1912 (i) post the names, voter identification numbers, and dates of signatures described in
- 1913 Subsection 20A-7-105(6)(a)(iii) on the lieutenant governor's website, in a
- 1914 conspicuous location designated by the lieutenant governor, for at least 45
- 1915 calendar days; and
- 1916 (ii) update on the local clerk's website the number of signatures certified as of the
- 1917 date of the update; or
- 1918 (b) in relation to the electronic referendum process:
- 1919 (i) post the names, voter identification numbers, and dates of signatures described in
- 1920 Subsection [~~20A-7-616(3)~~] 20A-7-616(4) on the lieutenant governor's website, in a
- 1921 conspicuous location designated by the lieutenant governor, for at least 45
- 1922 calendar days; and
- 1923 (ii) update on the lieutenant governor's website the number of signatures certified as
- 1924 of the date of the update.
- 1925 (3) The local clerk:
- 1926 (a) shall, except as provided in Subsection (3)(b), declare the referendum petition to be
- 1927 sufficient or insufficient:
- 1928 (i) in relation to the manual referendum process, no later than 111 calendar days after
- 1929 the day of the deadline, described in Subsection 20A-7-105(5)(a)(iv), to submit a
- 1930 referendum packet to the county clerk; or

- 1931 (ii) in relation to the electronic referendum process, no later than 111 calendar days
1932 after the day of the deadline, described in Subsection 20A-7-616(2), to collect a
1933 signature; or
- 1934 (b) may declare the referendum petition to be insufficient before the day described in
1935 Subsection (3)(a) if:
- 1936 (i) in relation to the manual referendum process, the total of all valid signatures on
1937 timely and lawfully submitted referendum packets that have been certified by the
1938 county clerk, plus the number of signatures on timely and lawfully submitted
1939 referendum packets that have not yet been evaluated for certification, is less than
1940 the number of names required under Section 20A-7-601;
- 1941 (ii) in relation to the electronic referendum process, the total of all timely and
1942 lawfully submitted valid signatures that have been certified by the county clerks,
1943 plus the number of timely and lawfully submitted valid signatures received under
1944 Subsection 20A-21-201(6)(b) that have not yet been evaluated for certification, is
1945 less than the number of names required under Section 20A-7-601; or
- 1946 (iii) a requirement of this part has not been met.
- 1947 (4)(a) If the total number of names certified under Subsection (3) equals or exceeds the
1948 number of names required under Section 20A-7-601, and the requirements of this
1949 part are met, the local clerk shall mark upon the front of the referendum petition the
1950 word "sufficient."
- 1951 (b) If the total number of names certified under Subsection (3) does not equal or exceed
1952 the number of names required under Section 20A-7-601 or a requirement of this part
1953 is not met, the local clerk shall mark upon the front of the referendum petition the
1954 word "insufficient."
- 1955 (c) The local clerk shall immediately notify any one of the sponsors of the local clerk's
1956 finding.
- 1957 (d) After a referendum petition is declared insufficient, a person may not submit
1958 additional signatures to qualify the referendum for the ballot.
- 1959 (5)(a) If the local clerk refuses to declare a referendum petition sufficient, any voter
1960 may, no later than 10 days after the day on which the local clerk declares the
1961 referendum petition insufficient, apply to the appropriate court for an order finding
1962 the referendum petition legally sufficient.
- 1963 (b) If the court determines that the referendum petition is legally sufficient, the local
1964 clerk shall mark the referendum petition "sufficient" and consider the declaration of

- 1965 sufficiency effective as of the date on which the referendum petition should have
 1966 been declared sufficient by the local clerk's office.
- 1967 (c) If the court determines that a referendum petition filed is not legally sufficient, the
 1968 court may enjoin the local clerk and all other officers from[;]
 1969 [(†)] certifying or printing the ballot title and numbers of that referendum on the
 1970 official ballot for the next election[; or] .
 1971 [~~(ii) as it relates to a local tax law that is conducted entirely by mail, certifying,~~
 1972 ~~printing, or mailing the ballot title and numbers of that referendum under Section~~
 1973 ~~20A-7-609.5.]~~
- 1974 (6) A referendum petition determined to be sufficient in accordance with this section is
 1975 qualified for the ballot.
- 1976 (7)(a) Except as provided in Subsection (7)(b) or (c), if a referendum relates to
 1977 legislative action taken after April 15, the election officer may not place the
 1978 referendum on an election ballot until a primary election, a general election, or a
 1979 special election the following year.
- 1980 (b) The election officer may place a referendum described in Subsection (7)(a) on the
 1981 ballot for a special, primary, or general election held during the year that the
 1982 legislative action was taken if the following agree, in writing, on a timeline to place
 1983 the referendum on that ballot:
- 1984 (i) the local clerk;
 1985 (ii) the county clerk; and
 1986 (iii) the attorney for the county or municipality that took the legislative action.
- 1987 (c) For a referendum on a land use law, if, before August 30, the local clerk or a court
 1988 determines that the total number of certified names equals or exceeds the number of
 1989 signatures required in Section 20A-7-601, the election officer shall place the
 1990 referendum on the election ballot for:
- 1991 (i) the next general election; or
 1992 (ii) another election, if the following agree, in writing, on a timeline to place the
 1993 referendum on that ballot:
- 1994 (A) the affected owners, as defined in Section 10-20-102 or 17-79-102, as
 1995 applicable;
 1996 (B) the local clerk;
 1997 (C) the county clerk; and
 1998 (D) the attorney for the county or municipality that took the legislative action.

- 1999 Section 43. Section **20A-7-702** is amended to read:
- 2000 **20A-7-702 (Effective 01/01/27). Voter information pamphlet -- Form -- Contents.**
- 2001 The voter information pamphlet shall contain the following items in this order:
- 2002 (1) a cover title page;
- 2003 (2) an introduction to the pamphlet by the lieutenant governor;
- 2004 (3) a table of contents;
- 2005 (4) a list of all candidates for constitutional offices;
- 2006 (5) a list of candidates for each legislative district;
- 2007 (6) a 100-word statement of qualifications for each candidate for the office of governor,
- 2008 lieutenant governor, attorney general, state auditor, or state treasurer, if submitted by the
- 2009 candidate to the lieutenant governor's office before 5 p.m. on the first business day in
- 2010 August before the date of the election;
- 2011 (7) information pertaining to all measures to be submitted to the voters, beginning a new
- 2012 page for each measure and containing, in the following order for each measure:
- 2013 (a) a copy of the number and ballot title of the measure;
- 2014 (b) the final vote cast by the Legislature on the measure if it is a measure submitted by
- 2015 the Legislature or by referendum;
- 2016 (c)(i) for a measure other than a measure described in Section 20A-7-103, the
- 2017 impartial analysis of the measure prepared by the Office of Legislative Research
- 2018 and General Counsel; or
- 2019 (ii) for a measure described in Section 20A-7-103, the analysis of the measure
- 2020 prepared by the presiding officers in accordance with Section 20A-7-703.1 or, for
- 2021 legislation subject to Part 9, Tax Increase Voting Requirements, in accordance
- 2022 with Section 20A-7-904;
- 2023 (d) the arguments in favor of the measure, the rebuttal to the arguments in favor of the
- 2024 measure, the arguments against the measure, and the rebuttal to the arguments against
- 2025 the measure, with the name and title of the authors at the end of each argument or
- 2026 rebuttal;
- 2027 (e) for each constitutional amendment, a complete copy of the text of the constitutional
- 2028 amendment, with all new language underlined, and all deleted language placed within
- 2029 brackets;
- 2030 (f) for each initiative qualified for the ballot:
- 2031 (i) a copy of the initiative as certified by the lieutenant governor and a copy of the
- 2032 initial fiscal impact statement prepared according to Section 20A-7-202.5; and

- 2033 (ii) if the initiative proposes a tax increase, the following statement in bold type:
2034 "This initiative seeks to increase the current (insert name of tax) rate by (insert the tax
2035 percentage difference) percent, resulting in a(n) (insert the tax percentage increase) percent
2036 increase in the current tax rate."; and
- 2037 (g) for each referendum qualified for the ballot, a complete copy of the text of the law
2038 being submitted to the voters for their approval or rejection, with all new language
2039 underlined and all deleted language placed within brackets, as applicable;
- 2040 (8) a description provided by the Judicial Performance Evaluation Commission of the
2041 selection and retention process for judges, including, in the following order:
- 2042 (a) a description of the judicial selection process;
2043 (b) a description of the judicial performance evaluation process;
2044 (c) a description of the judicial retention election process;
2045 (d) a list of the criteria of the judicial performance evaluation and the certification
2046 standards;
2047 (e) the names of the judges standing for retention election; and
2048 (f) for each judge:
- 2049 (i) a list of the counties in which the judge is subject to retention election;
2050 (ii) a short biography of professional qualifications and a recent photograph;
2051 (iii) a narrative concerning the judge's performance;
2052 (iv) for each certification standard under Section 78A-12-205, a statement identifying
2053 whether, under Section 78A-12-205, the judge met the standard and, if not, the
2054 manner in which the judge failed to meet the standard;
- 2055 (v) a statement that the Judicial Performance Evaluation Commission:
- 2056 (A) has determined that the judge meets or exceeds minimum performance
2057 standards;
2058 (B) has determined that the judge does not meet or exceed minimum performance
2059 standards; or
2060 (C) has not made a determination regarding whether the judge meets or exceeds
2061 minimum performance standards;
- 2062 (vi) any statement, described in Subsection 78A-12-206(3)(b), provided by a judge
2063 whom the Judicial Performance Evaluation Commission determines does not meet
2064 or exceed minimum performance standards;
- 2065 (vii) in a bar graph, the average of responses to each survey category, displayed with
2066 an identification of the minimum acceptable score as set by Section 78A-12-205

- 2067 and the average score of all judges of the same court level; and
- 2068 (viii) a website address that contains the Judicial Performance Evaluation
- 2069 Commission's report on the judge's performance evaluation;
- 2070 (9) for each judge, a statement provided by the Utah Supreme Court identifying the
- 2071 cumulative number of informal reprimands, when consented to by the judge in
- 2072 accordance with Title 78A, Chapter 11, Judicial Conduct Commission, formal
- 2073 reprimands, and all orders of censure and suspension issued by the Utah Supreme Court
- 2074 under Utah Constitution, Article VIII, Section 13, during the judge's current term and the
- 2075 immediately preceding term, and a detailed summary of the supporting reasons for each
- 2076 violation of the Code of Judicial Conduct that the judge has received;
- 2077 (10) an explanation of ballot marking procedures prepared by the lieutenant governor,
- 2078 indicating the ballot marking procedure used by each county and explaining how to
- 2079 mark the ballot for each procedure;
- 2080 (11) voter registration information, including information on how to obtain a ballot;
- 2081 (12) a list of all county clerks' offices and phone numbers;
- 2082 (13) the address of the Statewide Electronic Voter Information Website, with a statement
- 2083 indicating that the election officer will post on the website any changes to the location of
- 2084 a polling place and the location of any additional polling place;
- 2085 (14) a phone number that a voter may call to obtain information regarding the location of a
- 2086 polling place; and
- 2087 (15) on the back cover page, a printed copy of the following statement signed by the lieutenant
- 2088 governor:

2089 "I, _____ (print name), Lieutenant Governor of Utah, certify that the

2090 measures contained in this pamphlet will be submitted to the voters of Utah at the election to

2091 be held throughout the state on ____ (date of election), and that this pamphlet is complete and

2092 correct according to law.

2093 SEAL

2094 Witness my hand and the Great Seal of the State, at Salt Lake City, Utah this ____ day

2095 of ____ (month), ____ (year)

2096

(signed) _____

2097

Lieutenant Governor".

2098 Section 44. Section **20A-7-703.1** is amended to read:

- 2099 **20A-7-703.1 (Effective 01/01/27). Analysis of measure submitted to voters by**
2100 **Legislature -- Determination of fiscal effects.**
- 2101 (1) The presiding officers shall:
- 2102 (a) prepare an analysis of each measure, described in Section 20A-7-103, that is
2103 submitted to the voters by the Legislature, except legislation subject to Part 9, Tax
2104 Increase Voting Requirements; and
- 2105 (b) submit the analysis to the lieutenant governor no later than 90 calendar days before
2106 the date of the election in which the measure will appear on the ballot.
- 2107 (2) The presiding officers shall ensure that the analysis:
- 2108 (a) is not more than 1,000 words long;
- 2109 (b) is prepared in clear and concise language that will easily be understood by the
2110 average voter;
- 2111 (c) to the extent possible, avoids the use of technical terms;
- 2112 (d) shows the effect of the measure on existing law;
- 2113 (e) describes the measure;
- 2114 (f) identifies the measure's fiscal effects over the time period or time periods determined
2115 by the presiding officers to be most useful in understanding the estimated fiscal
2116 impact of the measure; and
- 2117 (g) identifies the amount of any increase or decrease in revenue or cost to state or local
2118 government.
- 2119 (3) The presiding officers shall analyze the measure as the measure is proposed to be
2120 adopted, without considering any implementing legislation, unless the implementing
2121 legislation has been enacted and will become effective upon the adoption of the measure
2122 by the voters.
- 2123 (4)(a) In determining the fiscal effects of a measure, the presiding officers shall confer
2124 with the legislative fiscal analyst.
- 2125 (b) The presiding officers shall consider any measure that requires implementing
2126 legislation in order to take effect to have no financial effect, unless implementing
2127 legislation has been enacted that will become effective upon adoption of the measure
2128 by the voters.
- 2129 (5) If the presiding officers request the assistance of any state department, agency, or
2130 official in preparing the analysis described in this section, that department, agency, or
2131 official shall assist the presiding officers.
- 2132 Section 45. Section **20A-7-901** is enacted to read:

2133 **Part 9. Tax Increase Voting Requirements**

2134 **20A-7-901 (Effective 01/01/27). Definitions.**

2135 As used in this part:

- 2136 (1) "Ballot proposition" means legislation or a question a government entity submits to
 2137 voters in accordance with Section 59-1-1903.
- 2138 (2) "Election date" means the date of the election at which voters will consider the ballot
 2139 proposition.
- 2140 (3) "Eligible voter" means a person who:
- 2141 (a) has registered to vote in accordance with Title 20A, Chapter 2, Voter Registration;
 2142 and
- 2143 (b) is a resident of a voting district or precinct within the taxing entity that is holding an
 2144 election to consider a ballot proposition.
- 2145 (4) "Fiscal year spending" means the same as that term is defined in Section 59-1-1902.
- 2146 (5) "Fiscal year spending limit" means a government entity's maximum amount of fiscal
 2147 year spending calculated in accordance with Section 59-1-1904.
- 2148 (6) "Government entity" means the same as that term is defined in Section 59-1-1902.

2149 Section 46. Section **20A-7-902** is enacted to read:

2150 **20A-7-902 (Contingently Effective 01/01/27). Tax increase voter submission**
 2151 **requirements.**

- 2152 (1)(a) Except as provided in Subsection (1)(b), a government entity shall submit a ballot
 2153 proposition to voters at the next general election.
- 2154 (b) A public infrastructure district that seeks to levy a property tax for payment of debt
 2155 service on a limited tax bond issued in accordance with Section 17D-4-301 on or
 2156 after January 1, 2027, may submit a ballot proposition to voters in 2027 at the same
 2157 time as the municipal election.
- 2158 (2) A government entity shall provide notice of a ballot proposition to voters:
- 2159 (a)(i) for the state, in accordance with Sections 20A-7-103 and 20A-7-702; or
 2160 (ii) for a government entity other than the state, at least 30 days before the election in
 2161 the locations described in Subsection 20A-7-905(6);
- 2162 (b) at the lowest cost; and
- 2163 (c) with a title that meets the requirements of Section 20A-7-903.
- 2164 (3) The state or a political subdivision may consolidate the notices for a ballot proposition
 2165 that is passed by a legislative body, other than a constitutional amendment.
- 2166 (4) Even with voter approval, a government entity may not incur debt if the debt exceeds

2167 the government entity's share of maximum repayment costs disclosed in accordance with
 2168 Subsection 20A-7-904(4).

2169 Section 47. Section **20A-7-903** is enacted to read:

2170 **20A-7-903 (Contingently Effective 01/01/27). Ballot title.**

2171 (1) A ballot title for a tax increase shall read:

2172 "Shall (name of government entity) take the following action (type of action such
 2173 as impose/increase/modify the base for/extend an expiring) (type of tax) to collect an
 2174 estimated (first, or if phased in, final, fiscal year dollar increase) annually?"

2175 (2) A ballot title for a debt increase shall read:

2176 "Shall (name of government entity) increase the debt (for purpose) to (principal
 2177 amount) with a repayment cost of (maximum total cost)?"

2178 (3) A ballot title for a question about retaining revenue that exceeds the government entity's
 2179 fiscal year spending limit shall read:

2180 "Shall (name of government entity) retain the amount of revenue that exceeds the
 2181 government entity's fiscal year spending limit, instead of refunding the excess, for the
 2182 following fiscal years: (list the fiscal years, up to five)?"

2183 Section 48. Section **20A-7-904** is enacted to read:

2184 **20A-7-904 (Effective 01/01/27). Analysis of a ballot proposition.**

2185 The presiding officers of the Legislature or the governing body of a political subdivision
 2186 shall prepare an analysis of each ballot proposition that includes:

2187 (1) an impartial summary of the ballot proposition that:

2188 (a) is prepared in clear and concise language that will easily be understood by the
 2189 average voter; and

2190 (b) avoids the use of technical terms as much as possible;

2191 (2) the estimated or actual total fiscal year funding for the current fiscal year and each of
 2192 the past four fiscal years and the overall dollar and percentage change between the fiscal
 2193 year spending in the previous fiscal year and the total estimated to be generated by the
 2194 tax increase or bond debt increase;

2195 (3) an estimate of the maximum dollar amount of each tax increase during the first full
 2196 fiscal year and of the government entity's spending during that fiscal year without the
 2197 increase;

2198 (4) an estimate of the maximum principal amount and maximum annual and total
 2199 repayment cost of each debt increase and the actual amount of current bonded debt and
 2200 the maximum annual and total repayment cost of each bonded debt; and

2201 (5) an estimate of the amount the ballot proposition will cost to an average household.
 2202 Section 49. Section **20A-7-905**, which is renumbered from Section 59-1-1604 is renumbered
 2203 and amended to read:

2204 **[59-1-1604] 20A-7-905 (Effective 01/01/27). Arguments for and against a ballot**
 2205 **proposition -- Rebuttal arguments -- Posting arguments.**

2206 (1)(a) Whenever the state submits a ballot proposition to the voters, the arguments for or
 2207 against the ballot proposition shall conform with Section 20A-7-705.

2208 (b) [The] Whenever a government entity other than the state submits a ballot proposition
 2209 to the voters, the arguments for or against [a] the ballot proposition shall conform to
 2210 the requirements of this section.

2211 (2)(a)(i) The governing body of a [~~taxing~~] government entity shall submit to the
 2212 election officer an argument in favor of a ballot proposition.

2213 (ii) To prepare an argument for or against a ballot proposition, an eligible voter shall
 2214 file a request with the election officer at least 65 days before the election at which
 2215 the ballot proposition is to be voted on.

2216 (b) If two or more eligible voters wish to submit an argument for, or an argument
 2217 against, a ballot proposition, the election officer shall designate one of the eligible
 2218 voters to submit the argument.

2219 (c)(i) An eligible voter who submits an argument under this section shall:

2220 (A) ensure that the argument does not exceed 500 words in length;

2221 (B) submit the argument to the election officer no less than 60 days before the [
 2222 ~~determination date~~] election day; and

2223 (C) include with the argument the eligible voter's name, residential address, postal
 2224 address, email address if available, and phone number.

2225 (ii) An election officer shall refuse to accept and publish an argument that [~~is~~
 2226 ~~submitted~~] an eligible voter submits after the deadline described in Subsection
 2227 (2)(c)(i)(B).

2228 (3)(a) An election officer who timely receives the arguments in favor of and against a
 2229 ballot proposition shall, within one business day after the day on which the election
 2230 officer receives both arguments, send, via email or mail:

2231 (i) a copy of the argument in favor of the ballot proposition to the eligible voter who
 2232 submitted the argument against the ballot proposition; and

2233 (ii) a copy of the argument against the ballot proposition to the eligible voter who
 2234 submitted the argument in favor of the ballot proposition.

- 2235 (b) The eligible voter who submitted a timely argument in favor of the ballot proposition:
2236 (i) may submit to the election officer a rebuttal argument of the argument against the
2237 ballot proposition;
2238 (ii) shall ensure that the rebuttal argument does not exceed 250 words in length; and
2239 (iii) shall submit the rebuttal argument no later than 45 days before the election [~~day~~
2240 ~~on which the ballot proposition will be submitted to the voters]~~ date.
- 2241 (c) The eligible voter who submitted a timely argument against the ballot proposition:
2242 (i) may submit to the election officer a rebuttal argument of the argument in favor of
2243 the ballot proposition;
2244 (ii) shall ensure that the rebuttal argument does not exceed 250 words in length; and
2245 (iii) shall submit the rebuttal argument no later than 45 days before the election [~~day~~
2246 ~~on which the ballot proposition will be submitted to the voters]~~ date.
- 2247 (d) An election officer shall refuse to accept and publish a rebuttal argument that is
2248 submitted after the deadline described in Subsection (3)(b)(iii) or (3)(c)(iii).
- 2249 (4)(a) Except as provided in Subsection (4)(b):
2250 (i) an eligible voter may not modify an argument or rebuttal argument after the
2251 eligible voter submits the argument or rebuttal argument to the election officer;
2252 and
2253 (ii) a person other than the eligible voter described in Subsection (4)(a)(i) may not
2254 modify an argument or rebuttal argument.
- 2255 (b) The election officer, and the eligible voter who submits an argument or rebuttal
2256 argument, may jointly agree to modify an argument or a rebuttal argument [~~in order~~]
2257 to:
2258 (i) correct factual, grammatical, and spelling errors; and
2259 (ii) reduce the number of words to come into compliance with the requirements of
2260 this section.
- 2261 (c) An election officer shall refuse to accept and publish an argument or rebuttal
2262 argument if the eligible voter who submits the argument or rebuttal argument fails to
2263 negotiate, in good faith, to modify the argument or rebuttal argument in accordance
2264 with Subsection (4)(b).
- 2265 (5) An election officer may designate another eligible voter to take the place of an eligible
2266 voter described in this section if the original eligible voter is, due to injury, illness,
2267 death, or another circumstance, unable to continue to fulfill the duties of an eligible
2268 voter described in this section.

- 2269 (6) The election officer of a [taxing] government entity shall:
- 2270 (a) post the arguments and rebuttal arguments on the Statewide Electronic Voter
- 2271 Information Website as described in Section 20A-7-801 for 30 consecutive days
- 2272 before the [determination] election date;
- 2273 (b) if a [taxing] government entity has a public website, post all arguments and rebuttal
- 2274 arguments in a prominent place on the [taxing] government entity's public website for
- 2275 30 consecutive days before the [determination] election date; and
- 2276 (c) if the [taxing] government entity publishes a newsletter or other periodical, post all
- 2277 arguments and rebuttal arguments in the next scheduled newsletter or other periodical
- 2278 published before the [determination] election date.
- 2279 (7) When posting an argument and rebuttal argument under Subsection (6), the election
- 2280 officer of a [taxing] government entity shall ensure that:
- 2281 (a) a rebuttal argument is posted in the same manner as a direct argument;
- 2282 (b) each rebuttal argument follows immediately after the direct argument that [it] the
- 2283 rebuttal argument seeks to rebut; and
- 2284 (c) information regarding the public meeting required by Section [59-1-1605] 20A-7-906
- 2285 follows immediately after the posted arguments, including the date, time, and place
- 2286 of the public meeting.
- 2287 Section 50. Section **20A-7-906**, which is renumbered from Section 59-1-1605 is renumbered
- 2288 and amended to read:
- 2289 **[59-1-1605] 20A-7-906 (Effective 01/01/27). Public meeting requirements.**
- 2290 (1) [~~The governing body of a taxing~~] A government entity shall conduct a public meeting in
- 2291 accordance with this section no more than 45, but at least four, days before the [
- 2292 ~~determination date~~] election date.
- 2293 (2) [~~The governing body of the taxing~~] A government entity shall allow equal time, within a
- 2294 reasonable limit, for a presentation of the arguments:
- 2295 (a) in favor of the ballot proposition; and
- 2296 (b) against the ballot proposition.
- 2297 (3)(a) A [~~governing body of a taxing~~] government entity conducting a public meeting
- 2298 described in Subsection (1) shall provide an interested party desiring to be heard an
- 2299 opportunity to present oral testimony within reasonable time limits.
- 2300 (b) A [taxing] government entity shall hold a public meeting described in this section
- 2301 beginning at or after 6 p.m.
- 2302 (4)(a) A [~~taxing~~] government entity shall provide a digital audio recording of a public

2303 meeting described in Subsection (1) no later than three days after the date of the
2304 public meeting.

2305 (b) For purposes of providing the digital audio recording described in Subsection (4)(a),
2306 a ~~[governing body of a taxing]~~ government entity shall:

2307 (i) if a ~~[taxing]~~ government entity has a public website, provide access to the digital
2308 audio recording described in Subsection (4)(a) on the ~~[taxing]~~ government entity's
2309 public website; or

2310 (ii) provide a digital copy of the recording described in Subsection (4)(a) to members
2311 of the public at the ~~[taxing]~~ government entity's primary government office
2312 building.

2313 Section 51. Section **53F-8-201** is amended to read:

2314 **53F-8-201 (Effective 01/01/27). Annual certification of tax rate proposed by local**
2315 **school board -- Inclusion of school district budget -- Modified filing date.**

2316 (1) ~~[Prior to]~~ Before June 22 of each year, each local school board shall certify to the county
2317 legislative body in which the district is located, on forms ~~[prescribed by]~~ the State Tax
2318 Commission approves, the proposed tax rate ~~[approved by]~~ the local school board
2319 approves.

2320 (2) A copy of the district's budget, including items under Section 53G-7-302, and a certified
2321 copy of the local school board's resolution which approved the budget and set the tax
2322 rate for the subsequent school year beginning July 1 shall accompany the tax rate.

2323 ~~[(3) If the tax rate approved by the local school board is in excess of the certified tax rate, as~~
2324 ~~defined in Section 59-2-924, the date for filing the tax rate and budget adopted by the~~
2325 ~~local school board shall be that established under Section 59-2-919.]~~

2326 (3) A local school board shall comply with Title 20A, Chapter 7, Part 9, Tax Increase
2327 Voting Requirements, if the local school board seeks to approve a tax rate that exceeds
2328 the certified tax rate, as defined in Section 59-2-924.

2329 Section 52. Section **53F-8-301** is amended to read:

2330 **53F-8-301 (Effective 01/01/27). State-supported voted local levy authorized --**
2331 **Election requirements -- Reconsideration of the program.**

2332 (1) The terms defined in Section 53F-2-102 apply to this section.

2333 (2) An election to consider adoption or modification of a voted local levy is required if
2334 initiative petitions signed by 10% of the number of electors who voted at the last
2335 preceding general election are presented to the local school board or by action of the
2336 local school board.

- 2337 (3)(a)(i) ~~To impose a voted local levy, a majority of the electors of a school district~~
 2338 ~~voting at an election in the manner set forth in Subsections (8) and (9) must vote~~
 2339 ~~in favor of a special tax.]~~
- 2340 (i) A local school board may impose a voted local levy if a local school board
 2341 determines that a majority of the school district's registered voters voting, in
 2342 accordance with Subsection (5), on the imposition of the tax rate have voted in
 2343 favor of the imposition of the tax rate.
- 2344 (ii) The tax rate may not exceed .002 per dollar of taxable value.
- 2345 (b) ~~[Except as provided in Subsection (3)(c), in order to]~~ To receive state support in
 2346 accordance with Section 53F-2-601 the first year, a school district shall receive voter
 2347 approval no later than December 1 of the year ~~[prior to]~~ before implementation.
- 2348 ~~[(c) Beginning on or after January 1, 2012, a school district may receive state support in~~
 2349 ~~accordance with Section 53F-2-601 without complying with the requirements of~~
 2350 ~~Subsection (3)(b) if the local school board imposed a tax in accordance with this~~
 2351 ~~section during the taxable year beginning on January 1, 2011 and ending on~~
 2352 ~~December 31, 2011.]~~
- 2353 (4)(a) An election to modify an existing voted local levy is not a reconsideration of the
 2354 existing authority unless the ~~[proposition]~~ legislation submitted to the electors
 2355 expressly so states.
- 2356 (b) A majority vote opposing a modification does not deprive the local school board of
 2357 authority to continue the levy.
- 2358 (c) If adoption of a voted local levy is contingent upon an offset reducing other local
 2359 school board levies, the local school board shall allow the electors, in an election, to
 2360 consider modifying or discontinuing the imposition of the levy ~~[prior to]~~ before a
 2361 subsequent increase in other levies that would increase the total local school board
 2362 levy.
- 2363 (d) Nothing contained in this section terminates, without an election, the authority of a
 2364 local school board to continue imposing an existing voted local levy previously
 2365 authorized by the voters as a voted leeway program.
- 2366 ~~[(5) Notwithstanding Section 59-2-919, a local school board may budget an increased~~
 2367 ~~amount of ad valorem property tax revenue derived from a voted local levy imposed~~
 2368 ~~under this section in addition to revenue from eligible new growth as defined in Section~~
 2369 ~~59-2-924, without having to comply with the notice requirements of Section 59-2-919, if:]~~
- 2370 ~~[(a) the voted local levy is approved:]~~

- 2371 ~~[(i) in accordance with Subsections (8) and (9) on or after January 1, 2003; and]~~
 2372 ~~[(ii) within the four-year period immediately preceding the year in which the local~~
 2373 ~~school board seeks to budget an increased amount of ad valorem property tax~~
 2374 ~~revenue derived from the voted local levy; and]~~
- 2375 ~~[(b) for a voted local levy approved or modified in accordance with this section on or~~
 2376 ~~after January 1, 2009, the local school board complies with the requirements of~~
 2377 ~~Subsection (7).]~~
- 2378 [(6) Notwithstanding Section 59-2-919, a local school board may levy a tax rate under this
 2379 section that exceeds the certified tax rate without having to comply with the notice
 2380 requirements of Section 59-2-919 if:]
- 2381 [(a) the levy exceeds the certified tax rate as the result of a local school board budgeting
 2382 an increased amount of ad valorem property tax revenue derived from a voted local
 2383 levy imposed under this section;]
- 2384 [(b) the voted local levy was approved:]
- 2385 [(i) in accordance with Subsections (8) and (9) on or after January 1, 2003; and]
- 2386 [(ii) within the four-year period immediately preceding the year in which the local
 2387 school board seeks to budget an increased amount of ad valorem property tax
 2388 revenue derived from the voted local levy; and]
- 2389 [(e) for a voted local levy approved or modified in accordance with this section on or
 2390 after January 1, 2009, the local school board complies with requirements of
 2391 Subsection (7).]
- 2392 [(7) For purposes of Subsection (5)(b) or (6)(e), the proposition submitted to the electors
 2393 regarding the adoption or modification of a voted local levy shall contain the following
 2394 statement:
- 2395 "A vote in favor of this tax means that the local school board of [name of the school
 2396 district] may increase revenue from this property tax without advertising the increase for the
 2397 next five years."
- 2398 [(8)] (5)[(a)] Before a local school board may impose a property tax levy [pursuant to]
 2399 authorized by this section, a local school board shall submit [an opinion question-] the
 2400 legislation to the school district's registered voters voting [on the imposition of the
 2401 tax rate so that each registered voter has the opportunity to express the registered
 2402 voter's opinion on whether the tax rate should be imposed] in accordance with Title
 2403 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.
- 2404 [(b) The election required by this Subsection (8) shall be held:]

- 2405 ~~[(i) at a regular general election conducted in accordance with the procedures and~~
 2406 ~~requirements of Title 20A, Election Code, governing regular elections;]~~
 2407 ~~[(ii) at a municipal general election conducted in accordance with the procedures and~~
 2408 ~~requirements of Section 20A-1-202; or]~~
 2409 ~~[(iii) at a local special election conducted in accordance with the procedures and~~
 2410 ~~requirements of Section 20A-1-203.]~~
 2411 ~~[(e) Notwithstanding the requirements of Subsections (8)(a) and (b), beginning on or~~
 2412 ~~after January 1, 2012, a local school board may levy a tax rate in accordance with this~~
 2413 ~~section without complying with the requirements of Subsections (8)(a) and (b) if the~~
 2414 ~~local school board imposed a tax in accordance with this section at any time during~~
 2415 ~~the taxable year beginning on January 1, 2011, and ending on December 31, 2011.]~~
 2416 ~~[(9) If a local school board determines that a majority of the school district's registered~~
 2417 ~~voters voting on the imposition of the tax rate have voted in favor of the imposition of~~
 2418 ~~the tax rate in accordance with Subsection (8), the local school board may impose the~~
 2419 ~~tax rate.]~~

2420 Section 53. Section **53F-8-302** is amended to read:

2421 **53F-8-302 (Effective 01/01/27). Board local levy.**

- 2422 (1) The terms defined in Section 53F-2-102 apply to this section.
 2423 (2) Subject to the other requirements of this section, a local school board may levy a tax to
 2424 fund the school district's general fund.
 2425 (3)(a) For purposes of this Subsection (3), "combined rate" means the sum of:
 2426 (i) the rate imposed by a local school board under Subsection (2); and
 2427 (ii) the charter school levy rate, described in Section 53F-2-703, for the local school
 2428 board's school district.
 2429 (b) ~~[Beginning on January 1, 2018, a]~~ A school district's combined rate ~~[-]~~ may not exceed
 2430 .0025 per dollar of taxable value in any calendar year.
 2431 (4) In addition to the revenue a school district collects from the imposition of a levy [
 2432 ~~pursuant to]~~ in accordance with this section, the state shall contribute an amount as
 2433 described in Section 53F-2-601.
 2434 (5)(a) ~~[For a calendar year beginning on or after January 1, 2017, the]~~ The State Tax
 2435 Commission shall adjust a board local levy rate imposed by a local school board
 2436 under this section by the amount necessary to offset the change in revenues from the
 2437 charter school levy imposed under Section 53F-2-703.
 2438 (b) A local school board is not required to comply with the ~~[notice and public hearing~~

- 2439 ~~requirements of Section 59-2-919]~~ requirements of Title 20A, Chapter 7, Part 9, Tax
 2440 Increase Voting Requirements, for an offset described in Subsection (5)(a) to the
 2441 change in revenues from the charter school levy imposed under Section 53F-2-703.
 2442 (c) ~~[So long as]~~ If the charter school levy rate does not exceed 25% of the charter school
 2443 levy per district revenues, a [-]local school board may not increase a board local levy
 2444 rate under this section ~~[if]~~ for the purpose of increasing the board local levy rate ~~[is-]~~to
 2445 capture the [-]revenues assigned to the charter school levy through the adjustment [-]
 2446 in a board local levy rate under Subsection (5)(a).
 2447 (d) Before a local school board takes action to increase a board local levy rate under this
 2448 section, the local school board shall:
 2449 (i) prepare a written statement that attests that the local school board is in compliance
 2450 with Subsection (5)(c);
 2451 (ii) read the statement described in Subsection (5)(d)(i) during a local school board
 2452 public meeting where the local school board discusses increasing the board local
 2453 levy rate; and
 2454 (iii) send a copy of the statement described in Subsection (5)(d)(i) to the State Tax
 2455 Commission.

2456 Section 54. Section **53G-3-304** is amended to read:

2457 **53G-3-304 (Effective 01/01/27). Property tax levies in new district and**
 2458 **reorganized new district -- Distribution of property tax revenue.**

- 2459 (1) As used in this section:
 2460 (a) "Property tax levy" means a property tax levy that a school district is authorized to
 2461 impose, except:
 2462 (i) the minimum basic tax rate imposed under Section 53F-2-301;
 2463 (ii) a debt service levy imposed under Section 11-14-310;
 2464 (iii) a judgment levy imposed under Section 59-2-1330; or
 2465 (iv) charter school tax rate.
 2466 (b) "Qualifying taxable year" means the calendar year in which a new district begins to
 2467 provide educational services.
 2468 (2) A new school district and reorganized new school district shall continue to impose
 2469 property tax levies that were imposed by the divided school district in the taxable year
 2470 before the qualifying taxable year.
 2471 (3) Except as provided in Subsection (6), a property tax levy that a new school district and
 2472 reorganized new school district are required to impose under Subsection (2) shall be set

- 2473 at a rate that:
- 2474 (a) is uniform in the new school district and reorganized new school district; and
- 2475 (b) generates the same amount of revenue that was generated by the property tax levy
- 2476 within the divided school district in the taxable year before the qualifying taxable
- 2477 year.
- 2478 (4) The county treasurer of the county in which a property tax levy is imposed under
- 2479 Subsection (2) shall distribute revenues generated by the property tax levy to the new
- 2480 school district and reorganized new school district in proportion to the percentage of the
- 2481 divided school district's enrollment on the October 1 before the new school district or
- 2482 reorganized new school district commences educational services that were enrolled in
- 2483 schools currently located in the new school district or reorganized new school district.
- 2484 (5) On or before March 31, a county treasurer shall distribute revenues generated by a
- 2485 property tax levy imposed under Subsection (2) in the previous calendar year to a new
- 2486 school district and reorganized new school district as provided in Subsection (4).
- 2487 (6)(a) Subject to the ~~[notice and public hearing requirements of Section 59-2-919]~~
- 2488 requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, a
- 2489 new school district or reorganized new school district may set a property tax rate
- 2490 higher than the rate required by Subsection (3), up to:
- 2491 (i) the maximum rate, if any, allowed by law; or
- 2492 (ii) the maximum rate authorized by voters for a voted local levy under Section
- 2493 53F-8-301.
- 2494 (b) The district that imposes the higher rate shall retain the revenues generated by the
- 2495 portion of a property tax rate in excess of the rate [required by] Subsection (3) [shall
- 2496 be retained by the district that imposes the higher rate] requires.
- 2497 Section 55. Section **53G-7-303** is amended to read:
- 2498 **53G-7-303 (Effective 01/01/27). LEA governing board budget procedures.**
- 2499 (1) As used in this section:
- 2500 (a) "Budget officer" means:
- 2501 (i) for a school district, the school district's superintendent; or
- 2502 (ii) for a charter school, an individual selected by the charter school governing board.
- 2503 (b) "LEA governing board" means:
- 2504 (i) for a school district, the local school board; or
- 2505 (ii) for a charter school, the charter school governing board.
- 2506 (2)(a) For a school district, before June 30 of each year, a local school board shall adopt

- 2507 a budget and make appropriations for the next fiscal year.
- 2508 (b) ~~[For a school district,]~~ A local school board shall comply with Title 20A, Chapter 7,
- 2509 Part 9, Tax Increase Voting Requirements, if the tax rate in the school district's
- 2510 proposed budget exceeds the certified tax rate defined in Section 59-2-924~~[, the local~~
- 2511 ~~school board shall comply with Section 59-2-919 in adopting the budget, except as~~
- 2512 ~~provided by Section 53F-8-301].~~
- 2513 (c) A school district's final budget may not exceed the school district's fiscal year
- 2514 spending limit described in Section 59-1-1904.
- 2515 (3)(a) For a school district, before the adoption or amendment of a budget, a local school
- 2516 board shall hold a public hearing, as defined in Section 10-20-102, on the proposed
- 2517 budget or budget amendment.
- 2518 (b) In addition to complying with Title 52, Chapter 4, Open and Public Meetings Act, in
- 2519 regards to the public hearing described in Subsection (3)(a), at least 10 days ~~[prior to]~~
- 2520 before the public hearing, a local school board shall:
- 2521 (i) publish a notice of the public hearing in a newspaper or combination of
- 2522 newspapers of general circulation in the school district, except as provided in
- 2523 Section 45-1-101;
- 2524 (ii) publish a notice of the public hearing electronically in accordance with Section
- 2525 45-1-101;
- 2526 (iii) file a copy of the proposed budget with the local school board's business
- 2527 administrator for public inspection; and
- 2528 (iv) post the proposed budget on the school district's ~~[Internet]~~ internet website.
- 2529 (c) A notice of a public hearing on a school district's proposed budget shall include
- 2530 information on how the public may access the proposed budget as provided in
- 2531 Subsections (3)(b)(iii) and (iv).
- 2532 (4)(a) For a charter school, before June 30 of each year, a charter school governing
- 2533 board shall adopt a budget for the next fiscal year.
- 2534 (b) A charter school's final budget may not exceed the charter school's fiscal year
- 2535 spending limit described in Section 59-1-1904.
- 2536 (5) Within 30 days of adopting a budget, an LEA governing board shall file a copy of the
- 2537 adopted budget with the state auditor and the state board.
- 2538 Section 56. Section **53G-7-306** is amended to read:
- 2539 **53G-7-306 (Effective 01/01/27). School district interfund transfers.**
- 2540 (1) A school district shall spend revenues only within the fund for which ~~[they]~~ the revenues

- 2541 were originally authorized, levied, collected, or appropriated.
- 2542 (2) Except as otherwise provided in this section, school district interfund transfers of
2543 residual equity are prohibited.
- 2544 (3) The state board may authorize school district interfund transfers of residual equity when
2545 a school district states [~~its~~] the school district's intent to create a new fund or expand,
2546 contract, or liquidate an existing fund.
- 2547 (4) The state board may also authorize school district interfund transfers of residual equity
2548 for a financially distressed school district if the state board determines the following:
- 2549 (a) the school district has a significant deficit in [~~its~~] the school district's maintenance and
2550 operations fund caused by circumstances not subject to the administrative decisions
2551 of the school district;
- 2552 (b) the deficit cannot be reasonably reduced under Section 53G-7-305; and
- 2553 (c) without the transfer, the school district will not be capable of meeting statewide
2554 educational standards adopted by the state board.
- 2555 (5) The state board shall develop by rule made in accordance with Title 63G, Chapter 3,
2556 Utah Administrative Rulemaking Act, standards for defining and aiding financially
2557 distressed school districts under this section.
- 2558 (6)(a) All debt service levies [~~not subject to certified tax rate hearings~~] shall be recorded
2559 and reported in the debt service fund.
- 2560 [~~(b) Debt service levies under Subsection 59-2-924(5)(d) that are not subject to the~~
2561 ~~public hearing provisions of Section 59-2-919 may not be used for any purpose other~~
2562 ~~than retiring general obligation debt.]~~
- 2563 [(~~e~~)] (b) [~~Amounts~~] A school district shall use amounts from [~~these~~] debt service levies
2564 remaining in the debt service fund at the end of a fiscal year [~~shall be used~~] in
2565 subsequent years for general obligation debt retirement.
- 2566 [(~~d~~)] (c) [~~Any~~] A school district may transfer any amounts left in the debt service fund
2567 after all general obligation debt has been retired [~~may be transferred~~] to the capital
2568 projects fund upon completion of the budgetary hearing process required under
2569 Section 53G-7-303.
- 2570 Section 57. Section **53G-7-310** is enacted to read:
- 2571 **53G-7-310 (Effective 01/01/27). Tax refunds.**
- 2572 (1) As used in this section:
- 2573 (a) "LEA" means:
- 2574 (i) a school district; or

- 2575 (ii) a charter school.
- 2576 (b) "LEA governing board" means:
- 2577 (i) for a school district, the local school board; or
- 2578 (ii) for a charter school, the charter school governing board.
- 2579 (2) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in
- 2580 Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the LEA governing
- 2581 board shall refund revenue that exceeds the LEA's fiscal year spending limit to taxpayers.
- 2582 (3) The preferred form of refund is a property tax rate reduction, but the governing body
- 2583 shall determine the form of refund, at the lowest cost and by any reasonable method.
- 2584 (4) A refund of property tax revenue shall be proportional.
- 2585 (5)(a) Except as provided in Subsection (5)(b), the LEA governing board shall make a
- 2586 refund of a deposit during the next fiscal year.
- 2587 (b) The LEA governing board may reserve the revenue that exceeds the LEA's fiscal
- 2588 year spending limit for one additional fiscal year if the cost of administration, as
- 2589 determined by the LEA governing board, exceeds the amount of refunds.

2590 Section 58. Section **59-1-1901** is enacted to read:

2591 **Part 19. Utah Taxpayer Oversight of Government Spending**

2592 **59-1-1901 (Contingently Effective 01/01/27). General provisions.**

- 2593 (1) In accordance with Article XIII, Section 9, this part establishes taxpayer oversight of
- 2594 government spending.
- 2595 (2)(a) Subject to Subsection (2)(b), the provisions of this part apply to a government
- 2596 entity.
- 2597 (b) Subsection 59-1-1903(1) and Section 59-1-1904 are suspended if the government
- 2598 entity's annual revenue is less than the government entity's annual payments on
- 2599 general obligation bonds, pensions, and final court judgments.

2600 Section 59. Section **59-1-1902** is enacted to read:

2601 **59-1-1902 (Contingently Effective 01/01/27). Definitions.**

- 2602 (1) "Consensus entities" means:
- 2603 (a) the Office of the Legislative Fiscal Analyst;
- 2604 (b) the Governor's Office of Planning and Budget; and
- 2605 (c) the commission.
- 2606 (2)(a) "Fee" means a charge to compensate for the provision of a service or to defray the
- 2607 cost of regulation, regardless of the name of the charge.
- 2608 (b) "Fee" includes a markup percentage imposed in accordance with Section 32B-2-304.

- 2609 (c) "Fee" does not include the amount charged in accordance with Section 59-22-203.
- 2610 (3) "Fiscal year spending" means the amount appropriated by the government entity minus:
- 2611 (a) appropriations of federal funds;
- 2612 (b) appropriations of tuition or fees to an institution of higher education;
- 2613 (c) principal and interest on bonded debt;
- 2614 (d) appropriations funded by unemployment or disability insurance funds;
- 2615 (e) transfers to the reserve accounts in accordance with Section 59-1-1904;
- 2616 (f) appropriations for tax relief including refunds made in the current fiscal year;
- 2617 (g) appropriations from permanent endowment or trust funds; and
- 2618 (h) gifts.
- 2619 (4)(a) "Government entity" means the state or a political subdivision.
- 2620 (b) "Government entity" does not include an institution of higher education.
- 2621 (5) "Institution of higher education" means the same as that term is defined in Section
- 2622 53H-1-101.
- 2623 (6) "Local growth" means:
- 2624 (a) for a political subdivision other than a school district, a net percentage change in
- 2625 actual value of all real property within the political subdivision from construction of
- 2626 taxable real property improvements minus destruction of taxable real property
- 2627 improvements and net additions to taxable real property; or
- 2628 (b) for a school district, the percentage change in the school district's student growth.
- 2629 (7)(a) "Political subdivision" means a county, municipality, special district, special
- 2630 service district, school district, or other government entity with taxing authority.
- 2631 (b) "Political subdivision" does not include the state.
- 2632 (8) "Population" means the number of individuals, excluding armed forces stationed
- 2633 overseas, residing in the state as determined annually by the United States Bureau of
- 2634 Census.
- 2635 (9)(a) "Tax" means an amount charged for a general government purpose, regardless of
- 2636 the name of the charge.
- 2637 (b) "Tax" does not include:
- 2638 (i) a markup percentage imposed in accordance with Section 32B-2-304; or
- 2639 (ii) a fee or the amount charged in accordance with Section 59-22-203.
- 2640 Section 60. Section **59-1-1903** is enacted to read:
- 2641 **59-1-1903 (Contingently Effective 01/01/27). Election requirements.**
- 2642 (1)(a) Subject to Subsections (2) and (5) and any more specific requirements governing

2643 a tax, a fee, or a government debt, a government entity shall submit the following to
2644 the voters:

2645 (i) any legislation that:

2646 (A) imposes a new tax;

2647 (B) expands an existing tax to make additional items or transactions subject to the
2648 tax or fee;

2649 (C) increases an existing tax rate;

2650 (D) extends an expiring tax;

2651 (E) causes a property tax rate to decrease less than the property tax rate would
2652 without the legislation; or

2653 (F) is projected to result in a tax revenue gain to any government entity; or

2654 (ii) any legislation that creates a multiple-fiscal-year financial obligation for the
2655 government entity when the government entity passing the legislation does not
2656 have adequate reserves that are pledged irrevocably for the direct payment of the
2657 financial obligation.

2658 (b) During an emergency declared in accordance with Title 53, Chapter 2a, Emergency
2659 Management Act, a government entity may enact legislation described in Subsection
2660 (1)(a) without submitting the legislation to voters if:

2661 (i) for the state, two-thirds of the members of each house vote to suspend the
2662 requirement to submit the legislation to the voters; or

2663 (ii) for a government entity other than the state, two-thirds of the members of the
2664 government entity's legislative body vote to suspend the requirement to submit the
2665 legislation to the voters.

2666 (2)(a) A government entity may not comply with Subsection (1)(a) if the condition
2667 described in Subsection 59-1-1901(2)(b) exists.

2668 (b) A government entity may not comply with Subsection (1)(b) if the creation of the
2669 financial obligation is to issue a bond, to refinance a bonded debt at a lower interest
2670 rate, or to add new employees to a retirement plan.

2671 (3)(a) A government entity may not implement any legislation described in Subsection
2672 (1) unless a majority of the voters voting approve the legislation.

2673 (b) A majority vote opposing a modification to an existing tax does not deprive the
2674 government entity of authority to continue the tax in the same manner as immediately
2675 before the election.

2676 (4)(a) A government entity shall submit a question to voters if the government entity

2677 seeks to retain money generated from the government entity's own revenue sources,
 2678 including fees, that exceeds the government entity's fiscal year spending limit, instead
 2679 of refunding the excess to taxpayers.

2680 (b) A government entity may not ask voters to authorize the government entity to retain
 2681 money that exceeds the government entity's fiscal year spending limit for more than
 2682 five fiscal years.

2683 (c) The government entity shall state the length of time that the government entity may
 2684 retain money that exceeds the government entity's fiscal year spending limit the
 2685 government entity clearly states in the ballot title.

2686 (5) A government entity shall submit legislation to voters or a question described in
 2687 Subsection (4) in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting
 2688 Requirements.

2689 (6)(a) The state shall comply with this section if the state passes legislation to increase
 2690 the minimum basic local amount established in Section 53F-2-301.

2691 (b) A school district is not required to comply with this section if the minimum basic tax
 2692 rate defined in Section 53F-2-301 increases because of legislation to increase the
 2693 minimum basic local amount.

2694 Section 61. Section **59-1-1904** is enacted to read:

2695 **59-1-1904 (Contingently Effective 01/01/27). Spending limits.**

2696 (1)(a) The consensus entities shall determine the state's fiscal year spending limit by
 2697 adding:

2698 (i) the state's previous fiscal year spending;

2699 (ii) the amount of revenue increase that the voters approved for the fiscal year; and

2700 (iii) the amount calculated by multiplying the state's previous fiscal year spending by
 2701 the lesser of:

2702 (A) the rate calculated by adding the growth rate of the state's population and the
 2703 rate of inflation for the previous fiscal year;

2704 (B) the growth rate of personal income, as calculated by the United State Bureau
 2705 of Economic Analysis, of the state's population for the previous calendar year;
 2706 or

2707 (C) the growth rate of real gross domestic product of the state, as calculated by the
 2708 United States Bureau of Economic Analysis, for the previous calendar year.

2709 (b) The consensus entities shall determine the lesser rate described in Subsection

2710 (1)(a)(iii) using the average of each rate for the two fiscal years immediately

2711 preceding the general legislative session.

2712 (c) The consensus entities shall determine the rate of inflation in accordance with
 2713 Section 63J-3-202.

2714 (2)(a) A political subdivision's fiscal year spending limit is calculated by adding:

2715 (i) the previous fiscal year spending for the political subdivision;

2716 (ii) the amount of revenue increase that the voters approved for the fiscal year; and

2717 (iii) the amount calculated by multiplying the previous fiscal year spending by the
 2718 sum of the rate of inflation and the rate of local growth.

2719 (b) A political subdivision shall calculate inflation using the Consumer Price Index for
 2720 all Urban Consumers as published by the Bureau of Labor Statistics of the United
 2721 States Department of Labor.

2722 (3) A government entity may exceed the government entity's fiscal year spending limit if:

2723 (a) an emergency declaration described in Title 53, Chapter 2a, Emergency Management
 2724 Act, is in effect; and

2725 (b)(i) for the state, two-thirds of the members of each house vote to exceed the state's
 2726 fiscal year spending limit; or

2727 (ii) for a government entity other than the state, two-thirds of the members of the
 2728 government entity's legislative body.

2729 Section 62. Section **59-1-1905** is enacted to read:

2730 **59-1-1905 (Contingently Effective 01/01/27). Revenue source prohibitions.**

2731 A government entity may not impose:

2732 (1) a new transfer tax or an increased transfer tax rate on real property;

2733 (2) a new state real property tax;

2734 (3) a political subdivision income tax;

2735 (4) an increase in the state income tax rate or a change in the definition of taxable income
 2736 before the start of a taxable year;

2737 (5) more than a single rate of income tax; or

2738 (6) an automatic increase on a tax or fee.

2739 Section 63. Section **59-1-1906** is enacted to read:

2740 **59-1-1906 (Contingently Effective 01/01/27). Mandated and shifted costs.**

2741 The state may not impose on any political subdivision the cost of a new program or new
 2742 spending, or increases in existing programs or spending, unless the state appropriates money to
 2743 the political subdivision to offset the cost.

2744 Section 64. Section **59-1-1907** is enacted to read:

2745 **59-1-1907 (Contingently Effective 01/01/27). Remedies--Interpretation.**2746 (1) A person may file an individual or class action lawsuit to enforce the provisions of this
2747 chapter.2748 (2)(a) A prevailing party that is not a government entity may recover costs and attorney
2749 fees.2750 (b) A prevailing party that is a government entity may recover costs and attorney fees
2751 only if the court determines the lawsuit against the government entity is frivolous.2752 (3) A government entity shall refund revenue collected, kept, or spent illegally for four or
2753 more full fiscal years before the filing of a lawsuit with 10% annual simple interest from
2754 the initial conduct.2755 (4) The preferred interpretation of this chapter shall reasonably restrain most the growth of
2756 government.2757 Section 65. Section **59-1-1908** is enacted to read:2758 **59-1-1908 (Contingently Effective 01/01/27). Tax refunds.**2759 (1) In accordance with Utah Constitution, Article XIII, Section 9, and except as provided in
2760 Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the Legislature shall
2761 refund revenue that exceeds the state's fiscal year spending limit to taxpayers.2762 (2) The preferred form of refund is an income tax rate reduction, but the Legislature shall
2763 determine the form of refund, at the lowest cost and by any reasonable method.2764 (3) A refund of tax revenue need not be proportional if tax payments are impractical to
2765 identify or return.2766 (4)(a) Except as provided in Subsection (4)(b), the Legislature shall make a refund of a
2767 deposit during the next fiscal year.2768 (b) The Legislature may reserve the deposits in the restricted account for one additional
2769 fiscal year if the cost of administration, as determined by the Legislature, exceeds the
2770 amount of refunds.2771 Section 66. Section **59-2-110** is amended to read:2772 **59-2-110 (Effective 01/01/27). Designation of person to receive notice.**2773 (1)(a) Except as provided in Subsection (1)(b), if this chapter requires a governmental
2774 entity [~~is required under this chapter~~] to send information or notice to a person, the
2775 governmental entity shall send the information or notice to:

2776 (i) the person required under the applicable provision of this chapter; and

2777 (ii) each person designated in accordance with Subsection (2) by the person described
2778 in Subsection (1)(a)(i).

2779 (b) If ~~Section 59-2-919.1 or 59-2-1317~~ requires a governmental entity [~~is required under~~
 2780 ~~Section 59-2-919, 59-2-919.1, or 59-2-1317~~]to send information or notice to a
 2781 person, the governmental entity shall send the information or notice to:
 2782 (i) the person required under the applicable section; or
 2783 (ii) one person designated in accordance with Subsection (2) by the person described
 2784 in Subsection (1)(b)(i).

2785 (2)(a) A person to [~~whom~~] which this chapter requires a governmental entity [~~is required~~
 2786 ~~under this chapter~~]to send information or notice may designate a person to receive
 2787 the information or notice in accordance with Subsection (1).

2788 (b) To make a designation described in Subsection (2)(a), the person shall submit a
 2789 written request to the governmental entity on a form [~~prescribed by~~]the commission
 2790 approves.

2791 (3) A person [~~who~~] that makes a designation described in Subsection (2) may revoke the
 2792 designation by submitting a written request to the governmental entity on a form [
 2793 ~~prescribed by~~]the commission approves.

2794 Section 67. Section **59-2-909** is amended to read:

2795 **59-2-909 (Effective 01/01/27). Time for adoption of levy -- County purpose**
 2796 **requirement.**

2797 The county legislative body of each county shall adopt [~~a proposed or, if the tax rate is~~
 2798 ~~not more than the certified tax rate,~~]a final tax rate on the taxable property of the county
 2799 before June 22 to provide funds for county purposes.

2800 Section 68. Section **59-2-911** is amended to read:

2801 **59-2-911 (Effective 01/01/27). Exceptions to maximum levy limitation.**

2802 (1) The maximum levies set forth in Section 59-2-908 do not apply to and do not include:

- 2803 (a) levies made to pay outstanding judgment debts;
- 2804 (b) levies made in any special improvement districts;
- 2805 (c) levies made for extended services in any county service area;
- 2806 (d) levies made for county library services;
- 2807 (e) levies made for county animal welfare services;
- 2808 (f) levies made to be used for storm water, flood, and water quality control;
- 2809 (g) levies made to share disaster recovery expenses for public facilities and structures as
 2810 a condition of state assistance when a Presidential Declaration has been issued under
 2811 the Disaster Relief Act of 1974, 42 U.S.C. Sec. 5121;
- 2812 (h) levies made to pay interest and provide for a sinking fund in connection with any

- 2813 bonded or voter authorized indebtedness, including the bonded or voter authorized
 2814 indebtedness of county service areas, special service districts, and special
 2815 improvement districts;
- 2816 (i) levies made to fund local health departments;
- 2817 (j) levies made to fund public transit districts;
- 2818 (k) levies made to establish, maintain, and replenish special improvement guaranty
 2819 funds;
- 2820 (l) levies made in any special service district;
- 2821 (m) levies made to fund municipal-type services to unincorporated areas of counties
 2822 under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services to
 2823 Unincorporated Areas;
- 2824 (n) levies made to fund the purchase of paramedic or ambulance facilities and equipment
 2825 and to defray administration, personnel, and other costs of providing emergency
 2826 medical and paramedic services, but this exception only applies to ~~[those counties]~~ a
 2827 county in which the county legislative body adopts a resolution setting forth the
 2828 intention to make [those] the levies [has been duly adopted by the county legislative
 2829 body] and [approved by] a majority of the voters of the county voting at a special or
 2830 general election approves the resolution;
- 2831 (o) the multicounty and county assessing and collecting levies under Section 59-2-1602;
 2832 and
- 2833 (p) all other exceptions to the maximum levy limitation ~~[pursuant to]~~ in accordance with
 2834 statute.
- 2835 (2)(a) Upon the retirement of bonds issued for the development of a convention complex
 2836 described in Section 17-63-904, and notwithstanding Section 59-2-908, any county of
 2837 the first class, as classified in Section 17-60-104, may continue to impose a property
 2838 tax levy equivalent to the average property tax levy previously imposed to pay debt
 2839 service on ~~[those]~~ the retired bonds.
- 2840 (b) Notwithstanding that the imposition of the levy described in Subsection (2)(a) may
 2841 not result in an increased amount of ad valorem tax revenue, the levy is subject to the [
 2842 notice requirements of Section 59-2-919] requirements of Title 20A, Chapter 7, Part
 2843 9, Tax Increase Voting Requirements.
- 2844 (c) ~~[The revenue from this]~~ A county shall use the revenue from a continued levy ~~[shall~~
 2845 ~~be used]~~ only for the funding of convention facilities as defined in Section 59-12-602.
 2846 Section 69. Section **59-2-912** is amended to read:

2847 **59-2-912 (Effective 01/01/27). Time for adoption of levy -- Certification to county**
 2848 **auditor.**

2849 (1) Except as provided in Subsection (2), the governing body of each taxing entity shall
 2850 before June 22 of each year:

2851 (a) adopt [~~a proposed tax rate, or, if the tax rate is not more than the certified tax rate,~~]a
 2852 final tax rate for the taxing entity; and

2853 (b) report the rate and levy, and submit the statement required under Section 59-2-913
 2854 and any other information [~~prescribed~~] the commission requires by rules [~~of~~]the
 2855 commission makes in accordance with Title 63G, Chapter 3, Utah Administrative
 2856 Rulemaking Act, for the preparation, review, and certification of the tax rate, to the
 2857 county auditor of the county in which the taxing entity is located.

2858 (2) If the governing body of a taxing entity does not receive the taxing entity's certified tax
 2859 rate at least seven days [~~prior to~~] before the date described in Subsection (1), the
 2860 governing body of the taxing entity shall, no later than 14 days after receiving the
 2861 certified tax rate from the county auditor:

2862 (a) adopt [~~a proposed tax rate, or, if the tax rate is not more than the certified tax rate,~~]a
 2863 final tax rate for the taxing entity; and

2864 (b) comply with the requirements of Subsection (1)(b).

2865 (3)(a) If the governing body of a taxing entity fails to comply with Subsection (1) or (2),
 2866 the auditor of the county in which the taxing entity is located shall notify the taxing
 2867 entity by certified mail of the deficiency and forward all available documentation to
 2868 the commission.

2869 (b) Upon receipt of the notice and documentation from the county auditor under
 2870 Subsection (3)(a), the commission shall hold a hearing on the matter and certify an
 2871 appropriate tax rate.

2872 Section 70. Section **59-2-913** is amended to read:

2873 **59-2-913 (Effective 01/01/27). Definitions -- Statement of amount and purpose of**
 2874 **levy -- Contents of statement -- Filing with county auditor -- Transmittal to commission --**
 2875 **Calculations for establishing tax levies -- Format of statement.**

2876 (1) As used in this section, [~~"budgeted property tax revenues"~~] "property tax budgeted
 2877 revenue" does not include property tax revenue received by a taxing entity from personal
 2878 property that is:

2879 (a) assessed by a county assessor in accordance with Part 3, County Assessment; and

2880 (b) semiconductor manufacturing equipment.

- 2881 (2)(a) The legislative body of each taxing entity shall file a statement as provided in this
 2882 section with the county auditor of the county in which the taxing entity is located.
- 2883 (b) The auditor shall annually transmit the statement to the commission:
 2884 (i) before June 22; or
 2885 (ii) with the commission's approval~~[of the commission]~~, on a [subsequent date prior
 2886 to] date later than June 22 but before the date required by Section 59-2-1317 for
 2887 the county treasurer to provide the notice under Section 59-2-1317.
- 2888 (c) The statement shall contain the amount and purpose of each levy fixed by the
 2889 legislative body of the taxing entity.
- 2890 (3) For purposes of establishing the levy set for each of a taxing entity's applicable funds,
 2891 the legislative body of the taxing entity shall calculate an amount determined by
 2892 dividing the ~~[budgeted property tax revenues]~~ property tax budgeted revenue, specified
 2893 in a budget that ~~[has been]~~ the taxing entity adopted and approved ~~[prior to]~~ before setting
 2894 the levy, by the amount calculated under Subsections 59-2-924(4)(b)(i) through (iv).
- 2895 (4) The format of the statement under this section shall:
 2896 (a) be determined by the commission; and
 2897 (b) cite any applicable statutory provisions that:
 2898 (i) require a specific levy; or
 2899 (ii) limit the property tax levy for any taxing entity.
- 2900 (5) The commission may require certification that the information submitted on a statement
 2901 under this section is true and correct.
- 2902 Section 71. Section **59-2-918.5** is amended to read:
 2903 **59-2-918.5 (Effective 01/01/27). Hearings on judgment levies -- Advertisement.**
- 2904 (1) A taxing entity may not impose a judgment levy unless ~~[it first advertises its intention to~~
 2905 ~~do so]~~ the taxing entity advertises and holds a public hearing in accordance with the
 2906 requirements of this section before imposing the judgment levy.
- 2907 (2)~~(a) The advertisement required by this section may be combined with the~~
 2908 ~~advertisement described in Section 59-2-919.]~~
 2909 ~~[(b) The advertisement shall be at least 1/8 of a page in size and shall meet the type,~~
 2910 ~~placement, and frequency requirements established under Section 59-2-919.]~~
 2911 (a) A taxing entity proposing a judgment levy under this section shall publish an
 2912 advertisement regarding the proposed tax increase:
 2913 (i) electronically in accordance with Section 45-1-101; and
 2914 (ii) as a class A notice under Section 63G-30-102.

- 2915 (b) The advertisement shall:
- 2916 (i) be published for at least 14 days before the day on which the taxing entity
- 2917 conducts the public hearing described in Subsection (1):
- 2918 (ii) provide the date, time, location, virtual meeting link, and the phone number and
- 2919 internet address where a person may obtain more information about the judgment
- 2920 levy; and
- 2921 (iii) provide the total amount of the eligible judgment, the duration of the judgment
- 2922 levy, and the tax impact on an average residential and business property located
- 2923 within the taxing entity.
- 2924 (c)(i) For taxing entities operating [~~under~~] on a July 1 through June 30 fiscal year, the
- 2925 public hearing shall be held 10 or more days after notice is provided to property
- 2926 owners [~~pursuant to~~] in accordance with Section 59-2-919.1.
- 2927 (ii) For taxing entities operating [~~under~~] on a January 1 through December 31 fiscal
- 2928 year:
- 2929 (A) for an eligible judgment issued on or after March 1 but on or before
- 2930 September 15, the public hearing shall be held at the same time as the hearing
- 2931 at which the annual budget is adopted; or
- 2932 (B) for an eligible judgment issued on or after September 16 but on or before the
- 2933 last day of February, the public hearing shall be held 10 or more days after
- 2934 notice is provided to property owners [~~pursuant to~~] in accordance with Section
- 2935 59-2-919.1.
- 2936 [~~(3) The advertisement shall specify the date, time, and location of the public hearing at~~
- 2937 ~~which the levy will be considered and shall set forth the total amount of the eligible~~
- 2938 ~~judgment and the tax impact on an average residential and business property located~~
- 2939 ~~within the taxing entity.]~~
- 2940 [~~(4)~~] (3) If the taxing entity does not make a final decision regarding the judgment levy [~~is~~
- 2941 ~~not made~~] at the public hearing, the taxing entity shall announce at the public hearing the
- 2942 scheduled time and place for consideration and adoption of the judgment levy.
- 2943 [~~(5)~~] (4)[~~(a) The date, time, and place of a public hearing required under this section shall~~
- 2944 ~~be included on the notice provided to property owners pursuant to Section 59-2-919.1.]~~
- 2945 (a) A public hearing shall be:
- 2946 (i) open to the public;
- 2947 (ii) held at a meeting of the taxing entity that:
- 2948 (A) begins at or after 6 p.m.; and

2949 (B) has no items on the agenda other than discussion and action on the taxing
 2950 entity's intent to impose a judgment levy, the taxing entity's budget, a special
 2951 district's or special service district's fee implementation or increase, or a
 2952 combination of these items; and

2953 (iii) available for individuals to attend or participate either in person or remotely
 2954 through electronic means.

2955 (b)(i) Except as provided in Subsection (4)(b)(ii), a taxing entity may not schedule a
 2956 public hearing at the same time as the public hearing of another overlapping
 2957 taxing entity in the same county.

2958 (ii) The taxing entities in which the power to set tax levies is vested in the same
 2959 governing board or authority may consolidate the public hearings into one public
 2960 hearing.

2961 (c) The county auditor shall resolve any conflict in public hearing dates and times after
 2962 consultation with each affected taxing entity.

2963 ~~[(b) The requirements of Subsections 59-2-919(8)(b)(i) and (c) through (f) apply to a~~
 2964 ~~public hearing required under this section.]~~

2965 Section 72. Section **59-2-919** is amended to read:

2966 **59-2-919 (Effective 01/01/27). Notice and public hearing requirements for**
 2967 **certain tax increases -- Exceptions -- Audit.**

2968 (1) As used in this section:

2969 [(a) "Additional ad valorem tax revenue" means ad valorem property tax revenue
 2970 generated by the portion of the tax rate that exceeds the taxing entity's certified tax
 2971 rate.]

2972 [(b) "Ad valorem tax revenue" means ad valorem property tax revenue not including
 2973 revenue from:]

2974 [(i) eligible new growth; or]

2975 [(ii) personal property that is:]

2976 [(A) assessed by a county assessor in accordance with Part 3, County Assessment;
 2977 and]

2978 [(B) semiconductor manufacturing equipment.]

2979 [(e)] (a) "Base year" means a taxing entity's fiscal year that immediately precedes the
 2980 fiscal year in which the taxing entity first adopted a budget below last year's property
 2981 tax budgeted revenue.

2982 ~~[(d)]~~ (b) "Base year budgeted revenue" means the property tax budgeted revenue,

- 2983 excluding eligible new growth, for the base year.
- 2984 [(e) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year
2985 that begins on January 1 and ends on December 31.]
- 2986 [(f) "County executive calendar year taxing entity" means a calendar year taxing entity
2987 that operates under the county executive-council form of government described in
2988 Section 17-62-203.]
- 2989 [(g) "Current calendar year" means the calendar year immediately preceding the
2990 calendar year for which a calendar year taxing entity seeks to levy a tax rate that
2991 exceeds the calendar year taxing entity's certified tax rate.]
- 2992 [(h) (c) "Eligible new growth" means the same as that term is defined in Section
2993 59-2-924.
- 2994 [(i) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that
2995 begins on July 1 and ends on June 30.]
- 2996 [(j) "Meeting" means the same as that term is defined in Section 52-4-103.]
- 2997 [(k) (d)(i) "Last year's property tax budgeted revenue" means the revenue a taxing
2998 entity budgeted to be generated from a property tax levy for the previous fiscal
2999 year.
- 3000 (ii) "Last year's property tax budgeted revenue" does not include:
- 3001 [(i) (A) revenue received by a taxing entity from a debt service levy voted on by
3002 the public;
- 3003 [(ii) (B) revenue generated by the [combined] minimum basic tax rate as defined
3004 in Section 53F-2-301; or
- 3005 [(iii) (C) revenue generated by the charter school levy described in Section
3006 53F-2-703.
- 3007 [(h) (e) "Truth-in-taxation exemption period" means a six-year period that begins with
3008 the base year.
- 3009 (2) Except as provided in Subsection [(H)] (3) and Sections 59-2-918.5 and 63G-7-704, a
3010 taxing entity may not levy a tax rate that exceeds the taxing entity's certified tax rate
3011 unless the taxing entity meets[:]
- 3012 [(a) the requirements of this section that apply to the taxing entity; and]
- 3013 [(b) all other requirements as may be required by law.] the requirements of Title 20A,
3014 Chapter 7, Part 9, Tax Increase Voting Requirements.
- 3015 [(3)(a) Subject to Subsection (3)(b) and except as provided in Subsection (5), a calendar
3016 year taxing entity may levy a tax rate that exceeds the calendar year taxing entity's

3017 certified tax rate if the calendar year taxing entity:]

3018 [(i) 14 or more days before the date of the regular general election or municipal

3019 general election held in the current calendar year, states at a public meeting:]

3020 [(A) that the calendar year taxing entity intends to levy a tax rate that exceeds the

3021 calendar year taxing entity's certified tax rate;]

3022 [(B) the dollar amount of and purpose for additional ad valorem tax revenue that

3023 would be generated by the proposed increase in the certified tax rate; and]

3024 [(C) the approximate percentage increase in ad valorem tax revenue for the taxing

3025 entity based on the proposed increase described in Subsection (3)(a)(i)(B);]

3026 [(ii) provides notice for the public meeting described in Subsection (3)(a)(i) in

3027 accordance with Title 52, Chapter 4, Open and Public Meetings Act, including

3028 providing a separate item on the meeting agenda that notifies the public that the

3029 calendar year taxing entity intends to make the statement described in Subsection

3030 (3)(a)(i);]

3031 [(iii) meets the advertisement requirements of Subsections (6) and (7) before the

3032 calendar year taxing entity conducts the public hearing required by Subsection

3033 (3)(a)(v);]

3034 [(iv) provides notice by mail:]

3035 [(A) seven or more days before the regular general election or municipal general

3036 election held in the current calendar year; and]

3037 [(B) as provided in Subsection (3)(c); and]

3038 [(v) conducts a public hearing that is held:]

3039 [(A) in accordance with Subsections (8) and (9); and]

3040 [(B) in conjunction with the public hearing required by Section 17-63-304 or

3041 17B-1-610.]

3042 [(b)(i) For a county executive calendar year taxing entity, the statement described in

3043 Subsection (3)(a)(i) shall be made by the:]

3044 [(A) county council;]

3045 [(B) county executive; or]

3046 [(C) both the county council and county executive.]

3047 [(ii) If the county council makes the statement described in Subsection (3)(a)(i) or the

3048 county council states a dollar amount of additional ad valorem tax revenue that is

3049 greater than the amount of additional ad valorem tax revenue previously stated by

3050 the county executive in accordance with Subsection (3)(a)(i), the county executive

3051 ~~calendar year taxing entity shall:]~~

3052 ~~[(A) make the statement described in Subsection (3)(a)(i) 14 or more days before~~

3053 ~~the county executive calendar year taxing entity conducts the public hearing~~

3054 ~~under Subsection (3)(a)(v); and]~~

3055 ~~[(B) provide the notice required by Subsection (3)(a)(iv) 14 or more days before~~

3056 ~~the county executive calendar year taxing entity conducts the public hearing~~

3057 ~~required by Subsection (3)(a)(v).]~~

3058 ~~[(e) The notice described in Subsection (3)(a)(iv):]~~

3059 ~~[(i) shall be mailed to each owner of property:]~~

3060 ~~[(A) within the calendar year taxing entity; and]~~

3061 ~~[(B) listed on the assessment roll;]~~

3062 ~~[(ii) shall be printed on a separate form that:]~~

3063 ~~[(A) is developed by the commission;]~~

3064 ~~[(B) states at the top of the form, in bold upper-case type no smaller than 18 point~~

3065 ~~"NOTICE OF PROPOSED TAX INCREASE"; and]~~

3066 ~~[(C) may be mailed with the notice required by Section 59-2-1317;]~~

3067 ~~[(iii) shall contain for each property described in Subsection (3)(c)(i):]~~

3068 ~~[(A) the value of the property for the current calendar year;]~~

3069 ~~[(B) the tax on the property for the current calendar year; and]~~

3070 ~~[(C) subject to Subsection (3)(d), for the calendar year for which the calendar year~~

3071 ~~taxing entity seeks to levy a tax rate that exceeds the calendar year taxing~~

3072 ~~entity's certified tax rate, the estimated tax on the property;]~~

3073 ~~[(iv) shall contain the following statement:~~

3074 ~~"[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar~~

3075 ~~year]. This notice contains estimates of the tax on your property and the proposed tax increase~~

3076 ~~on your property as a result of this tax increase. These estimates are calculated on the basis of~~

3077 ~~[insert previous applicable calendar year] data. The actual tax on your property and proposed~~

3078 ~~tax increase on your property may vary from this estimate.";]~~

3079 ~~[(v) shall state the dollar amount of additional ad valorem tax revenue that would be~~

3080 ~~generated each year by the proposed increase in the certified tax rate;]~~

3081 ~~[(vi) shall include a brief statement of the primary purpose for the proposed tax~~

3082 ~~increase, including the taxing entity's intended use of additional ad valorem tax~~

3083 ~~revenue described in Subsection (3)(e)(v);]~~

3084 ~~[(vii) shall state the date, time, and place of the public hearing described in~~

3085 Subsection (3)(a)(v);-]

3086 [(viii) shall state the Internet address for the taxing entity's public website;]

3087 [(ix) may contain other information approved by the commission; and]

3088 [(x) if sent in calendar year 2024, 2025, or 2026, shall contain:]

3089 [(A) notice that the taxpayer may request electronic notice as described in

3090 Subsection 17-71-302(1)(m); and]

3091 [(B) instructions describing how to elect to receive a notice as described in

3092 Subsection 17-71-302(1)(m).]

3093 [(d) For purposes of Subsection (3)(e)(iii)(C), a calendar year taxing entity shall

3094 calculate the estimated tax on property on the basis of:]

3095 [(i) data for the current calendar year; and]

3096 [(ii) the amount of additional ad valorem tax revenue stated in accordance with this

3097 section.]

3098 [(4) Except as provided in Subsection (5), a fiscal year taxing entity may levy a tax rate that

3099 exceeds the fiscal year taxing entity's certified tax rate if the fiscal year taxing entity:]

3100 [(a) provides notice by meeting the advertisement requirements of Subsections (6) and

3101 (7) before the fiscal year taxing entity conducts the public meeting at which the fiscal

3102 year taxing entity's annual budget is adopted; and]

3103 [(b) conducts a public hearing in accordance with Subsections (8) and (9) before the

3104 fiscal year taxing entity's annual budget is adopted.]

3105 [(5)(a) A taxing entity is not required to meet the notice or public hearing requirements

3106 of Subsection (3) or (4) if the taxing entity is expressly exempted by law from

3107 complying with the requirements of this section.]

3108 [(b) A taxing entity is not required to meet the notice requirements of Subsection (3) or

3109 (4) if:]

3110 [(i) Section 53F-8-301 allows the taxing entity to levy a tax rate that exceeds that

3111 certified tax rate without having to comply with the notice provisions of this

3112 section; or]

3113 [(ii) the taxing entity:]

3114 [(A) budgeted less than \$20,000 in ad valorem tax revenue for the previous fiscal

3115 year; and]

3116 [(B) sets a budget during the current fiscal year of less than \$20,000 of ad valorem

3117 tax revenue.]

3118 [(6)(a) Before holding the public hearing described in Subsection (3)(a)(v) or (4)(b), a

3119 taxing entity proposing a tax rate increase under this section shall publish an
3120 advertisement regarding the proposed tax increase:]

3121 [(i) electronically in accordance with Section 45-1-101; and]

3122 [(ii) as a class A notice under Section 63G-30-102.]

3123 [(b) The advertisement described in Subsection (6)(a) shall:]

3124 [(i) be published for at least 14 days before the day on which the taxing entity
3125 conducts the public hearing described in Subsection (3)(a)(v) or (4)(b); and]

3126 [(ii) substantially be in the following form and content:

3127 "NOTICE OF PROPOSED TAX INCREASE

3128 (NAME OF TAXING ENTITY)

3129 The (name of the taxing entity) is proposing to increase its property tax revenue.

3130 • The (name of the taxing entity) tax on a (insert the average value of a residence in
3131 the taxing entity rounded to the nearest thousand dollars) residence would increase from
3132 \$_____ to \$_____, which is \$_____ per year.

3133 • The (name of the taxing entity) tax on a (insert the value of a business having the
3134 same value as the average value of a residence in the taxing entity) business would increase
3135 from \$_____ to \$_____, which is \$_____ per year.

3136 • If the proposed budget is approved, (name of the taxing entity) would receive an
3137 additional \$_____ in property tax revenue per year as a result of the tax increase.

3138 • If the proposed budget is approved, (name of the taxing entity) would increase its
3139 property tax budgeted revenue by ___% above last year's property tax budgeted revenue
3140 excluding eligible new growth.

3141 The (name of the taxing entity) invites all concerned citizens to a public hearing for the
3142 purpose of hearing comments regarding the proposed tax increase and to explain the reasons
3143 for the proposed tax increase. You have the option to attend or participate in the public hearing
3144 in person or online.

3145 PUBLIC HEARING

3146 Date/Time: (date) (time)

3147 Location: (name of meeting place and address of meeting place)

3148 Virtual Meeting Link: (Internet address for remote participation and live streaming
3149 options)

3150 To obtain more information regarding the tax increase, citizens may contact the (name
3151 of the taxing entity) at (phone number of taxing entity) or visit (Internet address for the taxing
3152 entity's public website)."]

3153 [~~(7) The commission:]~~

3154 [~~(a) shall adopt rules in accordance with Title 63G, Chapter 3, Utah Administrative~~

3155 ~~Rulemaking Act, governing the joint use of one advertisement described in~~

3156 ~~Subsection (6) by two or more taxing entities; and]~~

3157 [~~(b) subject to Section 45-1-101, may authorize a taxing entity's use of a~~

3158 ~~commission-approved direct notice to each taxpayer if:]~~

3159 [~~(i) the direct notice is different and separate from the notice required under Section~~

3160 ~~59-2-919.1; and]~~

3161 [~~(ii) the taxing entity petitions the commission for the use of a commission-approved~~

3162 ~~direct notice.]~~

3163 [~~(8)(a)(i) On or before June 1, a fiscal year taxing entity shall notify the commission~~

3164 ~~and the county auditor of the date, time, and place of the public hearing described~~

3165 ~~in Subsection (4)(b).]~~

3166 [~~(ii) On or before October 1 of the current calendar year, a calendar year taxing entity~~

3167 ~~shall notify the commission and the county auditor of the date, time, and place of~~

3168 ~~the public hearing described in Subsection (3)(a)(v).]~~

3169 [~~(b)(i) A public hearing described in Subsection (3)(a)(v) or (4)(b) shall be:]~~

3170 [~~(A) open to the public;]~~

3171 [~~(B) held at a meeting of the taxing entity with no items on the agenda other than~~

3172 ~~discussion and action on the taxing entity's intent to levy a tax rate that exceeds~~

3173 ~~the taxing entity's certified tax rate, the taxing entity's budget, a special~~

3174 ~~district's or special service district's fee implementation or increase, or a~~

3175 ~~combination of these items; and]~~

3176 [~~(C) available for individuals to attend or participate either in person or remotely~~

3177 ~~through electronic means.]~~

3178 [~~(ii) The governing body of a taxing entity conducting a public hearing described in~~

3179 ~~Subsection (3)(a)(v) or (4)(b) shall:]~~

3180 [~~(A) state the dollar amount of additional ad valorem tax revenue that would be~~

3181 ~~generated each year by the proposed increase in the certified tax rate;]~~

3182 [~~(B) explain the reasons for the proposed tax increase, including the taxing entity's~~

3183 ~~intended use of additional ad valorem tax revenue described in Subsection~~

3184 ~~(8)(b)(ii)(A);]~~

3185 [~~(C) if the county auditor compiles the list required by Section 59-2-919.2, present~~

3186 ~~the list at the public hearing and make the list available on the taxing entity's~~

3187 public website; and]

3188 [~~(D) provide an interested party desiring to be heard an opportunity to present oral~~

3189 ~~testimony within reasonable time limits and without unreasonable restriction~~

3190 ~~on the number of individuals allowed to make public comment.]~~

3191 [(e)(i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a

3192 public hearing described in Subsection (3)(a)(v) or (4)(b) at the same time as the

3193 public hearing of another overlapping taxing entity in the same county.]

3194 [(ii) The taxing entities in which the power to set tax levies is vested in the same

3195 governing board or authority may consolidate the public hearings described in

3196 Subsection (3)(a)(v) or (4)(b) into one public hearing.]

3197 [(d) The county auditor shall resolve any conflict in public hearing dates and times after

3198 consultation with each affected taxing entity.]

3199 [(e)(i) A taxing entity shall hold a public hearing described in Subsection (3)(a)(v) or

3200 (4)(b) beginning at or after 6 p.m.]

3201 [(ii) If a taxing entity holds a public meeting for the purpose of addressing general

3202 business of the taxing entity on the same date as a public hearing described in

3203 Subsection (3)(a)(v) or (4)(b), the public meeting addressing general business

3204 items shall conclude before the beginning of the public hearing described in

3205 Subsection (3)(a)(v) or (4)(b).]

3206 [(f)(i) Except as provided in Subsection (8)(f)(ii), a taxing entity may not hold the

3207 public hearing described in Subsection (3)(a)(v) or (4)(b) on the same date as

3208 another public hearing of the taxing entity.]

3209 [(ii) A taxing entity may hold the following hearings on the same date as a public

3210 hearing described in Subsection (3)(a)(v) or (4)(b):]

3211 [(A) a budget hearing;]

3212 [(B) if the taxing entity is a special district or a special service district, a fee

3213 hearing described in Section 17B-1-643;]

3214 [(C) if the taxing entity is a town, an enterprise fund hearing described in Section

3215 10-5-107.5; or]

3216 [(D) if the taxing entity is a city, an enterprise fund hearing described in Section

3217 10-6-135.5.]

3218 [(9)(a) If a taxing entity does not make a final decision on budgeting additional ad

3219 valorem tax revenue at a public hearing described in Subsection (3)(a)(v) or (4)(b),

3220 the taxing entity shall:]

- 3221 ~~[(i) announce at that public hearing the scheduled time and place of the next public~~
3222 ~~meeting at which the taxing entity will consider budgeting the additional ad~~
3223 ~~valorem tax revenue; and]~~
- 3224 ~~[(ii) if the taxing entity is a fiscal year taxing entity, hold the public meeting~~
3225 ~~described in Subsection (9)(a)(i) before September 1.]~~
- 3226 ~~[(b) A calendar year taxing entity may not adopt a final budget that budgets an amount~~
3227 ~~of additional ad valorem tax revenue that exceeds the largest amount of additional ad~~
3228 ~~valorem tax revenue stated at a public meeting under Subsection (3)(a)(i).]~~
- 3229 ~~[(e) A public hearing on levying a tax rate that exceeds a fiscal year taxing entity's~~
3230 ~~certified tax rate may coincide with a public hearing on the fiscal year taxing entity's~~
3231 ~~proposed annual budget.]~~
- 3232 ~~[(10)(a) A county auditor may conduct an audit to verify a taxing entity's compliance~~
3233 ~~with Subsection (8).]~~
- 3234 ~~[(b) If the county auditor, after completing an audit, finds that a taxing entity has failed~~
3235 ~~to meet the requirements of Subsection (8), the county auditor shall prepare and~~
3236 ~~submit a report of the auditor's findings to the commission.]~~
- 3237 ~~[(c) The commission may not certify a tax rate that exceeds a taxing entity's certified tax~~
3238 ~~rate if, on or before September 15 of the year in which the taxing entity is required to~~
3239 ~~hold the public hearing described in Subsection (3)(a)(v) or (4)(b), the commission~~
3240 ~~determines that the taxing entity has failed to meet the requirements of Subsection (8).]~~
- 3241 ~~[(11)]~~ (3) For a fiscal year within a truth-in-taxation exemption period, a taxing entity may
3242 adopt a budget that is equal to or less than the base year budgeted revenue without
3243 complying with this section.
- 3244 Section 73. Section **59-2-919.1** is amended to read:
- 3245 **59-2-919.1** ~~[(Effective 07/01/26)]~~ **(Effective 01/01/27). Notice of property valuation**
3246 **and tax changes.**
- 3247 (1) ~~[In addition to the notice requirements of Section 59-2-919, the county auditor, on or~~
3248 ~~before July 22 of each year,]~~ On or before July 22 of each year, the county auditor shall
3249 notify each owner of real estate who is listed on the assessment roll.
- 3250 (2) The notice described in Subsection (1) shall:
- 3251 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
3252 10 or more days before the day on which~~[:]~~ the county board of equalization meets;
3253 ~~[(i) the county board of equalization meets; and]~~
- 3254 ~~[(ii) the taxing entity holds a public hearing on the proposed increase in the certified~~

- 3255 tax rate;]
- 3256 (b) be on a form that[-is]:
- 3257 (i) [~~approved by~~]the commission approves; and
- 3258 (ii) is uniform in content in all counties in the state; and
- 3259 (c) contain for each property:
- 3260 (i) the assessor's determination of the value of the property;
- 3261 (ii) the taxable value of the property;
- 3262 (iii) for property assessed by the county assessor:
- 3263 (A) instructions on how the taxpayer may file an application with the county
- 3264 board of equalization to appeal the valuation or equalization of the property
- 3265 under Section 59-2-1004, including instructions for filing an application
- 3266 through electronic means; and
- 3267 (B) the deadline for the taxpayer to make an application to appeal the valuation or
- 3268 equalization of the property under Section 59-2-1004;
- 3269 (iv) for property assessed by the commission:
- 3270 (A) instructions on how the taxpayer may file an application with the commission
- 3271 for a hearing on an objection to the valuation or equalization of the property
- 3272 under Section 59-2-1007;
- 3273 (B) the deadline for the taxpayer to apply to the commission for a hearing on an
- 3274 objection to the valuation or equalization of the property under Section
- 3275 59-2-1007; and
- 3276 (C) a statement that the taxpayer may not appeal the valuation or equalization of
- 3277 the property to the county board of equalization;
- 3278 (v) itemized tax information for all applicable taxing entities, including:
- 3279 (A) the dollar amount of the taxpayer's tax liability for the property in the prior
- 3280 year; and
- 3281 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 3282 (vi) the following, stated separately:
- 3283 (A) the charter school levy described in Section 53F-2-703;
- 3284 (B) the multicounty assessing and collecting levy described in Subsection
- 3285 59-2-1602(2);
- 3286 (C) the county assessing and collecting levy described in Subsection 59-2-1602(4);
- 3287 (D) levies for debt service voted on by the public;
- 3288 (E) levies imposed for special purposes under Section 10-6-133.4;

- 3289 (F) the minimum basic tax rate as defined in Section 53F-2-301; and
- 3290 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 3291 (vii) the tax impact on the property;
- 3292 (viii) the date, time, and place of the required public hearing for [each entity] the
- 3293 board of equalization;
- 3294 (ix) property tax information pertaining to:
- 3295 (A) taxpayer relief; and
- 3296 (B) the residential exemption described in Section 59-2-103;
- 3297 (x) information specifically authorized to be included on the notice under this chapter;
- 3298 (xi) the last property review date of the property as described in [Subsection
- 3299 59-2-303.1(1)(e)] Section 59-2-303.1;
- 3300 (xii) instructions on how the taxpayer may obtain additional information regarding
- 3301 the valuation of the property, including the characteristics and features of the
- 3302 property, from:
- 3303 (A) a website maintained by the county; or
- 3304 (B) the statewide web portal developed and maintained by the Multicounty
- 3305 Appraisal Trust under Subsection 59-2-1606(5)(a) for uniform access to
- 3306 property characteristics and features; and
- 3307 (xiii) other information approved by the commission.
- 3308 (3) A taxing entity that is subject to the notice requirements of Subsection
- 3309 59-2-918.5(2)(c)(i) or (2)(c)(ii)(B) shall include the date, time, and place of a public
- 3310 hearing in addition to the information Subsection (2) requires.
- 3311 [~~(3) If a taxing entity that is subject to the notice and hearing requirements of Subsection~~
- 3312 ~~59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in~~
- 3313 ~~addition to the information required by Subsection (2):]~~
- 3314 [~~(a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;]~~
- 3315 [~~(b) the difference between the dollar amount of the taxpayer's tax liability if the~~
- 3316 ~~proposed increase is approved and the dollar amount of the taxpayer's tax liability~~
- 3317 ~~under the current rate, placed in close proximity to the information described in~~
- 3318 ~~Subsection (2)(c)(viii);]~~
- 3319 [~~(e) the percentage increase that the dollar amount of the taxpayer's tax liability under~~
- 3320 ~~the proposed tax rate represents as compared to the dollar amount of the taxpayer's~~
- 3321 ~~tax liability under the current tax rate; and]~~
- 3322 [~~(d) for each taxing entity proposing a tax increase, the dollar amount of additional ad~~

3323 ~~valorem tax revenue, as defined in Section 59-2-919, that would be generated each~~
3324 ~~year if the proposed tax increase is approved.]~~

3325 (4) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a
3326 notice sent to a residential property shall:

3327 (a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship,
3328 and this property is your primary residence, you may be eligible to defer payment of
3329 this property tax."; and

3330 (b) include a telephone number, or a website address on which a telephone number is
3331 prominently listed, that the property owner may call to obtain additional information
3332 about applying for a deferral.

3333 (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may
3334 provide, at the county auditor's discretion, the notice required by this section to a
3335 taxpayer by electronic means if a taxpayer makes an election, according to
3336 procedures determined by the county auditor, to receive the notice by electronic
3337 means.

3338 (b)(i) If a county auditor sends a notice required by this section by electronic means,
3339 the county auditor shall attempt to verify whether a taxpayer receives the notice.

3340 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
3341 14 days or more before the county board of equalization meets and the taxing
3342 entity holds a public hearing on a proposed increase in the certified tax rate, the
3343 county auditor shall send the notice required by this section by mail as provided in
3344 Subsection (2).

3345 (c) A taxpayer may revoke an election to receive the notice required by this section by
3346 electronic means if the taxpayer provides written notice to the county auditor on or
3347 before April 30.

3348 (d) An election or a revocation of an election under this Subsection (5):

3349 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
3350 before the due date for paying the tax; or

3351 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
3352 equalization of the taxpayer's real property submit the application for appeal
3353 within the time period provided in Subsection 59-2-1004(3).

3354 (e) A county auditor shall provide the notice required by this section as provided in
3355 Subsection (2), until a taxpayer makes a new election in accordance with this
3356 Subsection (5), if:

- 3357 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
 3358 the notice required by this section by electronic means; or
 3359 (ii) the county auditor finds that the taxpayer's electronic contact information is
 3360 invalid.
- 3361 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
 3362 of whether the property that is the subject of the notice required by this section is
 3363 exempt from taxation.

3364 Section 74. Section **59-2-920** is amended to read:

3365 **59-2-920 (Effective 01/01/27). Resolution and levy to be forwarded to**
 3366 **commission.**

- 3367 (1) If a taxing entity, after fulfilling the requirements of [~~Section 59-2-919~~] Title 20A,
 3368 Chapter 7, Part 9, Tax Increase Voting Requirements, adopts a resolution to levy a tax
 3369 rate that exceeds the taxing entity's certified tax rate, the taxing entity shall forward the
 3370 resolution to the tax commission along with the statement of the amount and purpose of
 3371 the levy required under Sections 59-2-912 and 59-2-913.

3372 [~~(2) No tax rate in excess of the certified tax rate may be certified by the commission or~~
 3373 ~~implemented by the taxing entity until the resolution described in Subsection (1) is~~
 3374 ~~adopted by the governing authority of the taxing entity and submitted to the commission.]~~

- 3375 (2) The commission may not certify, and a taxing entity may not implement, a tax rate that
 3376 exceeds the certified tax rate until the governing body of the taxing entity adopts the
 3377 resolution described in Subsection (1) and submits the resolution to the commission.

3378 Section 75. Section **59-2-921** is amended to read:

3379 **59-2-921 (Effective 01/01/27). Changes in assessment roll -- Rate adjustments --**
 3380 **Exemption from notice and public hearing provisions.**

- 3381 (1) On or before September 15 the county board of equalization and, in cases involving the
 3382 original jurisdiction of the commission or an appeal from the county board of
 3383 equalization, the commission, shall annually notify each taxing entity of the following
 3384 changes resulting from actions by the commission or the county board of equalization:
 3385 (a) a change in the taxing entity's assessment roll; and
 3386 (b) a change in the taxing entity's adopted tax rate.
- 3387 (2) A taxing entity is not required to comply with the [~~notice and public hearing provisions~~
 3388 ~~of Section 59-2-919~~] requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting
 3389 Requirements, if the commission, the county board of equalization, or a court of
 3390 competent jurisdiction:

- 3391 (a) changes a taxing entity's adopted tax rate; or
 3392 (b)(i) makes a reduction in the taxing entity's assessment roll; and
 3393 (ii) the taxing entity adopts by resolution an increase in [its] the taxing entity's tax rate
 3394 above the certified tax rate as a result of the reduction under Subsection (2)(b)(i).

3395 (3) A rate adjustment under this section for:

- 3396 (a) a taxing entity shall be:
 3397 (i) made by the county auditor;
 3398 (ii) aggregated;
 3399 (iii) reported by the county auditor to the commission; and
 3400 (iv) certified by the commission; and
 3401 (b) the state shall be made by the commission.

3402 Section 76. Section **59-2-924** is amended to read:

3403 **59-2-924 (Effective 01/01/27). Definitions -- Report of valuation of property to**
 3404 **county auditor and commission -- Transmittal by auditor to governing bodies --**
 3405 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of budget -- Notices.**

3406 (1) As used in this section:

- 3407 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with
 3408 this chapter.
 3409 (ii) "Ad valorem property tax revenue" does not include:
 3410 (A) interest;
 3411 (B) penalties;
 3412 (C) collections from redemptions; or
 3413 (D) revenue received by a taxing entity from personal property that is
 3414 semiconductor manufacturing equipment assessed by a county assessor in
 3415 accordance with Part 3, County Assessment.
 3416 (b) "Adjusted tax increment" means the same as that term is defined in Section
 3417 17C-1-102.
 3418 (c)(i) "Aggregate taxable value of all property taxed" means:
 3419 (A) the aggregate taxable value of all real property a county assessor assesses in
 3420 accordance with Part 3, County Assessment, for the current year;
 3421 (B) the aggregate taxable value of all real and personal property the commission
 3422 assesses in accordance with Part 2, Assessment of Property, for the current
 3423 year; and
 3424 (C) the aggregate year end taxable value of all personal property a county assessor

3425 assesses in accordance with Part 3, County Assessment, contained on the prior
3426 year's tax rolls of the taxing entity.

3427 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
3428 year end taxable value of personal property that is:

3429 (A) semiconductor manufacturing equipment assessed by a county assessor in
3430 accordance with Part 3, County Assessment; and

3431 (B) contained on the prior year's tax rolls of the taxing entity.

3432 (d) "Ballot proposition" means legislation a taxing entity shall submit to voters in
3433 accordance with Section 59-1-1903.

3434 [(+) (e) "Base taxable value" means:

3435 (i) for an authority created under Section 11-58-201, the same as that term is defined
3436 in Section 11-58-102;

3437 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
3438 the same as that term is defined in Section [~~11-59-207~~] 11-59-208;

3439 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
3440 11-70-201, the same as that term is defined in Section 11-70-101;

3441 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
3442 defined in Section 17C-1-102;

3443 (v) for an authority created under Section 63H-1-201, the same as that term is defined
3444 in Section 63H-1-102;

3445 (vi) for a host local government, the same as that term is defined in Section
3446 63N-2-502;

3447 (vii) for a housing and transit reinvestment zone or convention center reinvestment
3448 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
3449 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;

3450 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
3451 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
3452 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
3453 upon the assessment roll last equalized during the base year, as that term is
3454 defined in Section 10-21-101 or Section 17-80-101;

3455 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
3456 First Home Investment Zone Act, a property's taxable value as shown upon the
3457 assessment roll last equalized during the base year, as that term is defined in
3458 Section 63N-3-1601;

- 3459 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 3460 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
 3461 upon the assessment roll last equalized during the property tax base year, as that
 3462 term is defined in Section 63N-3-1701; or
- 3463 (xi) for an electrical energy development zone [~~created~~] designated under Section
 3464 79-6-1104, the value of the property within an electrical energy development
 3465 zone, as shown on the assessment roll last equalized before the [~~creation~~]
 3466 designation of the electrical energy development zone[~~, as that term is defined in~~
 3467 ~~Section 79-6-1104~~].
- 3468 (f) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year
 3469 that begins on January 1 and ends on December 31.
- 3470 [~~(e)~~] (g) "Centrally assessed benchmark value" means an amount equal to the average
 3471 year end taxable value of real and personal property the commission assesses in
 3472 accordance with Part 2, Assessment of Property, for the previous three calendar
 3473 years, adjusted for taxable value attributable to:
- 3474 (i) an annexation to a taxing entity;
- 3475 (ii) an incorrect allocation of taxable value of real or personal property the
 3476 commission assesses in accordance with Part 2, Assessment of Property; or
- 3477 (iii) a change in value as a result of a change in the method of apportioning the value
 3478 prescribed by the Legislature, a court, or the commission in an administrative rule
 3479 or administrative order.
- 3480 [~~(f)~~] (h) "Centrally assessed industry" means the following industry classes the
 3481 commission assesses in accordance with Part 2, Assessment of Property:
- 3482 (i) air carrier;
- 3483 (ii) coal;
- 3484 (iii) coal load out property;
- 3485 (iv) electric generation;
- 3486 (v) electric rural;
- 3487 (vi) electric utility;
- 3488 (vii) gas utility;
- 3489 (viii) ground access property;
- 3490 (ix) land only property;
- 3491 (x) liquid pipeline;
- 3492 (xi) metalliferous mining;

- 3493 (xii) nonmetalliferous mining;
 3494 (xiii) oil and gas gathering;
 3495 (xiv) oil and gas production;
 3496 (xv) oil and gas water disposal;
 3497 (xvi) railroad;
 3498 (xvii) sand and gravel; and
 3499 (xviii) uranium.

3500 ~~[(g)]~~ (i)(i) "Centrally assessed new growth" means the greater of:

- 3501 (A) for each centrally assessed industry, zero; or
 3502 (B) the amount calculated by subtracting the centrally assessed benchmark value
 3503 for each centrally assessed industry, adjusted for prior year end incremental
 3504 value, from the taxable value of real and personal property the commission
 3505 assesses in accordance with Part 2, Assessment of Property, for each centrally
 3506 assessed industry for the current year, adjusted for current year incremental
 3507 value.

- 3508 (ii) "Centrally assessed new growth" does not include a change in value for a
 3509 centrally assessed industry as a result of a change in the method of apportioning
 3510 the value prescribed by the Legislature, a court, or the commission in an
 3511 administrative rule or administrative order.

3512 ~~[(h)]~~ (j) "Certified tax rate" means a tax rate that will provide the same ad valorem
 3513 property tax revenue for a taxing entity as ~~[was budgeted by that taxing entity for the~~
 3514 ~~prior year]~~ last year's property tax budgeted revenue.

3515 ~~[(i)]~~ (k) "Community reinvestment agency" means the same as that term is defined in
 3516 Section 17C-1-102.

3517 ~~[(j)]~~ (l) "Eligible new growth" means the greater of:

- 3518 (i) zero; or
 3519 (ii) the sum of:
 3520 (A) locally assessed new growth;
 3521 (B) centrally assessed new growth; and
 3522 (C) project area new growth or hotel property new growth.

3523 (m) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that
 3524 begins on July 1 and ends on June 30.

3525 ~~[(k)]~~ (n) "Host local government" means the same as that term is defined in Section
 3526 63N-2-502.

3527 [~~(t)~~] (o) "Hotel property" means the same as that term is defined in Section 63N-2-502.

3528 [~~(m)~~] (p) "Hotel property new growth" means an amount equal to the incremental value
3529 that is no longer provided to a host local government as incremental property tax
3530 revenue.

3531 [~~(n)~~] (q) "Incremental property tax revenue" means the same as that term is defined in
3532 Section 63N-2-502.

3533 [~~(o)~~] (r) "Incremental value" means:

3534 (i) for an authority created under Section 11-58-201, the amount calculated by
3535 multiplying:

3536 (A) the difference between the taxable value and the base taxable value of the
3537 property that is located within a project area and on which property tax
3538 differential is collected; and

3539 (B) the number that represents the percentage of the property tax differential that
3540 is paid to the authority;

3541 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
3542 an amount calculated by multiplying:

3543 (A) the difference between the current assessed value of the property and the base
3544 taxable value; and

3545 (B) the number that represents the percentage of the property tax augmentation, as
3546 defined in Section [~~11-59-207~~] 11-59-208, that is paid to the Point of the
3547 Mountain State Land Authority;

3548 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
3549 11-70-201, the amount calculated by multiplying:

3550 (A) the difference between the taxable value for the current year and the base
3551 taxable value of the property that is located within a project area; and

3552 (B) the number that represents the percentage of enhanced property tax revenue,
3553 as defined in Section 11-70-101;

3554 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
3555 multiplying:

3556 (A) the difference between the taxable value and the base taxable value of the
3557 property located within a project area and on which tax increment is collected;
3558 and

3559 (B) the number that represents the adjusted tax increment from that project area
3560 that is paid to the agency;

- 3561 (v) for an authority created under Section 63H-1-201, the amount calculated by
3562 multiplying:
- 3563 (A) the difference between the taxable value and the base taxable value of the
3564 property located within a project area and on which property tax allocation is
3565 collected; and
- 3566 (B) the number that represents the percentage of the property tax allocation from
3567 that project area that is paid to the authority;
- 3568 (vi) for a housing and transit reinvestment zone or convention center reinvestment
3569 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
3570 Reinvestment Zone Act, an amount calculated by multiplying:
- 3571 (A) the difference between the taxable value and the base taxable value of the
3572 property that is located within a housing and transit reinvestment zone or
3573 convention center reinvestment zone and on which tax increment is collected;
3574 and
- 3575 (B) the number that represents the percentage of the tax increment that is paid to
3576 the housing and transit reinvestment zone or convention center reinvestment
3577 zone;
- 3578 (vii) for a host local government, an amount calculated by multiplying:
- 3579 (A) the difference between the taxable value and the base taxable value of the
3580 hotel property on which incremental property tax revenue is collected; and
- 3581 (B) the number that represents the percentage of the incremental property tax
3582 revenue from that hotel property that is paid to the host local government;
- 3583 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
3584 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
3585 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 3586 (A) the difference between the taxable value and the base taxable value of the
3587 property that is located within a home ownership promotion zone and on which
3588 tax increment is collected; and
- 3589 (B) the number that represents the percentage of the tax increment that is paid to
3590 the home ownership promotion zone;
- 3591 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
3592 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 3593 (A) the difference between the taxable value and the base taxable value of the
3594 property that is located within a first home investment zone and on which tax

- 3595 increment is collected; and
- 3596 (B) the number that represents the percentage of the tax increment that is paid to
- 3597 the first home investment zone;
- 3598 (x) for a major sporting event venue zone created [~~pursuant to~~] in accordance with
- 3599 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
- 3600 calculated by multiplying:
- 3601 (A) the difference between the taxable value and the base taxable value of the
- 3602 property located within a qualified development zone for a major sporting
- 3603 event venue zone and upon which property tax increment is collected; and
- 3604 (B) the number that represents the percentage of tax increment that is paid to the
- 3605 major sporting event venue zone, as approved by a major sporting event venue
- 3606 zone committee described in Section 63N-1a-1706; or
- 3607 (xi) for an electrical energy development zone [~~created~~] designated under Section
- 3608 79-6-1104, the amount calculated by multiplying:
- 3609 (A) the difference between the taxable value and the base taxable value of the
- 3610 property that is located within the electrical energy developmental zone; and
- 3611 (B) the number that represents the percentage of the tax increment that is paid to a
- 3612 community reinvestment agency and the Electrical Energy Development
- 3613 Investment Fund created in Section 79-6-1105.
- 3614 (s)(i) "Last year's property tax budgeted revenue" means the revenue a taxing entity
- 3615 budgeted to be generated from a property tax levy for the previous fiscal year.
- 3616 (ii) "Last year's property tax budgeted revenue" does not include:
- 3617 (A) revenue received by a taxing entity from a debt service levy voted on by the
- 3618 public;
- 3619 (B) revenue generated by the minimum basic rate as defined in Section 53F-2-301;
- 3620 or
- 3621 (C) revenue generated by the charter school levy described in Section 53F-2-703.
- 3622 [~~(p)~~] (t)(i) "Locally assessed new growth" means the greater of:
- 3623 (A) zero; or
- 3624 (B) the amount calculated by subtracting the year end taxable value of real
- 3625 property the county assessor assesses in accordance with Part 3, County
- 3626 Assessment, for the previous year, adjusted for prior year end incremental
- 3627 value from the taxable value of real property the county assessor assesses in
- 3628 accordance with Part 3, County Assessment, for the current year, adjusted for

3629 current year incremental value.

3630 (ii) "Locally assessed new growth" does not include a change in:

3631 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
3632 or another adjustment;

3633 (B) assessed value based on whether a property is allowed a residential exemption
3634 for a primary residence under Section 59-2-103;

3635 (C) assessed value based on whether a property is assessed under Part 5, Farmland
3636 Assessment Act; or

3637 (D) assessed value based on whether a property is assessed under Part 17, Urban
3638 Farming Assessment Act.

3639 [~~(q)~~] (u) "Project area" means:

3640 (i) for an authority created under Section 11-58-201, the same as that term is defined
3641 in Section 11-58-102;

3642 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
3643 11-70-201, the same as that term is defined in Section 11-70-101;

3644 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
3645 defined in Section 17C-1-102;

3646 (iv) for an authority created under Section 63H-1-201, the same as that term is
3647 defined in Section 63H-1-102;

3648 (v) for a housing and transit reinvestment zone or convention center reinvestment
3649 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
3650 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;

3651 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
3652 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
3653 5, Home Ownership Promotion Zone, the same as that term is defined in Section
3654 10-21-101 or Section 17-80-101;

3655 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
3656 First Home Investment Zone Act, the same as that term is defined in Section
3657 63N-3-1601; or

3658 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
3659 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
3660 as defined in Section 63N-3-1701.

3661 [~~(r)~~] (v) "Project area new growth" means:

3662 (i) for an authority created under Section 11-58-201, an amount equal to the

- 3663 incremental value that is no longer provided to an authority as property tax
 3664 differential;
- 3665 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
 3666 an amount equal to the incremental value that is no longer provided to the Point of
 3667 the Mountain State Land Authority as property tax augmentation, as defined in
 3668 Section [~~11-59-207~~] 11-59-208;
- 3669 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
 3670 11-70-201, an amount equal to the incremental value that is no longer provided to
 3671 the Utah Fairpark Area Investment and Restoration District;
- 3672 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
 3673 incremental value that is no longer provided to an agency as tax increment;
- 3674 (v) for an authority created under Section 63H-1-201, an amount equal to the
 3675 incremental value that is no longer provided to an authority as property tax
 3676 allocation;
- 3677 (vi) for a housing and transit reinvestment zone or convention center reinvestment
 3678 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 3679 Reinvestment Zone Act, an amount equal to the incremental value that is no
 3680 longer provided to a housing and transit reinvestment zone or convention center
 3681 reinvestment zone as tax increment;
- 3682 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 3683 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 3684 5, Home Ownership Promotion Zone, an amount equal to the incremental value
 3685 that is no longer provided to a home ownership promotion zone as tax increment;
- 3686 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 3687 First Home Investment Zone Act, an amount equal to the incremental value that is
 3688 no longer provided to a first home investment zone as tax increment; or
- 3689 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 3690 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental
 3691 value that is no longer provided to the creating entity of a major sporting event
 3692 venue zone as property tax increment.
- 3693 [~~(s)~~] (w) "Project area incremental revenue" means the same as that term is defined in
 3694 Section 17C-1-1001.
- 3695 [~~(t)~~] (x) "Property tax allocation" means the same as that term is defined in Section
 3696 63H-1-102.

- 3697 ~~[(t)]~~ (y) "Property tax differential" means the same as that term is defined in Sections
 3698 11-58-102 and 79-6-1104.
- 3699 ~~[(v)]~~ (z) "Tax increment" means:
- 3700 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
 3701 in Section 17C-1-102;
- 3702 (ii) for a housing and transit reinvestment zone or convention center reinvestment
 3703 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 3704 Reinvestment Zone Act, the same as the term "property tax increment" is defined
 3705 in Section 63N-3-602;
- 3706 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 3707 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 3708 5, Home Ownership Promotion Zone, the same as that term is defined in Section
 3709 10-21-101 or Section 17-80-101;
- 3710 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 3711 First Home Investment Zone Act, the same as that term is defined in Section
 3712 63N-3-1601; or
- 3713 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 3714 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
 3715 defined in Section 63N-3-1701.
- 3716 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
 3717 the commission the following statements:
- 3718 (a) a statement containing the aggregate valuation of all taxable real property a county
 3719 assessor assesses in accordance with Part 3, County Assessment, for each taxing
 3720 entity; and
- 3721 (b) a statement containing the taxable value of all personal property a county assessor
 3722 assesses in accordance with Part 3, County Assessment, from the prior year end
 3723 values.
- 3724 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
 3725 taxing entity:
- 3726 (a) the statements described in Subsections (2)(a) and (b);
- 3727 (b) an estimate of the revenue from personal property;
- 3728 (c) the certified tax rate; and
- 3729 (d) all forms necessary to submit a tax levy request.
- 3730 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be

3731 calculated by dividing the amount of ad valorem property tax revenue that~~[a taxing~~
3732 ~~entity budgeted for the prior year]~~ was in last year's property tax budgeted revenue by
3733 the amount calculated under Subsection (4)(b).

3734 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
3735 calculate an amount as follows:

3736 (i) calculate for the taxing entity the difference between:

3737 (A) the aggregate taxable value of all property taxed; and

3738 (B) any adjustments for current year incremental value;

3739 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
3740 determined by increasing or decreasing the amount calculated under Subsection
3741 (4)(b)(i) by the average of the percentage net change in the value of taxable
3742 property for the equalization period for the three calendar years immediately
3743 preceding the current calendar year;

3744 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
3745 product of:

3746 (A) the amount calculated under Subsection (4)(b)(ii); and

3747 (B) the percentage of property taxes collected for the five calendar years
3748 immediately preceding the current calendar year; and

3749 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
3750 amount determined by:

3751 (A) multiplying the percentage of property taxes collected for the five calendar
3752 years immediately preceding the current calendar year by eligible new growth;
3753 and

3754 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
3755 amount calculated under Subsection (4)(b)(iii).

3756 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
3757 as follows:

3758 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
3759 tax rate is zero;

3760 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:

3761 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
3762 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
3763 to Unincorporated Areas; and

3764 (ii) in a county of the fourth, fifth, or sixth class, as classified in Section 17-60-104,

- 3765 the levy imposed for general county purposes and such other levies imposed
 3766 solely for the municipal-type services identified in Section 17-78-501 and
 3767 Subsection 17-63-101(23);
- 3768 (c) for a community reinvestment agency that received all or a portion of a taxing
 3769 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
 3770 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
 3771 Subsection (4) except that the commission shall treat the total revenue transferred to
 3772 the community reinvestment agency as ~~[ad valorem property tax revenue that the~~
 3773 ~~taxing entity budgeted for the prior year]~~ the amount of last year's budgeted property
 3774 tax revenue; and
- 3775 (d) for debt service voted on by the public, the certified tax rate is the actual levy
 3776 imposed by that section, except that a certified tax rate for the following levies shall
 3777 be calculated in accordance with Section 59-2-913 and this section:
- 3778 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
 3779 (ii) a levy to pay for the costs of state legislative mandates or judicial or
 3780 administrative orders under Section 59-2-1602.
- 3781 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
 3782 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
 3783 one or more eligible judgments.
- 3784 (b) The ad valorem property tax revenue generated by a judgment levy described in
 3785 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
 3786 certified tax rate.
- 3787 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 3788 (i) the taxable value of real property:
- 3789 (A) the county assessor assesses in accordance with Part 3, County Assessment;
 3790 and
 3791 (B) contained on the assessment roll;
- 3792 (ii) the year end taxable value of personal property:
- 3793 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
 3794 (B) contained on the prior year's assessment roll; and
- 3795 (iii) the taxable value of real and personal property the commission assesses in
 3796 accordance with Part 2, Assessment of Property.
- 3797 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
 3798 growth.

- 3799 (8)(a) On or before June 30 of each year~~[-]~~ :
- 3800 (i) a calendar year taxing entity shall adopt a tentative budget; and
- 3801 (ii) a fiscal year taxing entity shall adopt a final budget.
- 3802 (b) ~~[Hf] On or before June 30 of the calendar year in which a taxing entity intends to [~~
- 3803 ~~exceed the certified tax rate]~~ submit a ballot proposition to voters to allow the taxing
- 3804 entity to increase revenue from property tax above last year's budgeted property tax
- 3805 revenue, excluding eligible new growth, the taxing entity shall notify the county
- 3806 auditor of:
- 3807 (i) the taxing entity's intent to exceed ~~[the certified tax rate]~~ last year's budgeted
- 3808 property tax revenue, excluding eligible new growth; and
- 3809 (ii) the amount by which the taxing entity proposes to ~~[exceed the certified tax rate]~~
- 3810 increase revenue above last year's budgeted property tax revenue, excluding
- 3811 eligible new growth.
- 3812 (c) The county auditor shall notify property owners of any intent to ~~[levy a tax rate that~~
- 3813 ~~exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1]~~
- 3814 submit a ballot proposition to voters to allow the taxing entity to increase revenue
- 3815 from property tax above last year's budgeted property tax revenue, excluding eligible
- 3816 new growth, in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting
- 3817 Requirements.
- 3818 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
- 3819 electronic means on or before July 31, to a taxing entity and the Revenue and
- 3820 Taxation Interim Committee if:
- 3821 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 3822 taxable value of the real and personal property the commission assesses in
- 3823 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 3824 for prior year end incremental value; and
- 3825 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 3826 end taxable value of the real and personal property of a taxpayer the commission
- 3827 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 3828 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
- 3829 subtracting the taxable value of real and personal property the commission assesses
- 3830 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 3831 current year incremental value, from the year end taxable value of the real and
- 3832 personal property the commission assesses in accordance with Part 2, Assessment of

- 3833 Property, for the previous year, adjusted for prior year end incremental value.
- 3834 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
- 3835 subtracting the total taxable value of real and personal property of a taxpayer the
- 3836 commission assesses in accordance with Part 2, Assessment of Property, for the
- 3837 current year, from the total year end taxable value of the real and personal property of
- 3838 a taxpayer the commission assesses in accordance with Part 2, Assessment of
- 3839 Property, for the previous year.
- 3840 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
- 3841 requirement under Subsection (9)(a)(ii).

3842 Section 77. Section **59-2-924.2** is amended to read:

3843 **59-2-924.2 (Effective 01/01/27). Adjustments to the calculation of a taxing**
 3844 **entity's certified tax rate.**

3845 (1) [~~For purposes of this section,~~] As used in this section:

- 3846 (a) "Annexing county" means a county for which the unincorporated area is included
 3847 within a public safety district by annexation.
- 3848 (b) "Annexing municipality" means a municipality for which the area is included within
 3849 a public safety district by annexation.
- 3850 (c) [~~"certified-~~] "Certified" tax rate means a certified tax rate calculated in accordance
 3851 with Section 59-2-924.
- 3852 (d) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area
 3853 Act:
 3854 (i) created to provide fire protection, paramedic, and emergency services; and
 3855 (ii) in the creation of which an election was not required under Subsection
 3856 17B-1-214(3)(d).
- 3857 (e) "Participating county" means a county for which the unincorporated area is included
 3858 within a public safety district at the time of the creation of the public safety district.
- 3859 (f) "Participating municipality" means a municipality for which the area is included
 3860 within a public safety district at the time of the creation of the public safety district.
- 3861 (g) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
 3862 Area Act, within a county of the first class:
 3863 (i) created to provide law enforcement service; and
 3864 (ii) in the creation of which an election was not required under Subsection
 3865 17B-1-214(3)(d).
- 3866 (h) "Public safety district" means a fire district or a police district.

- 3867 (i) "Public safety service" means:
- 3868 (i) in the case of a public safety district that is a fire district, fire protection,
- 3869 paramedic, and emergency services; and
- 3870 (ii) in the case of a public safety district that is a police district, law enforcement
- 3871 service.
- 3872 (2) [~~Beginning January 1, 1997, if~~] If a taxing entity receives increased [revenues] revenue
- 3873 from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1,
- 3874 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and
- 3875 use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity
- 3876 shall decrease [its] the taxing entity's certified tax rate to offset the increased [revenues]
- 3877 revenue.
- 3878 (3)(a) [~~Beginning July 1, 1997, if~~] If a county has imposed a sales and use tax under
- 3879 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate
- 3880 shall be:
- 3881 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
- 3882 revenue to be distributed to the county under Subsection 59-12-1102(4); and
- 3883 (ii) increased by the amount necessary to offset the county's reduction in revenue
- 3884 from uniform fees on tangible personal property under Section 59-2-405,
- 3885 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in
- 3886 the certified tax rate under Subsection (3)(a)(i).
- 3887 (b) The commission shall determine estimates of sales and use tax distributions for
- 3888 purposes of Subsection (3)(a).
- 3889 (4) [~~Beginning January 1, 1998, if~~] If a municipality has imposed an additional resort
- 3890 communities sales and use tax under Section 59-12-402, the municipality's certified tax
- 3891 rate shall be decreased on a one-time basis by the amount necessary to offset the first 12
- 3892 months of estimated revenue from the additional resort communities sales and use tax
- 3893 imposed under Section 59-12-402.
- 3894 (5)(a) This Subsection (5) applies to each county that:
- 3895 (i) establishes a countywide special service district under Title 17D, Chapter 1,
- 3896 Special Service District Act, to provide jail service, as provided in Subsection
- 3897 17D-1-201(10); and
- 3898 (ii) levies a property tax on behalf of the special service district under Section
- 3899 17D-1-105.
- 3900 (b)(i) The certified tax rate of each county to which this Subsection (5) applies shall

3901 be decreased by the amount necessary to reduce county [~~revenues~~] revenue by the
 3902 same amount of [~~revenues~~] revenue that will be generated by the property tax
 3903 imposed on behalf of the special service district.

3904 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
 3905 levy on behalf of the special service district under Section 17D-1-105.

3906 (6) The equalized public safety tax rate is determined by:

3907 (a) calculating, for each participating county and each participating municipality, the
 3908 property tax revenue necessary:

3909 (i) in the case of a fire district, to cover all of the costs associated with providing fire
 3910 protection, paramedic, and emergency services:

3911 (A) for a participating county, in the unincorporated area of the county; and

3912 (B) for a participating municipality, in the municipality; or

3913 (ii) in the case of a police district, to cover all the costs associated with providing law
 3914 enforcement service that the police district board designates to be funded by a
 3915 property tax:

3916 (A) for a participating county, in the unincorporated area of the county; or

3917 (B) for a participating municipality, in the municipality; and

3918 (b) adding all the amounts calculated under Subsection (6)(a) for all participating
 3919 counties and all participating municipalities and then dividing that sum by the
 3920 aggregate taxable value of the property, as adjusted in accordance with Section
 3921 59-2-913:

3922 (i) for participating counties, in the unincorporated area of all participating counties;

3923 and

3924 (ii) for participating municipalities, in all the participating municipalities.

3925 [~~(6)(a) As used in this Subsection (6):~~]

3926 (i) ~~"Annexing county" means a county whose unincorporated area is included~~
 within
 3927 ~~a public safety district by annexation.]~~

3928 (ii) ~~"Annexing municipality" means a municipality whose area is included within~~
 a
 3929 ~~public safety district by annexation.]~~

3930 (iii) ~~"Equalized public safety protection tax rate" means the tax rate that results~~
 from:]

3931

3932 ~~[(A) calculating, for each participating county and each participating~~
 ~~municipality,~~
 3933 ~~the property tax revenue necessary:]~~
 3934 ~~[(I) in the case of a fire district, to cover all of the costs associated with~~
 ~~providing fire protection, paramedic, and emergency services:]~~
 3935 ~~[(Aa) for a participating county, in the unincorporated area of the~~
 ~~county;~~
 3936 ~~and]~~
 3937 ~~[(Bb) for a participating municipality, in the municipality; or]~~
 3938 ~~[(H) in the case of a police district, to cover all the costs:]~~
 3939 ~~[(Aa) associated with providing law enforcement service:]~~
 3940 ~~[(Ii) for a participating county, in the unincorporated area of the~~
 ~~county;~~
 3941 ~~and]~~
 3942 ~~[(Hii) for a participating municipality, in the municipality; and]~~
 3943 ~~[(Bb) that the police district board designates as the costs to be funded~~
 ~~by a~~
 3944 ~~property tax; and]~~
 3945 ~~[(B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all~~
 3946 ~~participating counties and all participating municipalities and then dividing~~
 ~~that~~
 3947 ~~sum by the aggregate taxable value of the property, as adjusted in~~
 ~~accordance~~
 3948 ~~with Section 59-2-913:]~~
 3949 ~~[(I) for participating counties, in the unincorporated area of all~~
 ~~participating~~
 3950 ~~counties; and]~~
 3951 ~~[(H) for participating municipalities, in all the participating~~
 ~~municipalities.]~~
 3952 ~~[(iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9,~~
 ~~Service~~
 3953 ~~Area Act:]~~
 3954 ~~[(A) created to provide fire protection, paramedic, and emergency services;~~
 ~~and]~~

3955 ~~[(B) in the creation of which an election was not required under Subsection~~
3956 ~~17B-1-214(3)(d).]~~

3957 ~~[(v) "Participating county" means a county whose unincorporated area is included~~
3958 ~~within a public safety district at the time of the creation of the public safety~~
3959 ~~district.]~~

3960 ~~[(vi) "Participating municipality" means a municipality whose area is included~~
3961 ~~within~~
3962 ~~a public safety district at the time of the creation of the public safety district.]~~

3963 ~~[(vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9,~~
3964 ~~Service Area Act, within a county of the first class:]~~

3965 ~~[(A) created to provide law enforcement service; and]~~

3966 ~~[(B) in the creation of which an election was not required under Subsection~~
3967 ~~17B-1-214(3)(d).]~~

3968 ~~[(viii) "Public safety district" means a fire district or a police district.]~~

3969 ~~[(ix) "Public safety service" means:]~~

3970 ~~[(A) in the case of a public safety district that is a fire district, fire protection,~~
3971 ~~paramedic, and emergency services; and]~~

3972 ~~[(B) in the case of a public safety district that is a police district, law~~
3973 ~~enforcement~~
3974 ~~service.]~~

3975 ~~[(b)] (7)(a) In the first year following creation of a public safety district, the certified tax~~
3976 ~~rate of each participating county and each participating municipality shall be~~
3977 ~~decreased by the amount of the equalized public safety tax rate calculated in~~
3978 ~~accordance with Subsection (6).~~

3979 ~~[(e)] (b) In the first budget year following annexation to a public safety district, the~~
3980 ~~certified tax rate of each annexing county and each annexing municipality shall be~~
3981 ~~decreased by an amount equal to the amount of revenue budgeted by the annexing~~
3982 ~~county or annexing municipality:~~

3983 ~~(i) for public safety service; and~~

3984 ~~(ii) in:~~

3985 ~~(A) for a taxing entity operating under a January 1 through December 31 fiscal~~
3986 ~~year, the prior calendar year; or~~

~~(B) for a taxing entity operating under a July 1 through June 30 fiscal year, the~~
 ~~prior fiscal year.~~

3987 ~~[(d)]~~ (c) Each tax levied under this section by a public safety district shall be considered
 3988 to be levied by:

3989 (i) each participating county and each annexing county for purposes of the county's
 3990 tax limitation under Section 59-2-908; and

3991 (ii) each participating municipality and each annexing municipality for purposes of
 3992 the municipality's tax limitation under Section 10-5-112, for a town, or Section
 3993 10-6-133, for a city.

3994 ~~[(e)]~~ (d) The calculation of a public safety district's certified tax rate for the year of
 3995 annexation shall be adjusted to include an amount of revenue equal to one half of the
 3996 amount of revenue budgeted by the annexing entity for public safety service in the
 3997 annexing entity's prior fiscal year if:

3998 (i) the public safety district operates on a January 1 through December 31 fiscal year;

3999 (ii) the public safety district approves an annexation of an entity operating on a July 1
 4000 through June 30 fiscal year; and

4001 (iii) the annexation described in Subsection ~~[(6)(e)(ii)]~~ (7)(d)(ii) takes effect on July 1.

4002 ~~[(7)]~~ (8)(a) The base taxable value as defined in Section 17C-1-102 shall be reduced for
 4003 any year to the extent necessary to provide a community reinvestment agency
 4004 established under Title 17C, Limited Purpose Local Government Entities -
 4005 Community Reinvestment Agency Act, with approximately the same amount of
 4006 money the agency would have received without a reduction in the county's certified
 4007 tax rate, calculated in accordance with Section 59-2-924, if:

4008 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or
 4009 (3)(a);

4010 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of
 4011 the previous year; and

4012 (iii) the decrease results in a reduction of the amount to be paid to the agency under
 4013 Section 17C-1-403 or 17C-1-404.

4014 (b) The base taxable value as defined in Section 17C-1-102 shall be increased in any
 4015 year to the extent necessary to provide a community reinvestment agency with
 4016 approximately the same amount of money as the agency would have received without
 4017 an increase in the certified tax rate that year if:

4018 (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due
 4019 to a decrease in the certified tax rate under Subsection (2) or (3)(a); and

4020 (ii) the certified tax rate of a city, school district, special district, or special service

4021 district increases independent of the adjustment to the taxable value of the base
4022 year.

4023 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the
4024 amount of money allocated and, when collected, paid each year to a community
4025 reinvestment agency established under Title 17C, Limited Purpose Local
4026 Government Entities - Community Reinvestment Agency Act, for the payment of
4027 bonds or other contract indebtedness, but not for administrative costs, may not be less
4028 than ~~[that]~~ the amount would have been without a decrease in the certified tax rate
4029 under Subsection (2) or (3)(a).

4030 ~~[(8)(a) For the calendar year beginning on January 1, 2014, the calculation of a county
4031 assessing and collecting levy shall be adjusted by the amount necessary to offset:]~~

4032 ~~[(i) any change in the certified tax rate that may result from amendments to Part 16,
4033 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270,
4034 Section 3; and]~~

4035 ~~[(ii) the difference in the amount of revenue a taxing entity receives from or
4036 contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that
4037 may result from amendments to Part 16, Multicounty Assessing and Collecting
4038 Levy, in Laws of Utah 2014, Chapter 270, Section 3.]~~

4039 ~~[(b) A taxing entity is not required to comply with the notice and public hearing
4040 requirements in Section 59-2-919 for an adjustment to the county assessing and
4041 collecting levy described in Subsection (8)(a).]~~

4042 ~~[(9) If a taxing entity receives decreased revenues from uniform fees on tangible personal
4043 property under Section 59-2-405 as a result of any error in applying uniform fees to
4044 motor vehicle registration in the calendar year beginning on January 1, 2023, the
4045 commission may, for the calendar year beginning on January 1, 2024, increase the
4046 taxing entity's budgeted revenue to offset the decreased revenues.]~~

4047 Section 78. Section **59-2-1004** is amended to read:

4048 **59-2-1004 (Effective 01/01/27). Appeal to county board of equalization -- Real**
4049 **property -- Time period for appeal -- Public hearing requirements -- Decision of board --**
4050 **Extensions approved by commission -- Appeal to commission.**

4051 (1) As used in this section:

4052 (a) "Applicable lien date" means January 1 of the year in which the valuation or
4053 equalization of real property is appealed to the county board of equalization.

4054 (b) "Final assessed value" means:

- 4055 (i) for real property for which the taxpayer appealed the valuation or equalization to
4056 the county board of equalization in accordance with this section, the value given
4057 to the real property by the county board of equalization, including a value based
4058 on a stipulation of the parties;
- 4059 (ii) for real property for which the taxpayer or a county assessor appealed the
4060 valuation or equalization to the commission in accordance with Section 59-2-1006,
4061 the value given to the real property by:
4062 (A) the commission, if the commission has issued a decision in the appeal or the
4063 parties have entered a stipulation; or
4064 (B) a county board of equalization, if the commission has not yet issued a decision
4065 in the appeal and the parties have not entered a stipulation; or
- 4066 (iii) for real property for which the taxpayer or a county assessor sought judicial
4067 review of the valuation or equalization in accordance with Section 59-1-602 or
4068 Title 63G, Chapter 4, Part 4, Judicial Review, the value given the real property by
4069 the commission.
- 4070 (c) "Inflation adjusted value" means the value of the real property that is the subject of
4071 the appeal as calculated by changing the final assessed value for the previous taxable
4072 year for the real property by the median property value change.
- 4073 (d) "Median property value change" means the midpoint of the property value changes
4074 for all real property that is:
4075 (i) of the same class of real property as the qualified real property; and
4076 (ii) located within the same county and within the same market area as the qualified
4077 real property.
- 4078 (e) "Property value change" means the percentage change in the fair market value of real
4079 property on or after January 1 of the previous year and before January 1 of the
4080 current year.
- 4081 (f) "Qualified real property" means real property:
4082 (i) for which:
4083 (A) the taxpayer or a county assessor appealed the valuation or equalization for
4084 the previous taxable year to the county board of equalization in accordance
4085 with this section or the commission in accordance with Section 59-2-1006;
4086 (B) the appeal described in Subsection (1)(f)(i)(A)[7] resulted in a final assessed
4087 value that was lower than the assessed value; and
4088 (C) the assessed value for the current taxable year is higher than the inflation

- 4089 adjusted value; and
- 4090 (ii) that, on or after January 1 of the previous taxable year and before January 1 of the
- 4091 current taxable year, has not had a qualifying change.
- 4092 (g) "Qualifying change" means one of the following changes to real property that occurs
- 4093 on or after January 1 of the previous taxable year and before January 1 of the current
- 4094 taxable year:
- 4095 (i) a physical improvement if, solely as a result of the physical improvement, the fair
- 4096 market value of the physical improvement equals or exceeds the greater of 10% of
- 4097 fair market value of the real property or \$20,000;
- 4098 (ii) a zoning change, if the fair market value of the real property increases solely as a
- 4099 result of the zoning change; or
- 4100 (iii) a change in the legal description of the real property, if the fair market value of
- 4101 the real property increases solely as a result of the change in the legal description
- 4102 of the real property.
- 4103 (h) "Qualifying contract" means a contract for the completed sale of residential property
- 4104 that:
- 4105 (i) involves residential property for which a taxpayer appealed the valuation or
- 4106 equalization to the county board of equalization;
- 4107 (ii) identifies the final sales price for the residential property described in Subsection
- 4108 (1)(h)(i); and
- 4109 (iii) is executed within six months before or after the applicable lien date.
- 4110 (2)(a) A taxpayer dissatisfied with the valuation or the equalization of the taxpayer's real
- 4111 property may make an application to appeal by:
- 4112 (i) subject to Subsection (2)(d), filing the application with the county board of
- 4113 equalization within the time period described in Subsection (3); or
- 4114 (ii) making an application by telephone within the time period described in
- 4115 Subsection (3) if the county legislative body passes a resolution under Subsection
- 4116 (11) authorizing a taxpayer to make an application by telephone.
- 4117 (b)(i) The county board of equalization shall make a rule describing the contents of
- 4118 the application.
- 4119 (ii) In addition to any information the county board of equalization requires, the
- 4120 application shall include information about:
- 4121 (A) the burden of proof in an appeal involving qualified real property; and
- 4122 (B) the process for the taxpayer to learn the inflation adjusted value of the

4123 qualified real property.

4124 (c)(i)(A) The county assessor shall notify the county board of equalization of a
 4125 qualified real property's inflation adjusted value within 15 business days after
 4126 the date on which the county assessor receives notice that a taxpayer filed an
 4127 appeal with the county board of equalization.

4128 (B) The county assessor shall notify the commission of a qualified real property's
 4129 inflation adjusted value within 15 business days after the date on which the
 4130 county assessor receives notice that a person dissatisfied with the decision of a
 4131 county board of equalization files an appeal with the commission.

4132 (ii)(A) A person may not appeal a county assessor's calculation of inflation
 4133 adjusted value but may appeal the fair market value of a qualified real property.

4134 (B) A person may appeal a determination of whether, on or after January 1 of the
 4135 previous taxable year and before January 1 of the current taxable year, real
 4136 property had a qualifying change.

4137 (d) For purposes of Subsection (2)(a), the county board of equalization shall ensure that
 4138 a taxpayer has the ability to access and file an application to appeal the valuation or
 4139 equalization of real property through electronic means.

4140 (3)(a) Except as provided in Subsection (3)(b) and for purposes of Subsection (2), a
 4141 taxpayer shall make an application to appeal the valuation or the equalization of the
 4142 taxpayer's real property on or before the later of:

4143 (i) September 15 of the current calendar year; or

4144 (ii) the last day of a 45-day period beginning on the day on which the county auditor
 4145 provides the notice under Section 59-2-919.1.

4146 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 4147 commission shall make rules providing for circumstances under which the county
 4148 board of equalization is required to accept an application to appeal that is filed after
 4149 the time period prescribed in Subsection (3)(a).

4150 (4)(a) The taxpayer shall include in the application under Subsection (2)(a)[:]

4151 [(+) the taxpayer's estimate of the fair market value of the property and any evidence
 4152 that may indicate that the assessed valuation of the taxpayer's property is
 4153 improperly equalized with the assessed valuation of comparable properties[; and] .

4154 [(ii) a signed statement of the personal property located in a multi-tenant residential
 4155 property, as that term is defined in Section 59-2-301.8 if the taxpayer:]

4156 [(A) appeals the value of multi-tenant residential property assessed in accordance

- 4157 with Section 59-2-301.8; and]
- 4158 [~~(B) intends to contest the value of the personal property located within the~~
- 4159 ~~multi-tenant residential property.]~~
- 4160 (b) For an appeal involving qualified real property, the county board of equalization
- 4161 shall presume that the fair market value of the qualified real property is equal to the
- 4162 inflation adjusted value.
- 4163 (5) Subject to Subsection (6), in reviewing evidence submitted to a county board of
- 4164 equalization by or on behalf of an owner or a county assessor, the county board of
- 4165 equalization shall consider and weigh:
- 4166 (a) the accuracy, reliability, and comparability of the evidence presented by the owner or
- 4167 the county assessor;
- 4168 (b) if submitted, the sales price of relevant property that was under contract for sale as of
- 4169 the lien date but sold after the lien date;
- 4170 (c) if submitted, the sales offering price of property that was offered for sale as of the
- 4171 lien date but did not sell, including considering and weighing the amount of time for
- 4172 which, and manner in which, the property was offered for sale; and
- 4173 (d) if submitted, other evidence that is relevant to determining the fair market value of
- 4174 the property.
- 4175 (6)(a) This Subsection (6) applies only to an appeal to a county board of equalization
- 4176 involving the valuation or equalization of residential property that is not qualified
- 4177 real property.
- 4178 (b) If a qualifying contract is submitted as evidence in an appeal described in Subsection
- 4179 (6)(a), the only evidence that the county board of equalization or hearing officer may
- 4180 consider to determine that the final sales price identified in the qualifying contract
- 4181 does not provide an accurate or reliable indication of the fair market value of the
- 4182 residential property is evidence of the following, if submitted:
- 4183 (i) evidence disputing the nature of the qualifying contract as an arms-length
- 4184 transaction;
- 4185 (ii) evidence demonstrating that changes in market conditions have occurred in the
- 4186 time period between the day on which the qualifying contract was executed and
- 4187 the applicable lien date; or
- 4188 (iii) evidence demonstrating that a qualifying change to the residential property has
- 4189 occurred in the time period between the day on which the qualifying contract was
- 4190 executed and the applicable lien date.

- 4191 (c) In determining the fair market value of residential property in an appeal described in
4192 Subsection (6)(a), the county board of equalization may not consider any evidence or
4193 information other than the evidence submitted to the county board of equalization by
4194 the parties in the appeal.
- 4195 (7)(a) Except as provided in Subsection (7)(b), at least five days before the day on which
4196 the county board of equalization holds a public hearing on an appeal:
- 4197 (i) the county assessor shall provide the taxpayer any evidence the county assessor
4198 relies upon in support of the county assessor's valuation; and
- 4199 (ii) the taxpayer shall provide the county assessor any evidence not previously
4200 provided to the county assessor that the taxpayer relies upon in support of the
4201 taxpayer's appeal.
- 4202 (b)(i) The deadline described in Subsection (7)(a) does not apply to evidence that is
4203 commercial information as defined in Section 59-1-404, if:
- 4204 (A) for the purpose of complying with Section 59-1-404, the county assessor
4205 requires that the taxpayer execute a nondisclosure agreement before the county
4206 assessor discloses the evidence; and
- 4207 (B) the taxpayer fails to execute the nondisclosure agreement before the deadline
4208 described in Subsection (7)(a).
- 4209 (ii) The county assessor shall disclose evidence described in Subsection (7)(b)(i) as
4210 soon as practicable after the county assessor receives the executed nondisclosure
4211 agreement.
- 4212 (iii) The county assessor shall provide the taxpayer a copy of the nondisclosure
4213 agreement with reasonable time for the taxpayer to review and execute the
4214 agreement before the deadline described in Subsection (7)(a) expires.
- 4215 (c) If at the public hearing, a party presents evidence not previously provided to the
4216 other party, the county board of equalization shall allow the other party to respond to
4217 the evidence in writing within 10 days after the day on which the public hearing
4218 occurs.
- 4219 (d)(i) A county board of equalization may adopt rules governing the deadlines
4220 described in this Subsection (7), if the rules are no less stringent than the
4221 provisions of this Subsection (7).
- 4222 (ii) A county board of equalization's rule that complies with Subsection (7)(d)(i)
4223 controls over the provisions of this subsection.
- 4224 (8)(a) The county board of equalization shall meet and hold public hearings as described

- 4225 in Section 59-2-1001.
- 4226 (b)(i) For purposes of this Subsection (8)(b), "significant adjustment" means a
4227 proposed adjustment to the valuation of real property that:
- 4228 (A) is to be made by a county board of equalization; and
4229 (B) would result in a valuation that differs from the original assessed value by at
4230 least 20% and \$1,000,000.
- 4231 (ii) When a county board of equalization is going to consider a significant
4232 adjustment, the county board of equalization shall:
- 4233 (A) list the significant adjustment as a separate item on the agenda of the public
4234 hearing at which the county board of equalization is going to consider the
4235 significant adjustment; and
4236 (B) for purposes of the agenda described in Subsection (8)(b)(ii)(A), provide a
4237 description of the property for which the county board of equalization is
4238 considering a significant adjustment.
- 4239 (c) The county board of equalization shall make a decision on each appeal filed in
4240 accordance with this section within 60 days after the day on which the taxpayer
4241 makes an application.
- 4242 (d) The commission may approve the extension of a time period provided for in
4243 Subsection (8)(c) for a county board of equalization to make a decision on an appeal.
- 4244 (e) Unless the commission approves the extension of a time period under Subsection
4245 (8)(d), if a county board of equalization fails to make a decision on an appeal within
4246 the time period described in Subsection (8)(c), the county legislative body shall:
- 4247 (i) list the appeal, by property owner and parcel number, on the agenda for the next
4248 meeting the county legislative body holds after the expiration of the time period
4249 described in Subsection (8)(c); and
4250 (ii) hear the appeal at the meeting described in Subsection (8)(e)(i).
- 4251 (f) The decision of the county board of equalization shall contain:
- 4252 (i) a determination of the valuation of the property based on fair market value; and
4253 (ii) a conclusion that the fair market value is properly equalized with the assessed
4254 value of comparable properties.
- 4255 (g) If no evidence is presented before the county board of equalization, the county board
4256 of equalization shall presume that the equalization issue has been met.
- 4257 (h)(i) If the fair market value of the property that is the subject of the appeal deviates
4258 plus or minus 5% from the assessed value of comparable properties, the county

4259 board of equalization shall adjust the valuation of the appealed property to reflect
4260 a value equalized with the assessed value of comparable properties.

4261 (ii) Subject to Sections 59-2-301.1, 59-2-301.2, [~~59-2-301.3,~~]and 59-2-301.4,
4262 equalized value established under Subsection (8)(h)(i) shall be the assessed value
4263 for property tax purposes until the county assessor is able to evaluate and equalize
4264 the assessed value of all comparable properties to bring all comparable properties
4265 into conformity with full fair market value.

4266 (9)(a) If the decision of the county board of equalization warrants a refund of any
4267 amount of property taxes paid for the tax year for the real property that is the subject
4268 of the appeal, the county shall issue the refund directly to the taxpayer that paid the
4269 property taxes, or an officer or agent of that taxpayer as identified in the information
4270 provided under Subsection (9)(b), regardless of whether the taxpayer is the owner of
4271 record of the real property at the time the decision is rendered.

4272 (b) A taxpayer entitled to a refund under this section that is not the owner of record of
4273 the real property subject to the appeal shall, within 10 calendar days after the day on
4274 which the decision of the county board of equalization is rendered, provide the
4275 following information to the county board of equalization:

4276 (i) a statement that the taxpayer is entitled to receive the refund under Subsection
4277 (9)(a);

4278 (ii) the name of the taxpayer, or an officer or agent of that taxpayer, entitled to
4279 receive the refund;

4280 (iii) the mailing address of the taxpayer, or an officer or agent of that taxpayer, to
4281 which the taxpayer requests the refund to be sent; and

4282 (iv) any other information requested by the county board of equalization.

4283 (10) If any taxpayer is dissatisfied with the decision of the county board of equalization, the
4284 taxpayer may file an appeal with the commission as described in Section 59-2-1006.

4285 (11) A county legislative body may pass a resolution authorizing taxpayers owing taxes on
4286 property assessed by that county to file property tax appeals applications under this
4287 section by telephone.

4288 Section 79. Section **59-2-1006** is amended to read:

4289 **59-2-1006 (Effective 01/01/27). Appeal to commission -- Duties of auditor --**

4290 **Decision by commission.**

4291 (1) Any person dissatisfied with the decision of the county board of equalization concerning
4292 the assessment and equalization of any property, or the determination of any exemption

- 4293 in which the person has an interest, or a tax relief decision made under designated
 4294 decision-making authority as described in Section 59-2-1101 or Chapter 2a, Tax Relief
 4295 Through Property Tax, may appeal that decision to the commission by[:]
 4296 ~~[(a)]~~ filing a notice of appeal specifying the grounds for the appeal with the county
 4297 auditor within 30 days after the final action of the county board or entity with
 4298 designated decision-making authority described in Section 59-2-1101 or Chapter 2a,
 4299 Tax Relief Through Property Tax~~[:and]~~ .
- 4300 ~~[(b) if the county assessor valued the property in accordance with Section 59-2-301.8
 4301 and the taxpayer intends to contest the value of personal property located in a
 4302 multi-tenant residential property, as that term is defined in Section 59-2-301.8,
 4303 submitting a signed statement of the personal property with the notice of appeal.]~~
- 4304 (2) The auditor shall:
- 4305 (a) file one notice with the commission;
- 4306 (b) certify and transmit to the commission:
- 4307 (i) the minutes of the proceedings of the county board of equalization or entity with
 4308 designated decision-making authority for the matter appealed;
- 4309 (ii) all documentary evidence received in that proceeding; and
- 4310 (iii) a transcript of any testimony taken at that proceeding that was preserved; and
- 4311 (c) if the appeal is from a hearing where an exemption was granted or denied, certify and
 4312 transmit to the commission the written decision of:
- 4313 (i) the board of equalization as required by Section 59-2-1102; or
- 4314 (ii) the entity with designated decision-making authority~~[:and]~~ .
- 4315 ~~[(d) any signed statement submitted in accordance with Subsection (1)(b).]~~
- 4316 (3) In reviewing a decision described in Subsection (1), the commission may:
- 4317 (a) admit additional evidence;
- 4318 (b) issue orders that it considers to be just and proper; and
- 4319 (c) make any correction or change in the assessment or order of the county board of
 4320 equalization or entity with decision-making authority.
- 4321 (4) In reviewing evidence submitted to the commission to decide an appeal under this
 4322 section, the commission shall consider and weigh:
- 4323 (a) the accuracy, reliability, and comparability of the evidence presented;
- 4324 (b) if submitted, the sales price of relevant property that was under contract for sale as of
 4325 the lien date but sold after the lien date;
- 4326 (c) if submitted, the sales offering price of property that was offered for sale as of the

4327 lien date but did not sell, including considering and weighing the amount of time for
4328 which, and manner in which, the property was offered for sale; and

4329 (d) if submitted, other evidence that is relevant to determining the fair market value of
4330 the property.

4331 (5) In reviewing a decision described in Subsection (1), the commission shall adjust
4332 property valuations to reflect a value equalized with the assessed value of other
4333 comparable properties if:

4334 (a) the issue of equalization of property values is raised; and

4335 (b) the commission determines that the property that is the subject of the appeal deviates
4336 in value plus or minus 5% from the assessed value of comparable properties.

4337 (6) The commission shall decide all appeals taken [~~pursuant to~~] in accordance with this
4338 section not later than March 1 of the following year for real property and within 90 days
4339 for personal property, and shall report its decision, order, or assessment to the county
4340 auditor, who shall make all changes necessary to comply with the decision, order, or
4341 assessment.

4342 Section 80. Section **59-2-1330** is amended to read:

4343 **59-2-1330 (Effective 01/01/27). Payment of property taxes -- Payments to**
4344 **taxpayer by state or taxing entity -- Refund of penalties paid by taxpayer -- Refund of**
4345 **interest paid by taxpayer -- Payment of interest to taxpayer -- Judgment levy --**
4346 **Objections to assessments by the commission -- Time periods for making payments to**
4347 **taxpayer.**

4348 (1) Unless otherwise specifically provided by statute, property taxes shall be paid directly
4349 to the county treasurer:

4350 (a) on the date that the property taxes are due; and

4351 (b) as provided in this chapter.

4352 (2)(a) The county treasurer shall apply a payment that is insufficient to cover both a tax
4353 or tax notice charge that is deferred in accordance with Chapter 2a, Part 7,
4354 Discretionary Deferral, Chapter 2a, Part 8, Nondiscretionary Deferral for Property
4355 with Qualifying Increase, or Chapter 2a, Part 9, Nondiscretionary Deferral for
4356 Elderly Property Owners, and a current year property tax or tax notice charge to the
4357 current tax year property tax or tax notice charge first.

4358 (b) The county treasurer shall send notice to the property owner:

4359 (i) that the payment was insufficient;

4360 (ii) that the county applied the payment to the tax or tax notice charges for the current

- 4361 tax year; and
- 4362 (iii) of the amount of tax and tax notice charge that is outstanding.
- 4363 (3) A taxpayer shall receive payment as provided in this section if a reduction in the amount
- 4364 of any tax levied against any property for which the taxpayer paid a tax or any portion of
- 4365 a tax under this chapter for a calendar year is required by a final and unappealable
- 4366 judgment or order described in Subsection (4) issued by:
- 4367 (a) a county board of equalization;
- 4368 (b) the commission; or
- 4369 (c) a court of competent jurisdiction.
- 4370 (4)(a) For purposes of Subsection (3), the state or any taxing entity that has received
- 4371 property taxes or any portion of property taxes from a taxpayer described in
- 4372 Subsection (2) shall pay the taxpayer if:
- 4373 (i) the taxes the taxpayer paid in accordance with Subsection (3) are collected by an
- 4374 authorized officer of the:
- 4375 (A) county; or
- 4376 (B) state; and
- 4377 (ii) the taxpayer obtains a final and unappealable judgment or order:
- 4378 (A) from a county board of equalization, the commission, or a court of competent
- 4379 jurisdiction;
- 4380 (B) against:
- 4381 (I) the taxing entity or an authorized officer of the taxing entity; or
- 4382 (II) the state or an authorized officer of the state; and
- 4383 (C) ordering a reduction in the amount of any tax levied against any property for
- 4384 which a taxpayer paid a tax or any portion of a tax under this chapter for the
- 4385 calendar year.
- 4386 (b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined
- 4387 in accordance with Subsections (5) through (8).
- 4388 (5) For purposes of Subsections (3) and (4), the amount the state shall pay to a taxpayer is
- 4389 equal to the sum of:
- 4390 (a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference
- 4391 between:
- 4392 (i) the tax the taxpayer paid to the state in accordance with Subsection (3); and
- 4393 (ii) the amount of the taxpayer's tax liability to the state after the reduction in the
- 4394 amount of tax levied against the property in accordance with the final and

- 4395 unappealable judgment or order described in Subsection (4);
- 4396 (b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference
4397 between:
- 4398 (i) any penalties the taxpayer paid to the state in accordance with Section 59-2-1331;
4399 and
- 4400 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance
4401 with Section 59-2-1331 after the reduction in the amount of tax levied against the
4402 property in accordance with the final and unappealable judgment or order
4403 described in Subsection (4);
- 4404 (c) as provided in Subsection (7)(a), interest the taxpayer paid in accordance with
4405 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and
- 4406 (d) as provided in Subsection (7)(b), interest on the sum of the amounts described in
4407 Subsections (5)(a), (5)(b), and (5)(c).
- 4408 (6) For purposes of Subsections (3) and (4), the amount a taxing entity shall pay to a
4409 taxpayer is equal to the sum of:
- 4410 (a) if the difference described in this Subsection (6)(a) is greater than \$0, the difference
4411 between:
- 4412 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (3);
4413 and
- 4414 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in
4415 the amount of tax levied against the property in accordance with the final and
4416 unappealable judgment or order described in Subsection (4);
- 4417 (b) if the difference described in this Subsection (6)(b) is greater than \$0, the difference
4418 between:
- 4419 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section
4420 59-2-1331; and
- 4421 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in
4422 accordance with Section 59-2-1331 after the reduction in the amount of tax levied
4423 against the property in accordance with the final and unappealable judgment or
4424 order described in Subsection (4);
- 4425 (c) as provided in Subsection (7)(a), interest the taxpayer paid in accordance with
4426 Section 59-2-1331 on the amounts described in Subsections (6)(a) and (6)(b); and
- 4427 (d) as provided in Subsection (7)(b), interest on the sum of the amounts described in
4428 Subsections (6)(a), (6)(b), and (6)(c).

- 4429 (7) Except as provided in Subsection (8):
- 4430 (a) interest shall be refunded to a taxpayer on the amount described in Subsection (5)(c)
- 4431 or (6)(c) in an amount equal to the amount of interest the taxpayer paid in accordance
- 4432 with Section 59-2-1331; and
- 4433 (b) interest shall be paid to a taxpayer on the amount described in Subsection (5)(d) or
- 4434 (6)(d):
- 4435 (i) beginning on the later of:
- 4436 (A) the day on which the taxpayer paid the tax in accordance with Subsection (3);
- 4437 or
- 4438 (B) January 1 of the calendar year immediately following the calendar year for
- 4439 which the tax was due;
- 4440 (ii) ending on the day on which the state or a taxing entity pays to the taxpayer the
- 4441 amount required by Subsection (5) or (6); and
- 4442 (iii) at the interest rate earned by the state treasurer on public funds transferred to the
- 4443 Public Treasurers' Investment Fund as defined in Section 51-7-3.
- 4444 (8)(a) The state may not pay or refund interest to a taxpayer under Subsection (7) on any
- 4445 tax the taxpayer paid in accordance with Subsection (3) that exceeds the amount of
- 4446 tax levied by the state for that calendar year as stated on the notice required by
- 4447 Section 59-2-1317.
- 4448 (b) A taxing entity may not pay or refund interest to a taxpayer under Subsection (7) on
- 4449 any tax the taxpayer paid in accordance with Subsection (3) that exceeds the amount
- 4450 of tax levied by the taxing entity for that calendar year as stated on the notice
- 4451 required by Section 59-2-1317.
- 4452 (9)(a) Each taxing entity may levy a tax to pay the taxing entity's share of the final and
- 4453 unappealable judgment or order described in Subsection (4) if:
- 4454 (i) the final and unappealable judgment or order is issued no later than 15 days [~~prior~~
- 4455 ~~to~~] before the date the certified tax rate is set under Section 59-2-924;
- 4456 (ii) the following information is included on the notice under Section [~~59-2-919.1~~]
- 4457 59-2-918.5:
- 4458 (A) the amount of the judgment levy; and
- 4459 (B) the term of the judgment levy; and
- 4460 (iii) the final and unappealable judgment or order is an eligible judgment, as defined
- 4461 in Section 59-2-102.
- 4462 (b) The levy under Subsection (9)(a) is in addition to, and exempt from, the maximum

4463 levy established for the taxing entity.

4464 (c) A taxing entity may divide a judgment levy under this Subsection (9) and impose the
4465 judgment levy in more than one subsequent tax year.

4466 (10)(a) A taxpayer that objects to the assessment of property assessed by the
4467 commission shall pay, on or before the property tax due date established under
4468 Subsection 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the
4469 notice required by Section 59-2-1317 if:

4470 (i) the taxpayer has applied to the commission for a hearing in accordance with
4471 Section 59-2-1007 on the objection to the assessment; and

4472 (ii) the commission has not issued a written decision on the objection to the
4473 assessment in accordance with Section 59-2-1007.

4474 (b) A taxpayer that pays the full amount of taxes due under Subsection (10)(a) is not
4475 required to pay penalties or interest on an assessment described in Subsection (10)(a)
4476 unless:

4477 (i) a final and unappealable judgment or order establishing that the property
4478 described in Subsection (10)(a) has a value greater than the value stated on the
4479 notice required by Section 59-2-1317 is issued by:

4480 (A) the commission; or

4481 (B) a court of competent jurisdiction; and

4482 (ii) the taxpayer fails to pay the additional tax liability resulting from the final and
4483 unappealable judgment or order described in Subsection (10)(b)(i) within a 45-day
4484 period after the county bills the taxpayer for the additional tax liability.

4485 (11)(a) Except as provided in Subsection (11)(b), a payment that is required by this
4486 section shall be paid to a taxpayer:

4487 (i) within 120 days after the day on which the final and unappealable judgment or
4488 order is issued in accordance with Subsection (4); or

4489 (ii) if a judgment levy is imposed in accordance with Subsection (9):

4490 (A) if the payment to the taxpayer required by this section is \$15,000 or more, no
4491 later than December 31 of the first year in which the judgment levy is imposed;
4492 and

4493 (B) if the payment to the taxpayer required by this section is less than \$15,000,
4494 within 120 days after the date the final and unappealable judgment or order is
4495 issued in accordance with Subsection (4).

4496 (b) A taxpayer may enter into an agreement:

- 4497 (i) that establishes a time period other than a time period described in Subsection
 4498 (11)(a) for making a payment to the taxpayer that is required by this section; and
 4499 (ii) with:
 4500 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or
 4501 (B) an authorized officer of the state for a tax imposed by the state.

4502 Section 81. Section **59-2-1602** is amended to read:

4503 **59-2-1602 (Effective 01/01/27). Property Tax Valuation Fund -- Statewide levy --**
 4504 **Additional county levy.**

- 4505 (1)(a) There is created a custodial fund known as the "Property Tax Valuation Fund."
 4506 (b) The fund consists of:
 4507 (i) deposits made and penalties received under Subsection (3); and
 4508 (ii) interest on money deposited into the fund.
 4509 (c) Deposits, penalties, and interest described in Subsection (1)(b) shall be disbursed and
 4510 used as provided in Section 59-2-1603.
- 4511 (2)(a) Each county shall ~~[annually]~~impose annually a multicounty assessing and
 4512 collecting levy as provided in this Subsection (2).
 4513 (b) The tax rate of the multicounty assessing and collecting levy is the certified revenue
 4514 levy rounded up to the sixth decimal place.
 4515 (c) The state treasurer shall allocate all revenue collected from the multicounty assessing
 4516 and collecting levy to the Multicounty Appraisal Trust.
- 4517 (3)(a) The county shall separately state the multicounty assessing and collecting levy
 4518 imposed under Subsection (2) ~~[shall be separately stated]~~ on the tax notice as a
 4519 multicounty assessing and collecting levy.
 4520 (b) The multicounty assessing and collecting levy is:
 4521 (i) exempt from Sections 17C-1-403 through 17C-1-406; and
 4522 (ii) in addition to and exempt from the maximum levies allowable under Section
 4523 59-2-908~~[-and]~~ .
 4524 ~~[(iii) exempt from the notice and public hearing requirements of Section 59-2-919.]~~
- 4525 (c)(i) Each county shall transmit quarterly to the state treasurer the revenue collected
 4526 from the multicounty assessing and collecting levy.
 4527 (ii) The ~~[revenue transmitted under Subsection (3)(c)(i) shall be transmitted]~~ county
 4528 shall transmit the revenue described in Subsection (3)(c)(i) no later than the tenth
 4529 day of the month following the end of the quarter in which the county collects the
 4530 revenue~~[is collected]~~.

4531 (iii) If a county transmits revenue described in Subsection (3)(c)(i) after the tenth day
 4532 of the month following the end of the quarter in which the county collects the
 4533 revenue, the county shall pay an interest penalty at the rate of 10% each year until
 4534 the county transmits the revenue.

4535 [~~(iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth~~
 4536 ~~day of the month following the end of the quarter in which the revenue is~~
 4537 ~~collected, the county shall pay an interest penalty at the rate of 10% each year~~
 4538 ~~until the revenue is transmitted.]~~

4539 (d) The state treasurer shall allocate the penalties received under this Subsection (3) in
 4540 the same manner as ~~[revenue is allocated]~~ the state treasurer allocates the revenue
 4541 under Subsection (2)(c).

4542 (4)(a) A county may levy a county additional property tax in accordance with this
 4543 Subsection (4).

4544 (b) The county additional property tax:

4545 (i) shall be separately stated on the tax notice as a county assessing and collecting
 4546 levy;

4547 (ii) may not be incorporated into the rate of any other levy;

4548 (iii) is exempt from Sections 17C-1-403 through 17C-1-406; and

4549 (iv) is in addition to and exempt from the maximum levies allowable under Section
 4550 59-2-908.

4551 (c) ~~[Revenue]~~ A county shall use revenue collected from the county additional property
 4552 tax~~[-shall be used]~~ to:

4553 (i) promote the accurate valuation and uniform assessment levels of property as
 4554 required by Section 59-2-103;

4555 (ii) promote the efficient administration of the property tax system, including the
 4556 costs of assessment, collection, and distribution of property taxes;

4557 (iii) fund state mandated actions to meet legislative mandates or judicial or
 4558 administrative orders that relate to promoting:

4559 (A) the accurate valuation of property; and

4560 (B) the establishment and maintenance of uniform assessment levels within and
 4561 among counties; and

4562 (iv) establish reappraisal programs that:

4563 (A) are adopted by a resolution or ordinance of the county legislative body; and

4564 (B) conform to rules the commission makes in accordance with Title 63G,

4565 Chapter 3, Utah Administrative Rulemaking Act.

4566 Section 82. Section **59-12-703** is amended to read:

4567 **59-12-703 (Effective 01/01/27). Base -- Rate -- Imposition of tax -- Expenditure of**
 4568 **revenue -- Administration -- Enactment or repeal of tax -- Effective date -- Notice**
 4569 **requirements.**

4570 (1)(a) Subject to the other provisions of this section, a county legislative body may [
 4571 submit an opinion question to the residents of that county, by majority vote of all
 4572 members of the legislative body, so that each resident of the county, except residents
 4573 in municipalities that have already imposed a sales and use tax under Part 14, City or
 4574 Town Option Funding for Botanical, Cultural, Recreational, and Zoological
 4575 Organizations or Facilities, has an opportunity to express the resident's opinion on the
 4576 imposition of a] impose a local sales and use tax of .1% on the transactions described
 4577 in Subsection 59-12-103(1) located within the county, to:

- 4578 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
 4579 organizations, cultural organizations, and zoological organizations, and rural radio
 4580 stations, in [~~that~~] the county; or
 4581 (ii) provide funding for a botanical organization, cultural organization, or zoological
 4582 organization to pay for use of a bus or facility rental if that use of the bus or
 4583 facility rental is in furtherance of the botanical organization's, cultural
 4584 organization's, or zoological organization's primary purpose.

4585 [~~(b)~~] The opinion question required by this section shall state:

4586 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and
 4587 use tax for (list the purposes for which the revenue collected from the sales and use tax shall be
 4588 expended)?"

4589 [~~(e)~~] (b) A county legislative body may not impose a tax under this section on:

- 4590 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
 4591 are exempt from taxation under Section 59-12-104;
 4592 (ii) sales and uses within a municipality that has already imposed a sales and use tax
 4593 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational,
 4594 and Zoological Organizations or Facilities; and
 4595 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
 4596 food ingredients.

4597 [~~(d)~~] (c) For purposes of this Subsection (1), the location of a transaction shall be
 4598 determined in accordance with Sections 59-12-211 through 59-12-215.

4599 ~~[(e)]~~ (d) A county legislative body imposing a tax under this section shall impose the tax
 4600 on the purchase price or sales price for amounts paid or charged for food and food
 4601 ingredients if the food and food ingredients are sold as part of a bundled transaction
 4602 attributable to food and food ingredients and tangible personal property other than
 4603 food and food ingredients.

4604 ~~[(f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local
 4605 Government Bonding Act.]~~

4606 (e) Before a county legislative body may impose the tax for the first time, the county
 4607 legislative body shall:

4608 (i) pass an ordinance to impose the tax, contingent upon the voters' approval; and

4609 (ii) submit the legislation to the voters of the county, except voters in municipalities
 4610 that have imposed a sales and use tax under Part 14, City or Town Option Funding
 4611 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities,
 4612 in accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting
 4613 Requirements.

4614 ~~[(2)(a) If the county legislative body determines that a majority of the county's
 4615 registered voters voting on the imposition of the tax have voted in favor of the
 4616 imposition of the tax in accordance with Subsection (1), the county legislative body
 4617 may impose the tax by a majority vote of all members of the legislative body on the
 4618 transactions:]~~

4619 ~~[(i) described in Subsection (1); and]~~

4620 ~~[(ii) within the county, including the cities and towns located in the county, except
 4621 those cities and towns that have already imposed a sales and use tax under Part 14,
 4622 City or Town Option Funding for Botanical, Cultural, Recreational, and
 4623 Zoological Organizations or Facilities.]~~

4624 ~~[(b) A county legislative body may revise county ordinances to reflect statutory changes
 4625 to the distribution formula or eligible recipients of revenue generated from a tax
 4626 imposed under Subsection (2)(a) without submitting an opinion question to residents
 4627 of the county.]~~

4628 (2) A county legislative body may revise county ordinances to reflect statutory changes to
 4629 the distribution formula or eligible recipients of revenue generated from a tax imposed
 4630 under this section without submitting the legislation to the voters of the county.

4631 (3)(a) Except as provided in Subsection (3)(b), a tax authorized under this part shall be
 4632 administered, collected, enforced, and interpreted in accordance with:

- 4633 (i) the same procedures used to administer, collect, enforce, and interpret the tax
 4634 under:
 4635 (A) Part 1, Tax Collection; or
 4636 (B) Part 2, Local Sales and Use Tax Act; and
 4637 (ii) Chapter 1, General Taxation Policies.
- 4638 (b) A tax under this part is not subject to Subsections 59-12-205(2) and (4) through (6).
- 4639 (c) A tax authorized under this section is levied for a period of 10 years and may be
 4640 reauthorized at the end of the 10-year period in accordance with Subsection (4).
- 4641 (4) Except as provided in Subsection (5), a county legislative body shall reauthorize a tax
 4642 under this part by:
- 4643 (a) passing an ordinance continuing the tax; and
 4644 (b) submitting the legislation to the voters of the county, except voters in municipalities
 4645 that have imposed a sales and use tax under Part 14, City or Town Option Funding
 4646 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, in
 4647 accordance with Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.
- 4648 [(3)] (5)(a) After the residents of a county of the third, fourth, fifth, or sixth class
 4649 authorize a tax under this part in accordance with [~~Subsection (1)~~] Subsections (1) and
 4650 (4) for two consecutive 10-year periods, the tax may be reauthorized only by a
 4651 majority vote of the members of the county legislative body.
- 4652 (b) For purposes of reauthorizing the tax in accordance with Subsection [(3)(a)] (5)(a),
 4653 the county legislative body shall post the purposes for [~~imposing~~] continuing the tax
 4654 at least 24 hours before the meeting at which the county legislative body votes to
 4655 reauthorize the tax.
- 4656 [(4)] (6) Subject to Section 59-12-704, a county shall expend revenue [~~collected from a tax~~
 4657 ~~imposed under Subsection (2) or (3)] the county collects from a tax imposed in
 4658 accordance with this part:~~
- 4659 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
 4660 within the county or a city or town located in the county, except a city or town that
 4661 has already imposed a sales and use tax under Part 14, City or Town Option Funding
 4662 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities;
- 4663 (b) to fund ongoing operating expenses of:
- 4664 (i) recreational facilities described in Subsection [(4)(a)] (6)(a);
 4665 (ii) botanical organizations, cultural organizations, and zoological organizations
 4666 within the county; and

- 4667 (iii) rural radio stations within the county; and
- 4668 (c)(i) as stated in the ~~[opinion question described in Subsection (1) if the county~~
- 4669 ~~authorizes the tax in accordance with Subsections (1) and (2)]~~ ballot title for
- 4670 legislation the county submits to voters in accordance with Subsection (1) or (4);
- 4671 or
- 4672 (ii) for the purposes posted by the members of the county legislative body if the
- 4673 county legislative body reauthorizes the tax in accordance with Subsection ~~[(3)]~~ (5).
- 4674 ~~[(5)(a) A tax authorized under this part shall be:]~~
- 4675 ~~[(i) except as provided in Subsection (5)(b), administered, collected, enforced, and~~
- 4676 ~~interpreted in accordance with:]~~
- 4677 ~~[(A) the same procedures used to administer, collect, enforce, and interpret the tax~~
- 4678 ~~under:]~~
- 4679 ~~[(I) Part 1, Tax Collection; or]~~
- 4680 ~~[(H) Part 2, Local Sales and Use Tax Act; and]~~
- 4681 ~~[(B) Chapter 1, General Taxation Policies; and]~~
- 4682 ~~[(ii) levied for a period of 10 years and may be reauthorized at the end of the 10-year~~
- 4683 ~~period in accordance with this section.]~~
- 4684 ~~[(b) A tax under this part is not subject to Subsections 59-12-205(2) and (4) through (6).]~~
- 4685 ~~[(6)]~~ (7)(a) For purposes of this Subsection ~~[(6)]~~ (7):
- 4686 (i) "Annexation" means an annexation to a county under Title 17, Chapter 61, Part 2,
- 4687 Consolidation of Counties, or Part 3, County Annexation.
- 4688 (ii) "Annexing area" means an area that is annexed into a county.
- 4689 (b)(i) Except as provided in Subsection ~~[(6)(e) or (d)]~~ (7)(c) or (7)(d), if a county
- 4690 enacts or repeals a tax under this part, the enactment or repeal shall take effect:
- 4691 (A) on the first day of a calendar quarter; and
- 4692 (B) after a 90-day period beginning on the date the commission receives notice
- 4693 meeting the requirements of Subsection ~~[(6)(b)(ii)]~~ (7)(b)(ii) from the county.
- 4694 (ii) The notice described in Subsection ~~[(6)(b)(i)(B)]~~ (7)(b)(i)(B) shall state:
- 4695 (A) that the county will enact or repeal a tax under this part;
- 4696 (B) the statutory authority for the tax described in Subsection ~~[(6)(b)(ii)(A)]~~
- 4697 (7)(b)(ii)(A);
- 4698 (C) the effective date of the tax described in Subsection ~~[(6)(b)(ii)(A)]~~ (7)(b)(ii)(A);
- 4699 and
- 4700 (D) if the county enacts the tax described in Subsection ~~[(6)(b)(ii)(A)]~~ (7)(b)(ii)(A),

4701 the rate of the tax.

4702 (c)(i) If the billing period for a transaction begins before the effective date of the
4703 enactment of the tax under this section, the enactment of the tax takes effect on the
4704 first day of the first billing period that begins on or after the effective date of the
4705 enactment of the tax.

4706 (ii) The repeal of a tax applies to a billing period if the billing statement for the
4707 billing period is produced on or after the effective date of the repeal of the tax
4708 imposed under this section.

4709 (d)[(†)] If a tax due under this chapter on a catalogue sale is computed on the basis of
4710 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
4711 described in Subsection [(6)(b)(†)] (7)(b)(i) takes effect:

4712 [(A)] (i) on the first day of a calendar quarter; and

4713 [(B)] (ii) beginning 60 days after the effective date of the enactment or repeal[~~under~~
4714 Subsection (6)(b)(i)].

4715 [(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
4716 the commission may by rule define the term "catalogue sale."]

4717 (e)(i) Except as provided in Subsection [(6)(f) or (g)] (7)(f) or (7)(g), if an annexation
4718 will result in the enactment or repeal of a tax under this part for an annexing area,
4719 the enactment or repeal shall take effect:

4720 (A) on the first day of a calendar quarter; and

4721 (B) after a 90-day period beginning on the date the commission receives notice
4722 meeting the requirements of Subsection [(6)(e)(†)] (7)(e)(ii) from the county
4723 that annexes the annexing area.

4724 (ii) The notice described in Subsection [(6)(e)(†)(B)] (7)(e)(i)(B) shall state:

4725 (A) that the annexation described in Subsection [(6)(e)(†)] (7)(e)(i) will result in an
4726 enactment or repeal of a tax under this part for the annexing area;

4727 (B) the statutory authority for the tax described in Subsection [(6)(e)(ii)(A)] (7)(e)(ii)(A);
4728

4729 (C) the effective date of the tax described in Subsection [(6)(e)(ii)(A)] (7)(e)(ii)(A);
4730 and

4731 (D) the rate of the tax described in Subsection [(6)(e)(ii)(A)] (7)(e)(ii)(A).

4732 (f)(i) If the billing period for a transaction begins before the effective date of the
4733 enactment of the tax under this section, the enactment of the tax takes effect on the
4734 first day of the first billing period that begins on or after the effective date of the

4735 enactment of the tax.

4736 (ii) The repeal of a tax applies to a billing period if the billing statement for the
4737 billing period is produced on or after the effective date of the repeal of the tax
4738 imposed under this section.

4739 (g)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
4740 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
4741 described in Subsection ~~[(6)(e)(i)]~~ (7)(e)(i) takes effect:

4742 (A) on the first day of a calendar quarter; and

4743 (B) beginning 60 days after the effective date of the enactment or repeal~~[-under~~
4744 ~~Subsection (6)(e)(i)]~~.

4745 ~~[(ii)]~~ (h) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
4746 the commission may by rule define the term "catalogue sale~~[-]~~" for purposes of this
4747 Subsection (7).

4748 Section 83. Section **59-12-704** is amended to read:

4749 **59-12-704 (Effective 01/01/27). Distribution of revenue -- Advisory board**
4750 **creation -- Determining operating expenses -- Administrative charge.**

4751 (1) Except as provided in Subsections (7)(b) and (9), and subject to the requirements of this
4752 section, the county legislative body of a county of the first class shall distribute annually
4753 any revenue collected under this part to support cultural facilities, recreational facilities,
4754 and zoological facilities and botanical organizations, cultural organizations, and
4755 zoological organizations within that first class county as follows:

4756 (a) 30% of the revenue to support cultural facilities and recreational facilities located
4757 within the county;

4758 (b) 16% of the revenue to support zoological facilities and zoological organizations
4759 located within the county as provided in Subsection (2);

4760 (c) as provided in Subsection (5), 45% of the revenue to support no more than 22
4761 botanical organizations and cultural organizations:

4762 (i) each of which has average annual operating expenses of more than \$250,000 as
4763 determined under Subsection (7); and

4764 (ii) whose activities impact all or a significant region of the county or state; and

4765 (d) 9% of the revenue to botanical organizations and cultural organizations that do not
4766 receive revenue under Subsection (1)(c) in communities throughout the county as
4767 determined by the county legislative body.

4768 (2)(a) The distribution described in Subsection (1)(b) shall support no more than three

- 4769 zoological facilities and zoological organizations located within the county and
4770 having average annual operating expenses of \$1,500,000 or more as determined
4771 under Subsection (7).
- 4772 (b) For the calendar years that begin on or after January 1, 2025, and on or before
4773 January 1, 2029, the county shall distribute the 16% of the revenue as follows:
- 4774 (i) 8.25% of the revenue to support a zoological organization having as the zoological
4775 organization's primary purpose the operation of an aviary, or a zoological facility
4776 that is part of or integrated with an aviary;
- 4777 (ii) an amount equal to the amount distributed during the previous calendar year to
4778 support a zoological organization having as the zoological organization's primary
4779 purpose the operation of a zoological park, or a zoological facility that is part of or
4780 integrated with a zoological park; and
- 4781 (iii) the remaining amount to a zoological organization having as the zoological
4782 organization's primary purpose the operation of an aquarium, or a zoological
4783 facility that is part of or integrated with an aquarium.
- 4784 (c) For a calendar year that begins on or after January 1, 2030, the county shall provide
4785 by ordinance for the distribution of the 16% of revenue to no more than three
4786 zoological facilities and zoological organizations located within the county and
4787 having average annual operating expenses of \$1,500,000 or more as determined
4788 under Subsection (7).
- 4789 (3) If more than one zoological organization or zoological facility qualifies to receive the
4790 money described in Subsection (2), the county legislative body shall distribute the
4791 money described in the subsection for which more than one zoological organization or
4792 zoological facility qualifies to whichever zoological organization or zoological facility
4793 the county legislative body determines is most appropriate, except that a zoological
4794 organization or zoological facility may not receive money under more than one
4795 subsection under Subsection (2).
- 4796 (4) If no zoological organization or zoological facility qualifies to receive money described
4797 in Subsection (2), the county legislative body shall distribute the money described in the
4798 subsection for which no zoological organization or zoological facility qualifies among
4799 the zoological organizations or zoological facilities qualifying for and receiving money
4800 under the other subsections in proportion to the zoological organizations' or zoological
4801 facilities' average annual operating expenses as determined under Subsection (7).
- 4802 (5)(a) Subject to Subsection (5)(b), the county legislative body shall distribute the

- 4803 money described in Subsection (1)(c) among the botanical organizations and cultural
4804 organizations in proportion to the botanical organizations' and cultural organizations'
4805 average annual operating expenses as determined under Subsection (7).
- 4806 (b) The county may not distribute to any botanical organization or cultural organization
4807 described in Subsection (1)(c) an amount that exceeds 35% of the botanical
4808 organization's or cultural organization's operating budget.
- 4809 (6)(a) The county legislative body of each county shall create an advisory board to
4810 advise the county legislative body on disbursement of funds to botanical
4811 organizations and cultural organizations under Subsection (1)(c).
- 4812 (b)(i) The advisory board under Subsection (6)(a) shall consist of seven members
4813 appointed by the county legislative body.
- 4814 (ii) In a county of the first class, the Division of Arts and Museums created in Section
4815 9-6-201 shall appoint two of the seven members of the advisory board under
4816 Subsection (6)(a).
- 4817 (7)(a) Except as provided in Subsection (7)(b), to be eligible to receive money collected
4818 by the county under this part, a botanical organization, cultural organization,
4819 zoological organization, and zoological facility located within a county of the first
4820 class shall, every year:
- 4821 (i) calculate its average annual operating expenses based upon audited operating
4822 expenses for three preceding fiscal years; and
- 4823 (ii) submit to the appropriate county legislative body:
- 4824 (A) a verified audit of annual operating expenses for each of those three preceding
4825 fiscal years; and
- 4826 (B) the average annual operating expenses as calculated under Subsection (7)(a)(i).
- 4827 (b) The county legislative body may waive the operating expenses reporting
4828 requirements under Subsection (7)(a) for organizations described in Subsection (1)(d).
- 4829 (8) When calculating average annual operating expenses as described in Subsection (7),
4830 each botanical organization, cultural organization, and zoological organization shall use
4831 the same three-year fiscal period as determined by the county legislative body.
- 4832 (9)(a) By July 1 of each year, the county legislative body of a first class county may
4833 index the threshold amount in Subsections (1)(c) and (2)(a).
- 4834 (b) Any change under Subsection (9)(a) shall be rounded off to the nearest \$100.
- 4835 (10)(a) In a county except for a county of the first class, the county legislative body shall
4836 by ordinance provide for the distribution of the entire amount of the revenue

- 4837 generated by the tax imposed by this section:
- 4838 (i) as provided in this Subsection (10); and
- 4839 (ii) as stated in:
- 4840 (A) the ~~[opinion question described in]~~ ballot title for legislation the county
- 4841 submits to voters in accordance with Subsection 59-12-703(1) if the county
- 4842 authorizes the tax in accordance with ~~[Subsections 59-12-703(1) and (2)]~~
- 4843 Subsection 59-12-703(1); or
- 4844 (B) the purposes posted as required in Subsection 59-12-703(3) if the county
- 4845 legislative body reauthorizes the tax in accordance with Subsection
- 4846 59-12-703(3).
- 4847 (b) In accordance with an interlocal agreement established in accordance with Title 11,
- 4848 Chapter 13, Interlocal Cooperation Act, a county described in Subsection (10)(a) may
- 4849 distribute to a city, town, or political subdivision within the county revenue generated
- 4850 by a tax under this part.
- 4851 (c) The revenue distributed under Subsection (10)(a) or (b) shall be used for one or more
- 4852 organizations or facilities defined in Section 59-12-702 regardless of whether the
- 4853 revenue is distributed:
- 4854 (i) directly by the county described in Subsection (10)(a) to be used for an
- 4855 organization or facility defined in Section 59-12-702; or
- 4856 (ii) in accordance with an interlocal agreement described in Subsection (10)(b).
- 4857 (11) A county legislative body may retain up to 1.5% of the proceeds from a tax under this
- 4858 part for the cost of administering this part.
- 4859 (12) The commission shall retain and deposit an administrative charge in accordance with
- 4860 Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 4861 Section 84. Section **59-12-1402** is amended to read:
- 4862 **59-12-1402 (Effective 01/01/27). Opinion question election -- Base -- Rate --**
- 4863 **Imposition of tax -- Expenditure of revenue -- Enactment or repeal of tax -- Effective**
- 4864 **date -- Notice requirements.**
- 4865 (1)(a) Subject to the other provisions of this section, a city or town legislative body
- 4866 subject to this part may ~~[submit an opinion question to the residents of that city or~~
- 4867 ~~town, by majority vote of all members of the legislative body, so that each resident of~~
- 4868 ~~the city or town has an opportunity to express the resident's opinion on the imposition~~
- 4869 ~~of a local sales and use tax of .1% on the transactions described in Subsection~~
- 4870 ~~59-12-103(1) located within the city or town,]~~ impose a local sales and use tax of .1%

4871 on the transactions described in Subsection 59-12-103(1) located within the city or
 4872 town to:

- 4873 (i) fund cultural facilities, recreational facilities, and zoological facilities and
 4874 botanical organizations, cultural organizations, and zoological organizations in [
 4875 ~~that~~] the city or town; or
- 4876 (ii) provide funding for a botanical organization, cultural organization, or zoological
 4877 organization to pay for use of a bus or facility rental if that use of the bus or
 4878 facility rental is in furtherance of the botanical organization's, cultural
 4879 organization's, or zoological organization's primary purpose.

4880 ~~[(b) The opinion question required by this section shall state:~~

4881 ~~"Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales~~
 4882 ~~and use tax for (list the purposes for which the revenue collected from the sales and use tax~~
 4883 ~~shall be expended)?"~~

4884 ~~[(e)]~~ (b) A city or town legislative body may not impose a tax under this section:

- 4885 (i) if the county in which the city or town is located imposes a tax under Part 7,
 4886 County Option Funding for Botanical, Cultural, Recreational, and Zoological
 4887 Organizations or Facilities;
- 4888 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
 4889 uses are exempt from taxation under Section 59-12-104; and
- 4890 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
 4891 food ingredients.

4892 ~~[(d)]~~ (c) For purposes of this Subsection (1), the location of a transaction shall be
 4893 determined in accordance with Sections 59-12-211 through 59-12-215.

4894 ~~[(e)]~~ (d) A city or town legislative body imposing a tax under this section shall impose
 4895 the tax on the purchase price or sales price for amounts paid or charged for food and
 4896 food ingredients if the food and food ingredients are sold as part of a bundled
 4897 transaction attributable to food and food ingredients and tangible personal property
 4898 other than food and food ingredients.

4899 (e) Before a city or town legislative body may impose the tax for the first time, the city
 4900 or town legislative body shall:

- 4901 (i) comply with Subsection (6);
- 4902 (ii) pass an ordinance to impose the tax, contingent upon the voters' approval; and
- 4903 (iii) submit the legislation to the voters of the city or town in accordance with Title
 4904 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.

4905 ~~[(f) Except as provided in Subsection (6), the election shall be held at a regular general~~
 4906 ~~election or a municipal general election, as those terms are defined in Section~~
 4907 ~~20A-1-102, and shall follow the procedures outlined in Title 11, Chapter 14, Local~~
 4908 ~~Government Bonding Act.]~~

4909 ~~[(2) If the city or town legislative body determines that a majority of the city's or town's~~
 4910 ~~registered voters voting on the imposition of the tax have voted in favor of the~~
 4911 ~~imposition of the tax as prescribed in Subsection (1), the city or town legislative body~~
 4912 ~~may impose the tax by a majority vote of all members of the legislative body.]~~

4913 ~~(2)(a) Except as provided in Subsection (2)(b), a tax authorized under this part shall be~~
 4914 ~~administered, collected, enforced, and interpreted in accordance with:~~

4915 ~~(i) the same procedures used to administer, collect, enforce, and interpret the tax~~
 4916 ~~under:~~

4917 ~~(A) Part 1, Tax Collection; or~~

4918 ~~(B) Part 2, Local Sales and Use Tax Act; and~~

4919 ~~(ii) Chapter 1, General Taxation Policies.~~

4920 ~~(b) A tax under this section is not subject to Subsections 59-12-205(2) and (4) through~~
 4921 ~~(6).~~

4922 ~~(c) A tax authorized under this section is levied for a period of 10 years and may be~~
 4923 ~~reauthorized at the end of the 10-year period in accordance with Subsection (3).~~

4924 ~~(3) A city or town legislative body shall reauthorize a tax under this part by:~~

4925 ~~(a) passing an ordinance continuing the tax; and~~

4926 ~~(b) submitting the legislation to the voters of the city or town in accordance with Title~~
 4927 ~~20A, Chapter 7, Part 9, Tax Increase Voting Requirements.~~

4928 ~~[(3)] (4) Subject to Section 59-12-1403, a city or town shall expend revenue collected from~~
 4929 ~~a tax [imposed under Subsection (2) shall be expended] the city or town collects from a~~
 4930 ~~tax imposed in accordance with this part:~~

4931 ~~(a) to finance cultural facilities, recreational facilities, and zoological facilities within the~~
 4932 ~~city or town or within the geographic area of entities that are parties to an interlocal~~
 4933 ~~agreement, to which the city or town is a party, providing for cultural facilities,~~
 4934 ~~recreational facilities, or zoological facilities;~~

4935 ~~(b) to finance ongoing operating expenses of:~~

4936 ~~(i) recreational facilities described in Subsection [(3)(a)] (4)(a) within the city or town~~
 4937 ~~or within the geographic area of entities that are parties to an interlocal agreement,~~
 4938 ~~to which the city or town is a party, providing for recreational facilities; or~~

4939 (ii) botanical organizations, cultural organizations, and zoological organizations
 4940 within the city or town or within the geographic area of entities that are parties to
 4941 an interlocal agreement, to which the city or town is a party, providing for the
 4942 support of botanical organizations, cultural organizations, or zoological
 4943 organizations; and

4944 (c) as stated in the opinion question described in Subsection (1).

4945 ~~[(4)(a) Except as provided in Subsections (4)(b) and (c), a tax authorized under this part~~
 4946 ~~shall be:]~~

4947 ~~[(i) administered, collected, enforced, and interpreted in accordance with:]~~

4948 ~~[(A) the same procedures used to administer, collect, enforce, and interpret the tax~~
 4949 ~~under:]~~

4950 ~~[(I) Part 1, Tax Collection; or]~~

4951 ~~[(II) Part 2, Local Sales and Use Tax Act; and]~~

4952 ~~[(B) Chapter 1, General Taxation Policies; and]~~

4953 ~~[(ii)(A) levied for a period of eight years; and]~~

4954 ~~[(B) may be reauthorized at the end of the eight-year period in accordance with~~
 4955 ~~this section.]~~

4956 ~~[(b)(i) If a tax under this part is imposed for the first time on or after July 1, 2011,~~
 4957 ~~the tax shall be levied for a period of 10 years.]~~

4958 ~~[(ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or~~
 4959 ~~after July 1, 2011, the tax shall be reauthorized for a 10-year period.]~~

4960 ~~[(e) A tax under this section is not subject to Subsections 59-12-205(2) and (4) through~~
 4961 ~~(6).]~~

4962 (5)(a) For purposes of this Subsection (5):

4963 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2,
 4964 Part 8, Annexation.

4965 (ii) "Annexing area" means an area that is annexed into a city or town.

4966 (b)(i) Except as provided in Subsection (5)(c) or (d), if, ~~[on or after July 1, 2004,]~~ a
 4967 city or town enacts or repeals a tax under this part, the enactment or repeal shall
 4968 take effect:

4969 (A) on the first day of a calendar quarter; and

4970 (B) after a 90-day period beginning on the date the commission receives notice
 4971 meeting the requirements of Subsection (5)(b)(ii) from the city or town.

4972 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

- 4973 (A) that the city or town will enact or repeal a tax under this part;
 4974 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
 4975 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
 4976 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate
 4977 of the tax.

4978 (c)(i) If the billing period for a transaction begins before the effective date of the
 4979 enactment of the tax under this section, the enactment of the tax takes effect on the
 4980 first day of the first billing period that begins on or after the effective date of the
 4981 enactment of the tax.

4982 (ii) The repeal of a tax applies to a billing period if the billing statement for the
 4983 billing period is produced on or after the effective date of the repeal of the tax
 4984 imposed under this section.

4985 (d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
 4986 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
 4987 described in Subsection (5)(b)(i) takes effect:

4988 (A) on the first day of a calendar quarter; and

4989 (B) beginning 60 days after the effective date of the enactment or repeal[~~under~~
 4990 ~~Subsection (5)(b)(i).~~]

4991 [~~(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,~~
 4992 ~~the commission may by rule define the term "catalogue sale."~~]

4993 (e)(i) Except as provided in Subsection (5)(f) or (g), if[, ~~for an annexation that occurs~~
 4994 ~~on or after July 1, 2004,~~] the annexation will result in the enactment or repeal of a
 4995 tax under this part for an annexing area, the enactment or repeal shall take effect:

4996 (A) on the first day of a calendar quarter; and

4997 (B) after a 90-day period beginning on the date the commission receives notice
 4998 meeting the requirements of Subsection (5)(e)(ii) from the city or town that
 4999 annexes the annexing area.

5000 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

5001 (A) that the annexation described in Subsection (5)(e)(i) will result in an
 5002 enactment or repeal a tax under this part for the annexing area;

5003 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

5004 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

5005 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

5006 (f)(i) If the billing period for a transaction begins before the effective date of the

5007 enactment of the tax under this section, the enactment of the tax takes effect on the
 5008 first day of the first billing period that begins on or after the effective date of the
 5009 enactment of the tax.

5010 (ii) The repeal of a tax applies to a billing period if the billing statement for the
 5011 billing period is produced on or after the effective date of the repeal of the tax
 5012 imposed under this section.

5013 (g)~~(f)~~ If a tax due under this chapter on a catalogue sale is computed on the basis of
 5014 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
 5015 described in Subsection (5)(e)(i) takes effect:

5016 ~~(A)~~ (i) on the first day of a calendar quarter; and

5017 ~~(B)~~ (ii) beginning 60 days after the effective date of the enactment or repeal ~~under~~
 5018 ~~Subsection (5)(e)(i)~~.

5019 ~~(h)~~ (h) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
 5020 the commission may by rule define the term "catalogue sale~~[-]~~" for purposes of this
 5021 Subsection (5).

5022 (6)(a) Before a city or town legislative body ~~[submits an opinion question to the~~
 5023 ~~residents of the city or town under Subsection (1)]~~ passes an ordinance to impose the
 5024 tax, the city or town legislative body shall:

5025 (i) submit to the county legislative body in which the city or town is located a written
 5026 notice of the intent to submit the ~~[opinion question]~~ legislation to the residents of
 5027 the city or town; and

5028 (ii) receive from the county legislative body:

5029 (A) a written resolution passed by the county legislative body stating that the
 5030 county legislative body is not seeking to impose a tax under Part 7, County
 5031 Option Funding for Botanical, Cultural, Recreational, and Zoological
 5032 Organizations or Facilities; or

5033 (B) a written statement that, in accordance with Subsection (6)(b), the results of ~~[a~~
 5034 ~~county opinion question]~~ the county legislation submitted to the residents of the
 5035 county under Part 7, County Option Funding for Botanical, Cultural,
 5036 Recreational, and Zoological Organizations or Facilities, permit the city or
 5037 town legislative body to submit the ~~[opinion question]~~ legislation to the
 5038 residents of the city or town ~~in accordance with this part~~.

5039 (b)(i) Within 60 days after the day the county legislative body receives from a city or
 5040 town legislative body described in Subsection (6)(a) the notice of the intent to

- 5041 submit ~~[an opinion question]~~ the legislation to the residents of the city or town, the
 5042 county legislative body shall provide the city or town legislative body:
- 5043 (A) the written resolution described in Subsection (6)(a)(ii)(A); or
 5044 (B) written notice that the county legislative body will submit ~~[an opinion question]~~
 5045 legislation to the residents of the county under Part 7, County Option Funding
 5046 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities,
 5047 for the county to impose a tax under that part.
- 5048 (ii) If the county legislative body provides the city or town legislative body the
 5049 written notice that the county legislative body will submit ~~[an opinion question]~~
 5050 legislation as provided in Subsection (6)(b)(i)(B), the county legislative body shall
 5051 submit the ~~[opinion question]~~ legislation by no later than, from the date the county
 5052 legislative body sends the written notice, the later of:
- 5053 (A) a 12-month period;
 5054 (B) the next regular primary election; or
 5055 (C) the next regular general election.
- 5056 (iii) Within 30 days of the date of the canvass of the election at which the ~~[opinion~~
 5057 ~~question under]~~ legislation described in Subsection (6)(b)(ii) is voted on, the
 5058 county legislative body shall provide the city or town legislative body described in
 5059 Subsection (6)(a) written results of the ~~[opinion question]~~ legislation submitted by
 5060 the county legislative body under Part 7, County Option Funding for Botanical,
 5061 Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:
- 5062 (A)(I) the city or town legislative body may not impose a tax under this part
 5063 because a majority of the county's registered voters voted in favor of the
 5064 county imposing the tax and the county legislative body by a majority vote
 5065 approved the imposition of the tax; or
 5066 (II) for at least 12 months from the date the written results are submitted to the
 5067 city or town legislative body, the city or town legislative body may not
 5068 submit to the county legislative body a written notice of the intent to submit [
 5069 ~~an opinion question]~~ legislation under this part because a majority of the
 5070 county's registered voters voted against the county imposing the tax and the
 5071 majority of the registered voters who are residents of the city or town
 5072 described in Subsection (6)(a) voted against the imposition of the county
 5073 tax; or
 5074 (B) the city or town legislative body may submit the ~~[opinion question]~~ legislation

5075 to the residents of the city or town in accordance with this part because
 5076 although a majority of the county's registered voters voted against the county
 5077 imposing the tax, the majority of the registered voters who are residents of the
 5078 city or town voted for the imposition of the county tax.

- 5079 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
 5080 provide a city or town legislative body described in Subsection (6)(a) a written
 5081 resolution passed by the county legislative body stating that the county legislative
 5082 body is not seeking to impose a tax under Part 7, County Option Funding for
 5083 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, which
 5084 permits the city or town legislative body to submit [~~under Subsection (1) an opinion~~
 5085 ~~question~~] legislation to the city's or town's residents.

5086 Section 85. Section **59-12-1403** is amended to read:

5087 **59-12-1403 (Effective 01/01/27). Distribution of revenues -- Administrative costs.**

- 5088 (1)(a) The city or town legislative body shall by ordinance provide for the distribution of
 5089 the entire amount of the [~~revenues~~] revenue collected from the tax imposed by this
 5090 part:
 5091 (i) in accordance with this section; and
 5092 (ii) as stated in the [~~opinion question described in Subsection 59-12-1402(1)~~] ballot
 5093 title for legislation submitted to voters in accordance with Section 59-12-1402.
 5094 (b) A city or town may participate in an interlocal agreement provided for under Section
 5095 59-12-704 and distribute the [~~revenues~~] revenue collected from the tax imposed by
 5096 this part to participants in the interlocal agreement.
 5097 (c) Subject to Subsection (1)(a), [~~revenues~~] revenue collected from the tax shall be used
 5098 for one or more organizations or facilities defined in Section 59-12-702.

- 5099 (2) The commission shall retain and deposit an administrative charge in accordance with
 5100 Section 59-1-306 from the [~~revenues~~] revenue the commission collects from a tax under
 5101 this part.

5102 Section 86. Section **59-12-2208** is amended to read:

5103 **59-12-2208 (Effective 01/01/27). Legislative body approval requirements --**
 5104 **Notice -- Voter approval requirements.**

- 5105 (1) Subject to the other provisions of this section, before imposing a sales and use tax under
 5106 this part, a county, city, or town legislative body shall:
 5107 [~~(a) obtain approval to impose the sales and use tax from a majority of the members of~~
 5108 ~~the county, city, or town legislative body; and]~~

5109 (a) pass an ordinance to impose the tax, contingent upon the voters' approval; and
 5110 (b) submit the legislation to the voters of the county, city, or town in accordance with
 5111 Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.

5112 [(b) submit an opinion question to the county's, city's, or town's registered voters voting
 5113 on the imposition of the sales and use tax so that each registered voter has the
 5114 opportunity to express the registered voter's opinion on whether a sales and use tax
 5115 should be imposed under this section.]

5116 [(2) The opinion question required by this section shall state:

5117 "Shall (insert the name of the county, city, or town), Utah, be authorized to impose a
 5118 (insert the tax rate of the sales and use tax) sales and use tax for (list the purposes for which the
 5119 revenues collected from the sales and use tax shall be expended)?"]

5120 [(3)] (2) [(a) Subject to Subsection (3)(b), the election required by this section shall be
 5121 held:]

5122 [(i) at a regular general election conducted in accordance with the procedures and
 5123 requirements of Title 20A, Election Code, governing regular general elections; or]

5124 [(ii) at a municipal general election conducted in accordance with the procedures and
 5125 requirements of Section 20A-1-202.]

5126 [(b)] (a) [(i)] Subject to Subsection [(3)(b)(ii)] (2)(b), the county clerk of the county in
 5127 which [the opinion question required by this section will be submitted to] a county,
 5128 city, or town legislative body will submit legislation to registered voters shall:

5129 [(A)] (i) provide notice for the county, city, or town, as a class A notice under Section
 5130 63G-30-102, for at least 15 days before the date of the election; and

5131 [(B)] (ii) prepare an affidavit of that posting, showing a copy of the notice and the
 5132 places where [the notice was] the county clerk posted the notice.

5133 [(ii)] (b) The notice under Subsection [(3)(b)(i)] (2)(a)(i) shall:

5134 [(A)] (i) state that [an opinion question will be submitted] the county, city, or town
 5135 legislative body submitted legislation to the county's, city's, or town's registered
 5136 voters [voting] to vote on the imposition of a sales and use tax under this section[
 5137 so that each registered voter has the opportunity to express the registered voter's
 5138 opinion on whether a sales and use tax should be imposed under this section]; and

5139 [(B)] (ii) list the purposes for which [the revenues collected from the sales and use tax
 5140 shall be expended] the county, city, or town legislative body will expend the
 5141 revenue collected.

5142 [(4) A county, city, or town that submits an opinion question to registered voters under this

5143 section is subject to Section 20A-11-1203.]

5144 [(5)] (3) Subject to Section 59-12-2209, if a county, city, or town legislative body
 5145 determines that a majority of the county's, city's, or town's registered voters voting on
 5146 the imposition of a sales and use tax under this part have voted in favor of the imposition
 5147 of the sales and use tax in accordance with this section, the county, city, or town
 5148 legislative body shall impose the sales and use tax.

5149 [(6)] (4) If, after imposing a sales and use tax under this part, a county, city, or town
 5150 legislative body seeks to [~~impose~~] increase a tax rate for the sales and use tax[~~that~~
 5151 ~~exceeds or is less than the tax rate stated in the opinion question described in Subsection~~
 5152 ~~(2) or repeals the tax rate stated in the opinion question described in Subsection (2)] the
 5153 voters approved in accordance with this section, the county, city, or town legislative
 5154 body shall:~~

5155 [(a) ~~obtain approval from a majority of the members of the county, city, or town~~
 5156 ~~legislative body to impose a tax rate for the sales and use tax that exceeds or is less~~
 5157 ~~than the tax rate stated in the opinion question described in Subsection (2) or repeals~~
 5158 ~~the tax rate stated in the opinion question described in Subsection (2); and]~~

5159 [(b) ~~in accordance with the procedures and requirements of this section, submit an~~
 5160 ~~opinion question to the county's, city's, or town's registered voters voting on the tax~~
 5161 ~~rate so that each registered voter has the opportunity to express the registered voter's~~
 5162 ~~opinion on whether to impose a tax rate for the sales and use tax that exceeds or is~~
 5163 ~~less than the tax rate stated in the opinion question described in Subsection (2) or~~
 5164 ~~repeal the tax rate stated in the opinion question described in Subsection (2).]~~

5165 (a) pass an ordinance to increase the tax, contingent upon the voters' approval; and

5166 (b) submit the legislation to the voters of the county, city, or town in accordance with
 5167 Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements.

5168 Section 87. Section **59-12-2213** is amended to read:

5169 **59-12-2213 (Effective 01/01/27). County, city, or town option sales and use tax to**
 5170 **fund a system for public transit -- Base -- Rate.**

5171 [(4)] Subject to the requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting
 5172 Requirements, and the other provisions of this part, a county, city, or town may impose a
 5173 sales and use tax under this section of up to:

5174 [(a)] (1) for a county, city, or town other than a county, city, or town described in
 5175 Subsection [(4)(b)] (2), .25% on the transactions described in Subsection 59-12-103(1)
 5176 located within the county, city, or town to fund a system for public transit; or

5177 ~~[(b)]~~ (2) for a county, city, or town within which a tax is not imposed under Section
 5178 59-12-2216, .30% on the transactions described in Subsection 59-12-103(1) located
 5179 within the county, city, or town, to fund a system for public transit.

5180 ~~[(2) Notwithstanding Section 59-12-2208, a county, city, or town legislative body is not~~
 5181 ~~required to submit an opinion question to the county's, city's, or town's registered voters~~
 5182 ~~in accordance with Section 59-12-2208 to impose a sales and use tax under this section~~
 5183 ~~if the county, city, or town imposes the sales and use tax under Section 59-12-2216 on or~~
 5184 ~~before July 1, 2011.]~~

5185 Section 88. Section **59-12-2214** is amended to read:

5186 **59-12-2214 (Effective 01/01/27). County, city, or town option sales and use tax to**
 5187 **fund a system for public transit, an airport facility, a water conservation project, or to be**
 5188 **deposited into the County of the First Class Highway Projects Fund -- Base -- Rate.**

5189 (1) Subject to the requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting
 5190 Requirements, and the other provisions of this part, a county, city, or town may impose a
 5191 sales and use tax of .25% on the transactions described in Subsection 59-12-103(1)
 5192 located within the county, city, or town.

5193 (2) Notwithstanding Section 59-12-2212.2, and subject to Subsections (3) and (4), a county,
 5194 city, or town that imposes a sales and use tax under this section shall expend the [
 5195 revenues] revenue collected from the sales and use tax:

5196 (a) to fund a system for public transit;

5197 (b) to fund a project or service related to an airport facility for the portion of the project
 5198 or service that is performed within the county, city, or town within which the sales
 5199 and use tax is imposed:

5200 (i) for a county that imposes the sales and use tax, if the airport facility is part of the
 5201 regional transportation plan of the area metropolitan planning organization if a
 5202 metropolitan planning organization exists for the area; or

5203 (ii) for a city or town that imposes the sales and use tax, if:

5204 (A) that city or town is located within a county of the second class;

5205 (B) that city or town owns or operates the airport facility; and

5206 (C) an airline is headquartered in that city or town; or

5207 (c) for a combination of Subsections (2)(a) and (b).

5208 (3) After application of Subsection 59-12-2206(5), a county of the first class, as classified
 5209 in Section 17-60-104, that imposes a sales and use tax under this section shall expend
 5210 the [revenues] revenue collected from the sales and use tax as follows:

- 5211 (a) 80% of the ~~[revenues]~~ revenue collected from the sales and use tax shall be expended
 5212 to fund a system for public transit; and
- 5213 (b) 20% of the ~~[revenues]~~ revenue collected from the sales and use tax shall be deposited
 5214 into the County of the First Class Highway Projects Fund created by Section 72-2-121.
- 5215 (4)(a) A county of the third class, as classified in Section 17-60-104, that has a portion
 5216 of the county annexed into a large public transit district and that has imposed a sales
 5217 and use tax under this section as of January 1, 2020, may change the list of purposes
 5218 for which the sales and use tax revenue may be expended if:
- 5219 (i) the proposed uses of the sales and use tax revenue are allowed uses described in
 5220 this section; and
- 5221 (ii) in coordination with a relevant large public transit district, the county legislative
 5222 body passes an ordinance describing the allowed uses of the sales and use tax
 5223 revenue.
- 5224 (b) Notwithstanding Section 59-12-2208, and regardless of whether the county
 5225 legislative body submitted imposition of the sales and use tax ~~[imposed]~~ under this
 5226 section ~~[was submitted]~~ to the voters as described in Section 59-12-2208, the county
 5227 legislative body is not required to submit ~~[an opinion question]~~ legislation to the
 5228 county's registered voters to change the allowed uses as described in Subsection (4)(a).
 5229 Section 89. Section **59-12-2215** is amended to read:
- 5230 **59-12-2215 (Effective 01/01/27). City or town option sales and use tax for**
 5231 **highways or to fund a system for public transit -- Base -- Rate.**
- 5232 (1) Subject to the requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting
 5233 Requirements, and the other provisions of this part, a city or town may impose a sales
 5234 and use tax of up to .30% on the transactions described in Subsection 59-12-103(1)
 5235 located within the city or town.
- 5236 (2) A city or town imposing a sales and use tax under this section shall expend the ~~[revenues]~~
 5237 revenue collected from the sales and use tax as described in Section 59-12-2212.2.
- 5238 ~~[(3) Notwithstanding Section 59-12-2208, a city, or town legislative body may, but is not~~
 5239 ~~required to, submit an opinion question to the city's, or town's registered voters in~~
 5240 ~~accordance with Section 59-12-2208 to impose a sales and use tax under this section.]~~
- 5241 Section 90. Section **59-12-2216** is amended to read:
- 5242 **59-12-2216 (Effective 01/01/27). County option sales and use tax for a fixed**
 5243 **guideway, to fund a system for public transit, or for highways -- Base -- Rate --**
 5244 **Allocation and expenditure of revenues.**

- 5245 (1) Subject to the requirements of Title 20A, Chapter 7, Part 9, Tax Increase Voting
 5246 Requirements, and the other provisions of this part, a county legislative body may
 5247 impose a sales and use tax of up to .30% on the transactions described in Subsection
 5248 59-12-103(1) within the county, including the cities and towns within the county.
- 5249 (2)[(a) ~~Subject to Subsection (3), before~~ Before obtaining voter approval in accordance
 5250 with Section 59-12-2208[-] to impose a sales and use tax in accordance with this
 5251 section:
- 5252 (a) a county legislative body shall adopt a resolution specifying the percentage of [
 5253 ~~revenues the county will receive]~~ revenue from the sales and use tax under this section
 5254 that [~~will be allocated]~~ the county will allocate to fund uses described in Section
 5255 59-12-2212.2[-] ; and
- 5256 (b) [~~A~~] a county legislative body of a county of the third through sixth class, as classified
 5257 in Section 17-60-104, that imposes a sales and use tax as described in Subsection (1)
 5258 on or after January 1, 2024, [~~shall specify the percentage of revenues the county will~~
 5259 ~~receive]~~ shall adopt a resolution specifying the percentage of revenue from the sales
 5260 and use tax under this section that [~~will be allocated]~~ the county will allocate to fund
 5261 uses described in Section 59-12-2212.2 or for public safety purposes as provided in
 5262 Subsection (3)(b).
- 5263 (3)(a) Except as provided in Subsection (2)(b), a county legislative body shall in the
 5264 resolution described in Subsection (2) allocate 100% of the [~~revenues]~~ revenue the
 5265 county will receive from the sales and use tax under this section for one or more of
 5266 the purposes described in Section 59-12-2212.2.
- 5267 (b) In addition to the purposes described in Section 59-12-2212.2, a county legislative
 5268 body of a county of the third through sixth class, as classified in Section 17-60-104,
 5269 that imposes a sales and use tax as authorized in this section on or after January 1,
 5270 2024, may allocate [~~revenues]~~ revenue to public safety purposes.
- 5271 [(4) ~~Notwithstanding Section 59-12-2208, the opinion question required by Section~~
 5272 ~~59-12-2208 shall state the allocations the county legislative body makes in accordance~~
 5273 ~~with this section.]~~
- 5274 [(5)] (4) The [~~revenues]~~ revenue collected from a sales and use tax under this section shall be:
 5275 (a) allocated in accordance with the allocations specified in the resolution under
 5276 Subsection (2); and
 5277 (b) expended as provided in this section.
- 5278 [(6)] (5) If a county legislative body allocates [~~revenues]~~ revenue collected from a sales and

5279 use tax under this section for a state highway project, before beginning the state highway
5280 project within the county, the county legislative body shall:

- 5281 (a) obtain approval from the Transportation Commission to complete the project; and
5282 (b) enter into an interlocal agreement established in accordance with Title 11, Chapter
5283 13, Interlocal Cooperation Act, with the Department of Transportation to complete
5284 the project.

5285 ~~[(7)]~~ (6)(a) If after a county legislative body imposes a sales and use tax under this
5286 section the county legislative body seeks to change an allocation specified in the
5287 resolution under Subsection (2), the county legislative body may change the
5288 allocation by:

5289 (i) adopting a resolution specifying the percentage of ~~[revenues the county will~~
5290 ~~receive]~~ revenue from the sales and use tax under this section that ~~[will be allocated]~~
5291 the county will allocate to fund one or more of the items described in Section
5292 59-12-2212.2 or Subsection (2)(b);~~[-and]~~

5293 (ii) obtaining approval to change the allocation of the sales and use tax by a majority
5294 of all of the members of the county legislative body; and

5295 (iii) ~~[subject to Subsection (8)(a)]~~ in accordance with Section 59-12-2208:

5296 (A) ~~[in accordance with Section 59-12-2208,]~~submitting ~~[an opinion question]~~ the
5297 legislation to the county's registered voters voting on changing the allocation~~[~~
5298 ~~so that each registered voter has the opportunity to express the registered~~
5299 ~~voter's opinion on whether the allocation should be changed];~~ and

5300 (B) ~~[in accordance with Section 59-12-2208,]~~obtaining approval to change the
5301 allocation from a majority of the county's registered voters voting on changing
5302 the allocation.

5303 (b) A county of the third through sixth class, as classified in Section 17-60-104, that
5304 imposes a sales and use tax as authorized in this section on or after January 1, 2024,
5305 that ~~[seeks]~~ passes an ordinance to change the allocation of the ~~[revenues is not~~
5306 ~~required to submit the opinion question]~~ revenue is not required to submit the
5307 legislation to the county's registered voters.

5308 ~~[(8)(a) Notwithstanding Section 59-12-2208, the opinion question required by~~
5309 ~~Subsection (7)(c)(i) shall state the allocations specified in the resolution adopted in~~
5310 ~~accordance with Subsection (7)(a) and approved by the county legislative body in~~
5311 ~~accordance with Subsection (7)(b).]~~

5312 ~~[(b) Notwithstanding Section 59-12-2208, a county legislative body of a county of the~~

5313 ~~third through sixth class that imposes a sales and use tax under this section on or after~~
 5314 ~~January 1, 2024, may, but is not required to, submit an opinion question to the~~
 5315 ~~county's registered voters in accordance with Section 59-12-2208 to impose a sales~~
 5316 ~~and use tax under this section.]~~

5317 [(9)] (7) [Revenues] Revenue collected from a sales and use tax under this section that a
 5318 county allocates for a state highway within the county shall be:

5319 (a) deposited into the Highway Projects Within Counties Fund created by Section
 5320 72-2-121.1; and

5321 (b) expended as provided in Section 72-2-121.1.

5322 [(10)] (8)(a) Notwithstanding Section 59-12-2206 and subject to Subsection [(10)(b)]
 5323 (8)(b), [revenues] revenue collected from a sales and use tax under this section that a
 5324 county allocates for a project, debt service, or bond issuance cost relating to a
 5325 highway that is a principal arterial highway or minor arterial highway that is included
 5326 in a metropolitan planning organization's regional transportation plan, but is not a
 5327 state highway, shall be transferred to the Department of Transportation if the transfer
 5328 of the [revenues] revenue is required under an interlocal agreement:

5329 (i) entered into on or before January 1, 2010; and

5330 (ii) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.

5331 (b) The Department of Transportation shall expend the [revenues] revenue described in
 5332 Subsection [(10)(a)] (8)(a) as provided in the interlocal agreement described in
 5333 Subsection [(10)(a)] (8)(a).

5334 Section 91. Section **59-12-2218** is amended to read:

5335 **59-12-2218 (Effective 01/01/27). County, city, or town option sales and use tax**
 5336 **for airports, highways, and systems for public transit -- Base -- Rate -- Administration of**
 5337 **sales and use tax.**

5338 (1) Subject to the other provisions of this part, [~~and subject to~~] the requirements of Title
 5339 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, and Subsection [(8)] (7), the
 5340 following may impose a sales and use tax under this section:

5341 (a) if, on April 1, 2009, a county legislative body of a county of the second class, as
 5342 classified in Section 17-60-104, imposes a sales and use tax under this section, the
 5343 county legislative body of the county of the second class may impose the sales and
 5344 use tax on the transactions:

5345 (i) described in Subsection 59-12-103(1); and

5346 (ii) within the county, including the cities and towns within the county; or

- 5347 (b) if, on April 1, 2009, a county legislative body of a county of the second class, as
5348 classified in Section 17-60-104, does not impose a sales and use tax under this
5349 section:
- 5350 (i) a city legislative body of a city within the county of the second class, as classified
5351 in Section 17-60-104, may impose a sales and use tax under this section on the
5352 transactions described in Subsection 59-12-103(1) within that city;
- 5353 (ii) a town legislative body of a town within the county of the second class, as
5354 classified in Section 17-60-104, may impose a sales and use tax under this section
5355 on the transactions described in Subsection 59-12-103(1) within that town; and
- 5356 (iii) the county legislative body of the county of the second class, as classified in
5357 Section 17-60-104, may impose a sales and use tax on the transactions described
5358 in Subsection 59-12-103(1):
- 5359 (A) within the county, including the cities and towns within the county, if on the
5360 date the county legislative body provides the notice described in Section
5361 59-12-2209 to the commission stating that the county will enact a sales and use
5362 tax under this section, no city or town within that county imposes a sales and
5363 use tax under this section or has provided the notice described in Section
5364 59-12-2209 to the commission stating that the city or town will enact a sales
5365 and use tax under this section; or
- 5366 (B) within the county, except for within a city or town within that county, if, on
5367 the date the county legislative body provides the notice described in Section
5368 59-12-2209 to the commission stating that the county will enact a sales and use
5369 tax under this section, that city or town imposes a sales and use tax under this
5370 section or has provided the notice described in Section 59-12-2209 to the
5371 commission stating that the city or town will enact a sales and use tax under
5372 this section.
- 5373 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
5374 county, city, or town legislative body that imposes a sales and use tax under this section
5375 may impose the tax at a rate of .25%.
- 5376 (3)(a) Except as provided in Subsection (3)(b), and subject to Subsection (4), a sales and
5377 use tax imposed under this section shall be expended as determined by the county,
5378 city, or town legislative body for uses described in Section 59-12-2212.2.
- 5379 (b)(i) Notwithstanding Subsection 59-12-2212.2(1)(a), [~~revenues~~] a county may use
5380 revenue collected from a sales and use tax under this section [~~may only be used~~]

5381 only for new capacity or congestion mitigation projects[;] and, except as provided
 5382 in Subsection (3)(b)(ii), may not [~~be expended~~] expend revenue for operation or
 5383 maintenance purposes.

5384 (ii) The restriction [~~in Subsection (3)(b)(i)~~] from using revenue for operation or
 5385 maintenance purposes does not apply to any revenue subject to rights or
 5386 obligations under a contract entered into before January 1, 2019, between a
 5387 county, city, or town legislative body and a public transit district.

5388 (4) A county, city, or town legislative body may not expend revenue collected within a
 5389 county, city, or town from a tax under this section for a purpose described in Section
 5390 59-12-2212.2 unless the purpose is recommended by:

5391 (a) for a county that is part of a metropolitan planning organization, the metropolitan
 5392 planning organization of which the county is a part; or

5393 (b) for a county that is not part of a metropolitan planning organization, the council of
 5394 governments of which the county is a part.

5395 (5) Before a city or town legislative body may impose a sales and use tax under this section,
 5396 the city or town legislative body shall provide a copy of the notice described in Section
 5397 59-12-2209 that the city or town legislative body provides to the commission:

5398 (a) to the county legislative body within which the city or town is located; and

5399 (b) at the same time as the city or town legislative body provides the notice to the
 5400 commission.

5401 (6) Subject to Section 59-12-2207, the commission shall transmit [~~revenues~~] revenue
 5402 collected within a county, city, or town from a tax under this part that will be expended
 5403 for a purpose described in Section 59-12-2212.2 to the county, city, or town legislative
 5404 body in accordance with Section 59-12-2206.

5405 [~~(7) Notwithstanding Section 59-12-2208, a county, city, or town legislative body may, but~~
 5406 ~~is not required to, submit an opinion question to the county's, city's, or town's registered~~
 5407 ~~voters in accordance with Section 59-12-2208 to impose a sales and use tax under this~~
 5408 ~~section.]~~

5409 [(8)] (7)(a)(i) Notwithstanding any other provision in this section, if the entire

5410 boundary of a county, city, or town is annexed into a large public transit district, if

5411 the county, city, or town legislative body wishes to impose a sales and use tax

5412 under this section, the county, city, or town legislative body shall pass the

5413 ordinance to impose a sales and use tax under this section on or before June 30,

5414 2022.

5415 (ii) If the entire boundary of a county, city, or town is annexed into a large public
 5416 transit district, the county, city, or town legislative body may not pass the
 5417 ordinance to impose a sales and use tax under this section on or after July 1, 2022.

5418 (b) Notwithstanding the deadline described in Subsection [~~(8)(a)~~] (7)(a), any sales and
 5419 use tax imposed under this section by passage of a county, city, or town ordinance on
 5420 or before June 30, 2022, may remain in effect.

5421 Section 92. Section **59-12-2219** is amended to read:

5422 **59-12-2219 (Effective 01/01/27). County option sales and use tax for highways**
 5423 **and public transit -- Base -- Rate -- Distribution and expenditure of revenue -- Revenue**
 5424 **may not supplant existing budgeted transportation revenue.**

5425 (1) Subject to Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the other
 5426 provisions of this part, and [~~subject to~~] Subsection [~~(13)~~] (12), a county legislative body
 5427 may impose a sales and use tax of .25% on the transactions described in Subsection
 5428 59-12-103(1) within the county, including the cities and towns within the county.

5429 (2) Subject to Subsection (9), the commission shall distribute sales and use tax revenue
 5430 collected under this section as provided in Subsections (3) through (8).

5431 (3) After application of Subsection 59-12-2206(5), if the entire boundary of a county that
 5432 imposes a sales and use tax under this section is annexed into a single public transit
 5433 district, the commission shall distribute the sales and use tax revenue collected within
 5434 the county as follows:

5435 (a) .10% shall be transferred to the public transit district in accordance with Section
 5436 59-12-2206;

5437 (b) .10% shall be distributed as provided in Subsection (6); and

5438 (c) .05% shall be distributed to the county legislative body.

5439 (4) If the entire boundary of a county that imposes a sales and use tax under this section is
 5440 not annexed into a single public transit district, but a city or town within the county is
 5441 annexed into a single large public transit district, the commission shall distribute the
 5442 sales and use tax revenue collected within the county as follows:

5443 (a) for a city or town within the county that is annexed into a single public transit
 5444 district, the commission shall distribute the sales and use tax revenue collected within
 5445 that city or town as follows:

5446 (i) .10% shall be transferred to the public transit district in accordance with Section
 5447 59-12-2206;

5448 (ii) .10% shall be distributed as provided in Subsection (6); and

- 5449 (iii) .05% shall be distributed to the county legislative body;
- 5450 (b) for an eligible political subdivision within the county, the commission shall
- 5451 distribute the sales and use tax revenue collected within that eligible political
- 5452 subdivision as follows:
- 5453 (i) .10% shall be transferred to the eligible political subdivision in accordance with
- 5454 Section 59-12-2206;
- 5455 (ii) .10% shall be distributed as provided in Subsection (6); and
- 5456 (iii) .05% shall be distributed to the county legislative body; and
- 5457 (c) the commission shall distribute the sales and use tax revenue, except for the sales and
- 5458 use tax revenue described in Subsections (4)(a) and (b), as follows:
- 5459 (i) .10% shall be distributed as provided in Subsection (6); and
- 5460 (ii) .15% shall be distributed to the county legislative body.
- 5461 (5) For a county not described in Subsection (3) or (4), if a county of the second, third,
- 5462 fourth, fifth, or sixth class, as classified in Section 17-60-104, imposes a sales and use
- 5463 tax under this section, the commission shall distribute the sales and use tax revenue
- 5464 collected within the county as follows:
- 5465 (a) for a city or town within the county that is annexed into a single public transit
- 5466 district, the commission shall distribute the sales and use tax revenue collected within
- 5467 that city or town as follows:
- 5468 (i) .10% shall be distributed as provided in Subsection (6);
- 5469 (ii) .10% shall be distributed as provided in Subsection (7); and
- 5470 (iii) .05% shall be distributed to the county legislative body;
- 5471 (b) for an eligible political subdivision within the county, the commission shall
- 5472 distribute the sales and use tax revenue collected within that eligible political
- 5473 subdivision as follows:
- 5474 (i) .10% shall be distributed as provided in Subsection (6);
- 5475 (ii) .10% shall be distributed as provided in Subsection (7); and
- 5476 (iii) .05% shall be distributed to the county legislative body; and
- 5477 (c) the commission shall distribute the sales and use tax revenue, except for the sales and
- 5478 use tax revenue described in Subsections (5)(a) and (b), as follows:
- 5479 (i) .10% shall be distributed as provided in Subsection (6); and
- 5480 (ii) .15% shall be distributed to the county legislative body.
- 5481 (6)(a) Subject to Subsection (6)(b), the commission shall make the distributions required
- 5482 by Subsections (3)(b), (4)(a)(ii), (4)(b)(ii), (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and [

5483 ~~(7)(d)(ii)(A)] (7)(c)(ii)(A)~~ as follows:

5484 (i) 50% of the total revenue collected under Subsections (3)(b), (4)(a)(ii), (4)(b)(ii),
5485 (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and ~~[(7)(d)(ii)(A)] (7)(c)(ii)(A)~~ within the
5486 counties and cities that impose a tax under this section shall be distributed to the
5487 unincorporated areas, cities, and towns within those counties and cities on the
5488 basis of the percentage that the population of each unincorporated area, city, or
5489 town bears to the total population of all of the counties and cities that impose a tax
5490 under this section; and

5491 (ii) 50% of the total revenue collected under Subsections (3)(b), (4)(a)(ii), (4)(b)(ii),
5492 (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and ~~[(7)(d)(ii)(A)] (7)(c)(ii)(A)~~ within the
5493 counties and cities that impose a tax under this section shall be distributed to the
5494 unincorporated areas, cities, and towns within those counties and cities on the
5495 basis of the location of the transaction as determined under Sections 59-12-211
5496 through 59-12-215.

5497 (b)(i) Population for purposes of this Subsection (6) shall be based on, to the extent
5498 not otherwise required by federal law:

5499 (A) the most recent estimate from the Utah Population Committee created in
5500 Section 63C-20-103; or

5501 (B) if the Utah Population Committee estimate is not available for each
5502 municipality and unincorporated area, the adjusted sub-county population
5503 estimate provided by the Utah Population Committee in accordance with
5504 Section 63C-20-104.

5505 (ii) If a needed population estimate is not available from the United States Bureau of
5506 the Census, population figures shall be derived from an estimate from the Utah
5507 Population Committee.

5508 (7)(a)(i) Subject to the requirements in ~~[Subsections]~~ Subsection (7)(b)~~[-and (e)]~~, a
5509 county legislative body:

5510 (A) for a county that obtained approval from a majority of the county's registered
5511 voters voting on the imposition of a sales and use tax under this section ~~[prior to]~~
5512 before May 10, 2016, may, in consultation with any cities, towns, or eligible
5513 political subdivisions within the county, and in compliance with the
5514 requirements for changing an allocation under Subsection ~~[(7)(e)]~~ (7)(d),
5515 allocate the revenue under Subsection (5)(a)(ii) or (5)(b)(ii) by adopting a
5516 resolution specifying the percentage of revenue under Subsection (5)(a)(ii) or

5517 (5)(b)(ii) that will be allocated to a public transit district or an eligible political
5518 subdivision; or

5519 (B) for a county that imposes a sales and use tax under this section on or after
5520 May 10, 2016, shall, in consultation with any cities, towns, or eligible political
5521 subdivisions within the county, allocate the revenue under Subsection (5)(a)(ii)
5522 or (5)(b)(ii) by adopting a resolution specifying the percentage of revenue
5523 under Subsection (5)(a)(ii) or (5)(b)(ii) that will be allocated to a public transit
5524 district or an eligible political subdivision.

5525 (ii) If a county described in Subsection (7)(a)(i)(A) does not allocate the revenue
5526 under Subsection (5)(a)(ii) or (5)(b)(ii) in accordance with Subsection (7)(a)(i)(A),
5527 the commission shall distribute 100% of the revenue under Subsection (5)(a)(ii) or
5528 (5)(b)(ii) to:

5529 (A) a public transit district for a city or town within the county that is annexed into
5530 a single public transit district; or

5531 (B) an eligible political subdivision within the county.

5532 (b) If a county legislative body allocates the revenue as described in Subsection (7)(a)(i),
5533 the county legislative body shall allocate not less than 25% of the revenue under
5534 Subsection (5)(a)(ii) or (5)(b)(ii) to:

5535 (i) a public transit district for a city or town within the county that is annexed into a
5536 single public transit district; or

5537 (ii) an eligible political subdivision within the county.

5538 ~~[(e) Notwithstanding Section 59-12-2208, the opinion question described in Section~~
5539 ~~59-12-2208 shall state the allocations the county legislative body makes in~~
5540 ~~accordance with this Subsection (7).]~~

5541 ~~[(d)]~~ (c) The commission shall make the distributions required by Subsection (5)(a)(ii) or
5542 (5)(b)(ii) as follows:

5543 (i) the percentage specified by a county legislative body shall be distributed in
5544 accordance with a resolution adopted by a county legislative body under
5545 Subsection (7)(a) to an eligible political subdivision or a public transit district
5546 within the county; and

5547 (ii) except as provided in Subsection (7)(a)(ii), if a county legislative body allocates
5548 less than 100% of the revenue under Subsection (5)(a)(ii) or (5)(b)(ii) to a public
5549 transit district or an eligible political subdivision, the remainder of the revenue
5550 under Subsection (5)(a)(ii) or (5)(b)(ii) not allocated by a county legislative body

- 5551 through a resolution under Subsection (7)(a) shall be distributed as follows:
- 5552 (A) 50% of the revenue as provided in Subsection (6); and
- 5553 (B) 50% of the revenue to the county legislative body.
- 5554 ~~[(e)]~~ (d) If a county legislative body seeks to change an allocation specified in a
- 5555 resolution under Subsection (7)(a), the county legislative body may change the
- 5556 allocation by:
- 5557 (i) adopting a resolution in accordance with Subsection (7)(a) specifying the
- 5558 percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
- 5559 allocated to a public transit district or an eligible political subdivision;
- 5560 (ii) obtaining approval to change the allocation of the sales and use tax by a majority
- 5561 of all the members of the county legislative body; and
- 5562 (iii) ~~[subject to Subsection (7)(f)]~~ in accordance with Section 59-12-2208:
- 5563 (A) ~~[in accordance with Section 59-12-2208,]~~submitting ~~[an opinion question]~~ the
- 5564 legislation to the county's registered voters voting on changing the allocation[
- 5565 so that each registered voter has the opportunity to express the registered
- 5566 voter's opinion on whether the allocation should be changed]; and
- 5567 (B) ~~[in accordance with Section 59-12-2208,]~~obtaining approval to change the
- 5568 allocation from a majority of the county's registered voters voting on changing
- 5569 the allocation.
- 5570 ~~[(f) Notwithstanding Section 59-12-2208, the opinion question required by Subsection~~
- 5571 ~~(7)(e)(iii)(A) shall state the allocations specified in the resolution adopted in~~
- 5572 ~~accordance with Subsection (7)(e) and approved by the county legislative body in~~
- 5573 ~~accordance with Subsection (7)(e)(ii).]~~
- 5574 ~~[(g)]~~ (e)(i) If a county makes an allocation by adopting a resolution under Subsection
- 5575 (7)(a) or changes an allocation by adopting a resolution under Subsection ~~[(7)(e)]~~
- 5576 (7)(d), the allocation shall take effect on the first distribution the commission
- 5577 makes under this section after a 90-day period that begins on the date the
- 5578 commission receives written notice meeting the requirements of Subsection [
- 5579 ~~(7)(g)(ii)]~~ (7)(e)(ii) from the county.
- 5580 (ii) The notice ~~[described in Subsection (7)(g)(i)]~~ shall state:
- 5581 (A) that the county will make or change the percentage of an allocation under
- 5582 Subsection (7)(a) or ~~[(e)]~~ (7)(d); and
- 5583 (B) the percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
- 5584 allocated to a public transit district or an eligible political subdivision.

5585 (8)(a) If a public transit district is organized after the date a county legislative body first
 5586 imposes a tax under this section, a change in a distribution required by this section
 5587 may not take effect until the first distribution the commission makes under this
 5588 section after a 90-day period that begins on the date the commission receives written
 5589 notice from the public transit district of the organization of the public transit district.

5590 (b) If an eligible political subdivision intends to provide public transit service within a
 5591 county after the date a county legislative body first imposes a tax under this section, a
 5592 change in a distribution required by this section may not take effect until the first
 5593 distribution the commission makes under this section after a 90-day period that
 5594 begins on the date the commission receives written notice from the eligible political
 5595 subdivision stating that the eligible political subdivision intends to provide public
 5596 transit service within the county.

5597 ~~[(9)(a)(i) Notwithstanding Subsections (3) through (8), for a county that has not~~
 5598 ~~imposed a sales and use tax under this section before May 8, 2018, and if the~~
 5599 ~~county imposes a sales and use tax under this section before June 30, 2019, the~~
 5600 ~~commission shall distribute all of the sales and use tax revenue collected by the~~
 5601 ~~county before June 30, 2019, to the county for the purposes described in~~
 5602 ~~Subsection (9)(a)(ii).]~~

5603 ~~[(ii) For any revenue collected by a county pursuant to Subsection (9)(a)(i) before~~
 5604 ~~June 30, 2019, the county may expend that revenue for:]~~

5605 ~~[(A) reducing transportation related debt;]~~

5606 ~~[(B) a regionally significant transportation facility; or]~~

5607 ~~[(C) a public transit project of regional significance.]~~

5608 ~~[(b)] (9)(a)~~ For a county that has not imposed a sales and use tax under this section
 5609 before May 8, 2018, and if the county imposes a sales and use tax under this section
 5610 before June 30, 2019, the commission shall distribute the sales and use tax revenue
 5611 collected by the county on or after July 1, 2019, as described in Subsections (3)
 5612 through (8).

5613 ~~[(e)] (b)~~ For a county that has not imposed a sales and use tax under this section before
 5614 June 30, 2019, if the entire boundary of that county is annexed into a large public
 5615 transit district, and if the county imposes a sales and use tax under this section on or
 5616 after July 1, 2019, the commission shall distribute the sales and use tax revenue
 5617 collected by the county as described in Subsections (3) through (8).

5618 (10)(a) Except as provided in Subsection (10)(b), a county, city, or town may expend

- 5619 revenue collected from a tax under this section, except for revenue the commission
 5620 distributes in accordance with Subsection (3)(a), (4)(a)(i), (4)(b)(i), or ~~[(7)(d)(i)]~~
 5621 ~~(7)(c)(i)~~, for a purpose described in Section 59-12-2212.2.
- 5622 (b) In addition to the uses permitted in Subsection (10)(a), a county of the first class may
 5623 transfer the portion allocated to the county under this section to a convention center
 5624 public infrastructure district created in accordance with Section 17D-4-202.1 for
 5625 revitalization of a convention center owned by the county within a city of the first
 5626 class and surrounding revitalization projects related to the convention center.
- 5627 (11)(a) A public transit district or an eligible political subdivision may expend revenue
 5628 the commission distributes in accordance with Subsection (3)(a), (4)(a)(i), (4)(b)(i),
 5629 or ~~[(7)(d)(i)]~~ ~~(7)(c)(i)~~ for capital expenses and service delivery expenses of the public
 5630 transit district or eligible political subdivision.
- 5631 (b) As provided in Section 59-12-2212.2, for the .10% designated for public transit
 5632 described in Subsection (3)(a) that is not contractually obligated for debt service, [
 5633 ~~beginning on July 1, 2026,~~] a public transit district shall make available to the
 5634 Department of Transportation an amount equal to 10% of the .10% to be used for
 5635 public transit innovation grants as provided in Title 72, Chapter 2, Part 4, Public
 5636 Transit Innovation Grants.
- 5637 ~~[(12) Notwithstanding Section 59-12-2208, a county, city, or town legislative body may,~~
 5638 ~~but is not required to, submit an opinion question to the county's, city's, or town's~~
 5639 ~~registered voters in accordance with Section 59-12-2208 to impose a sales and use tax~~
 5640 ~~under this section.]~~
- 5641 ~~[(13)]~~ (12)(a)(i) Notwithstanding any other provision in this section, if the entire
 5642 boundary of a county is annexed into a large public transit district, if the county
 5643 legislative body wishes to impose a sales and use tax under this section, the
 5644 county legislative body shall pass the ordinance to impose a sales and use tax
 5645 under this section on or before June 30, 2022.
- 5646 (ii) If the entire boundary of a county is annexed into a large public transit district,
 5647 the county legislative body may not pass an ordinance to impose a sales and use
 5648 tax under this section on or after July 1, 2022.
- 5649 (b) Notwithstanding the deadline described in Subsection ~~[(13)(a)]~~ (12)(a), any sales and
 5650 use tax imposed under this section by passage of a county ordinance on or before
 5651 June 30, 2022, may remain in effect.
- 5652 ~~[(14)(a) Beginning on July 1, 2020, and subject to Subsection (15), if a county has not~~

5653 imposed a sales and use tax under this section, subject to the provisions of this part,
 5654 the legislative body of a city or town described in Subsection (14)(b) may impose a
 5655 .25% sales and use tax on the transactions described in Subsection 59-12-103(1)
 5656 within the city or town.]

5657 [(b) The following cities or towns may impose a sales and use tax described in
 5658 Subsection (14)(a):]

5659 [(i) a city or town that has been annexed into a public transit district; or]
 5660 [(ii) an eligible political subdivision.]

5661 [(c) If a city or town imposes a sales and use tax as provided in this section, the
 5662 commission shall distribute the sales and use tax revenue collected by the city or
 5663 town as follows:]

5664 [(i) .125% to the city or town that imposed the sales and use tax, to be distributed as
 5665 provided in Subsection (6); and]
 5666 [(ii) .125%, as applicable, to:]

5667 [(A) the public transit district in which the city or town is annexed; or]
 5668 [(B) the eligible political subdivision for public transit services.]

5669 [(d) If a city or town imposes a sales and use tax under this section and the county
 5670 subsequently imposes a sales and use tax under this section, the commission shall
 5671 distribute the sales and use tax revenue collected within the city or town as described
 5672 in Subsection (14)(c).]

5673 [(15)(a)(i) Notwithstanding any other provision in this section, if a city or town
 5674 legislative body wishes to impose a sales and use tax under this section, the city or
 5675 town legislative body shall pass the ordinance to impose a sales and use tax under
 5676 this section on or before June 30, 2022.]

5677 [(ii) A city or town legislative body may not pass an ordinance to impose a sales and
 5678 use tax under this section on or after July 1, 2022.]

5679 [(b) Notwithstanding the deadline described in Subsection (15)(a), any sales and use tax
 5680 imposed under this section by passage of an ordinance by a city or town legislative
 5681 body on or before June 30, 2022, may remain in effect.]

5682 Section 93. Section **59-12-2220** is amended to read:

5683 **59-12-2220 (Effective 01/01/27). County option sales and use tax to fund**
 5684 **highways or a system for public transit -- Base -- Rate.**

5685 (1) Subject to Title 20A, Chapter 7, Part 9, Tax Increase Voting Requirements, the other
 5686 provisions of this part, and [subject to] the requirements of this section, the following

- 5687 counties may impose a sales and use tax under this section:
- 5688 (a) a county legislative body may impose the sales and use tax on the transactions
- 5689 described in Subsection 59-12-103(1) located within the county, including the cities
- 5690 and towns within the county if:
- 5691 (i) the entire boundary of a county is annexed into a large public transit district; and
- 5692 (ii) the maximum amount of sales and use tax authorizations allowed in accordance
- 5693 with Section 59-12-2203 and authorized under the following sections has been
- 5694 imposed:
- 5695 (A) Section 59-12-2213;
- 5696 (B) Section 59-12-2214;
- 5697 (C) Section 59-12-2215;
- 5698 (D) Section 59-12-2216;
- 5699 (E) Section 59-12-2217;
- 5700 (F) Section 59-12-2218; and
- 5701 (G) Section 59-12-2219;
- 5702 (b) if the county is not annexed into a large public transit district, the county legislative
- 5703 body may impose the sales and use tax on the transactions described in Subsection
- 5704 59-12-103(1) located within the county, including the cities and towns within the
- 5705 county if:
- 5706 (i) the county is an eligible political subdivision; or
- 5707 (ii) a city or town within the boundary of the county is an eligible political
- 5708 subdivision; or
- 5709 (c) a county legislative body of a county not described in Subsection (1)(a) or (1)(b) may
- 5710 impose the sales and use tax on the transactions described in Subsection 59-12-103(1)
- 5711 located within the county, including the cities and towns within the county.
- 5712 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
- 5713 county legislative body that imposes a sales and use tax under this section may impose
- 5714 the tax at a rate of .2%.
- 5715 (3)(a) The commission shall distribute sales and use tax revenue collected under this
- 5716 section as determined by a county legislative body as described in Subsection (3)(b).
- 5717 (b) If a county legislative body imposes a sales and use tax as described in this section,
- 5718 the county legislative body may elect to impose a sales and use tax revenue
- 5719 distribution as described in Subsection (4), (5), (6), or (7), depending on the class of
- 5720 county, and presence and type of a public transit provider in the county.

- 5721 (4) Subject to Subsection (11), and after application of Subsection 59-12-2206(5), if a
5722 county legislative body imposes a sales and use tax as described in this section, and the
5723 entire boundary of the county is annexed into a large public transit district, and the
5724 county is a county of the first class, the commission shall distribute the sales and use tax
5725 revenue as follows:
- 5726 (a) .10% to a public transit district as described in Subsection (11);
 - 5727 (b) .05% to the cities and towns as provided in Subsection (8); and
 - 5728 (c) .05% to the county legislative body.
- 5729 (5) Subject to Subsection (11), if a county legislative body imposes a sales and use tax as
5730 described in this section and the entire boundary of the county is annexed into a large
5731 public transit district, and the county is a county not described in Subsection (4), the
5732 commission shall distribute the sales and use tax revenue as follows:
- 5733 (a) .10% to a public transit district as described in Subsection (11);
 - 5734 (b) .05% to the cities and towns as provided in Subsection (8); and
 - 5735 (c) .05% to the county legislative body.
- 5736 (6)(a) Except as provided in Subsection (14)(c), if the entire boundary of a county that
5737 imposes a sales and use tax as described in this section is not annexed into a single
5738 public transit district, but a city or town within the county is annexed into a single
5739 public transit district, or if the city or town is an eligible political subdivision, the
5740 commission shall distribute the sales and use tax revenue collected within the county
5741 as provided in Subsection (6)(b) or (c).
- 5742 (b) For a city, town, or portion of the county described in Subsection (6)(a) that is
5743 annexed into the single public transit district, or an eligible political subdivision, the
5744 commission shall distribute the sales and use tax revenue collected within the portion
5745 of the county that is within a public transit district or eligible political subdivision as
5746 follows:
 - 5747 (i) .05% to a public transit provider as described in Subsection (11);
 - 5748 (ii) .075% to the cities and towns as provided in Subsection (8); and
 - 5749 (iii) .075% to the county legislative body.
 - 5750 (c) Except as provided in Subsection (14)(c), for a city, town, or portion of the county
5751 described in Subsection (6)(a) that is not annexed into a single public transit district
5752 or eligible political subdivision in the county, the commission shall distribute the
5753 sales and use tax revenue collected within that portion of the county as follows:
 - 5754 (i) .08% to the cities and towns as provided in Subsection (8); and

- 5755 (ii) .12% to the county legislative body.
- 5756 (7) For a county without a public transit service that imposes a sales and use tax as
5757 described in this section, the commission shall distribute the sales and use tax revenue
5758 collected within the county as follows:
- 5759 (a) .08% to the cities and towns as provided in Subsection (8); and
5760 (b) .12% to the county legislative body.
- 5761 (8)(a) Subject to Subsections (8)(b) and (c), the commission shall make the distributions
5762 required by Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) as follows:
- 5763 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),
5764 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4)
5765 through (7) shall be distributed to the unincorporated areas, cities, and towns
5766 within those counties on the basis of the percentage that the population of each
5767 unincorporated area, city, or town bears to the total population of all of the
5768 counties that impose a tax under this section; and
- 5769 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),
5770 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4)
5771 through (7) shall be distributed to the unincorporated areas, cities, and towns
5772 within those counties on the basis of the location of the transaction as determined
5773 under Sections 59-12-211 through 59-12-215.
- 5774 (b)(i) Population for purposes of this Subsection (8) shall be based on, to the extent
5775 not otherwise required by federal law:
- 5776 (A) the most recent estimate from the Utah Population Committee created in
5777 Section 63C-20-103; or
- 5778 (B) if the Utah Population Committee estimate is not available for each
5779 municipality and unincorporated area, the adjusted sub-county population
5780 estimate provided by the Utah Population Committee in accordance with
5781 Section 63C-20-104.
- 5782 (ii) If a needed population estimate is not available from the United States Census
5783 Bureau, population figures shall be derived from an estimate from the Utah
5784 Population Estimates Committee created by executive order of the governor.
- 5785 (c)(i) Beginning on January 1, 2024, if the Housing and Community Development
5786 Division within the Department of Workforce Services determines that a city or
5787 town is ineligible for funds in accordance with Subsection 10-21-202(6),
5788 beginning the first day of the calendar quarter after receiving 90 days' notice, the

- 5789 commission shall distribute the distribution that city or town would have received
5790 under Subsection (8)(a) to cities or towns to which Subsection 10-21-202(6) does
5791 not apply.
- 5792 (ii) Beginning on January 1, 2024, if the Housing and Community Development
5793 Division within the Department of Workforce Services determines that a county is
5794 ineligible for funds in accordance with Subsection 17-80-202(6), beginning the
5795 first day of the calendar quarter after receiving 90 days' notice, the commission
5796 shall distribute the distribution that county would have received under Subsection
5797 (8)(a) to counties to which Subsection 17-80-202(6) does not apply.
- 5798 (9) If a public transit service is organized after the date a county legislative body first
5799 imposes a tax under this section, a change in a distribution required by this section may
5800 not take effect until the first distribution the commission makes under this section after a
5801 90-day period that begins on the date the commission receives written notice from the
5802 public transit provider that the public transit service has been organized.
- 5803 (10)(a) Except as provided in Subsections (10)(b) and (c), a county, city, or town that
5804 received distributions described in Subsections (4)(b), (4)(c), (5)(b), (5)(c), (6)(b)(ii),
5805 (6)(b)(iii), (6)(c), and (7) may only expend those funds for a purpose described in
5806 Section 59-12-2212.2.
- 5807 (b) If a county described in Subsection (1)(a) that is a county of the first class imposes
5808 the sales and use tax authorized in this section, the county may also use funds
5809 distributed in accordance with Subsection (4)(c) for public safety purposes.
- 5810 (c) In addition to the purposes described in Subsections (10)(a) and (b), for a city
5811 relevant to a project area, as that term is defined in Section 63N-3-1401, an allowable
5812 use of revenue from a sales and use tax under this section includes the revitalization
5813 of a convention center owned by the county within a city of the first class and
5814 surrounding revitalization projects related to the convention center.
- 5815 (11)(a) Subject to Subsections (11)(b), (c), and (d), revenue designated for public transit
5816 as described in this section may be used for capital expenses and service delivery
5817 expenses of:
- 5818 (i) a public transit district;
- 5819 (ii) an eligible political subdivision; or
- 5820 (iii) another entity providing a service for public transit or a transit facility within the
5821 relevant county, as those terms are defined in Section 17B-2a-802.
- 5822 (b)(i)(A) If a county of the first class imposes a sales and use tax described in this

5823 section, beginning on the date on which the county imposes the sales and use
5824 tax under this section, and for a three-year period after at least three counties
5825 described in Subsections (4) and (5) have imposed a tax under this section, or
5826 until June 30, 2030, whichever comes first, revenue designated for public
5827 transit within a county of the first class as described in Subsection (4)(a) shall
5828 be transferred to the County of the First Class Highway Projects Fund created
5829 in Section 72-2-121.

5830 (B) Revenue deposited into the County of the First Class Highway Projects Fund
5831 created in Section 72-2-121 as described in Subsection (11)(b)(i)(A) may be
5832 used for public transit innovation grants as provided in Title 72, Chapter 2, Part
5833 4, Public Transit Innovation Grants.

5834 (ii) If a county of the first class imposes a sales and use tax described in this section,
5835 beginning on the day three years after the date on which at least three counties
5836 described in Subsections (4) and (5) have imposed a tax under this section, or
5837 beginning on July 1, 2030, whichever comes first, for revenue designated for
5838 public transit as described in Subsection (4)(a):

5839 (A) 50% of the revenue from a sales and use tax imposed under this section in a
5840 county of the first class shall be transferred to the County of the First Class
5841 Highway Projects Fund created in Section 72-2-121; and

5842 (B) 50% of the revenue from a sales and use tax imposed under this section in a
5843 county of the first class shall be transferred to the Transit Transportation
5844 Investment Fund created in Subsection [~~72-2-124(9)~~] 72-2-124.

5845 (c)(i) If a county that is not a county of the first class for which the entire boundary of
5846 the county is annexed into a large public transit district imposes a sales and use
5847 tax described in this section, beginning on the date on which the county imposes
5848 the sales and use tax under this section, and for a three-year period following the
5849 date on which at least three counties described in Subsections (4) and (5) have
5850 imposed a tax under this section, or until June 30, 2030, whichever comes first,
5851 revenue designated for public transit as described in Subsection (5)(a) shall be
5852 transferred to the relevant county legislative body to be used for a purpose
5853 described in Subsection (11)(a).

5854 (ii) If a county that is not a county of the first class for which the entire boundary of
5855 the county is annexed into a large public transit district imposes a sales and use
5856 tax described in this section, beginning on the day three years after the date on

5857 which at least three counties described in Subsections (4) and (5) have imposed a
 5858 tax under this section, or beginning on July 1, 2030, whichever comes first, for the
 5859 revenue that is designated for public transit in Subsection (5)(a):

5860 (A) 50% shall be transferred to the Transit Transportation Investment Fund
 5861 created in Subsection ~~[72-2-124(9)]~~ 72-2-124; and

5862 (B) 50% shall be transferred to the relevant county legislative body to be used for
 5863 a purpose described in Subsection (11)(a).

5864 (d) Except as provided in Subsection ~~[(13)(e)]~~ (14)(c), for a county that imposes a sales
 5865 and use tax under this section, for revenue designated for public transit as described
 5866 in Subsection (6)(b)(i), the revenue shall be transferred to the relevant county
 5867 legislative body to be used for a purpose described in Subsection (11)(a).

5868 (12) A large public transit district shall send notice to the commission at least 90 days
 5869 before the earlier of:

5870 (a) the date that is three years after the date on which at least three counties described in
 5871 Subsections (4) and (5) have imposed a tax under this section; or

5872 (b) June 30, 2030.

5873 (13) For a city described in Subsection (10)(c), during the bondable term of a revitalization
 5874 project described in Subsection (10)(c), the city shall transfer at least 50%, and may
 5875 transfer up to 100%, of any revenue the city receives from a distribution under
 5876 Subsection (4)(b) to a convention center public infrastructure district created in
 5877 accordance with Section 17D-4-202.1 for revitalization of a convention center owned by
 5878 the county within a city of the first class and surrounding revitalization projects related
 5879 to the convention center as permitted in Subsection (10)(c).

5880 ~~[(14)(a) Notwithstanding Section 59-12-2208, a county legislative body may, but is not~~
 5881 ~~required to, submit an opinion question to the county's registered voters in~~
 5882 ~~accordance with Section 59-12-2208 to impose a sales and use tax under this section.]~~

5883 ~~[(b)]~~ (14)(a) If a county ~~[passes an ordinance]~~ complies with Section 59-12-2208 to
 5884 impose a sales and use tax as described in this section, the sales and use tax shall take
 5885 effect on the first day of the calendar quarter after a 90-day period that begins on the
 5886 date the commission receives written notice from the county of the ~~[passage of the~~
 5887 ~~ordinance]~~ voters' approval of the legislation.

5888 ~~[(e)]~~ (b) A county that imposed the local option sales and use tax described in this section
 5889 before January 1, 2023, may maintain that county's distribution allocation in place as
 5890 of January 1, 2023.

5891 (15)(a) Revenue collected from a sales and use tax under this section may not be used to
 5892 supplant existing General Fund appropriations that a county, city, or town budgeted
 5893 for transportation or public transit as of the date the tax becomes effective for a
 5894 county, city, or town.

5895 (b) The limitation under Subsection (15)(a) does not apply to a designated transportation
 5896 or public transit capital or reserve account a county, city, or town established before
 5897 the date the tax becomes effective.

5898 Section 94. Section **59-12-2402** is amended to read:

5899 **59-12-2402 (Effective 01/01/27). Imposition of emergency services tax --**

5900 **Permitted rates -- Expenditure and distribution of tax revenue -- Administration,**
 5901 **collection, and enforcement of tax -- Administrative charge.**

5902 (1)(a) The governing body of a qualifying political subdivision may, subject to
 5903 Subsection (1)(b), impose a sales and use tax on the transactions described in
 5904 Subsection 59-12-103(1) in the following amount:

5905 (i) before January 1, 2027, an amount of up to .33% if the governing body:

5906 (A) first holds a public hearing at which the tax is discussed, subject to Subsection
 5907 (2); and

5908 (B) after the public hearing is held, passes an ordinance or resolution approving
 5909 the tax; or

5910 (ii) an amount of up to 1% if the governing body obtains approval to impose the tax
 5911 from a majority of:

5912 (A) the members of the governing body; and

5913 (B) voters within the qualifying political subdivision voting in an election held [
 5914 ~~for that purpose in accordance with Title 11, Chapter 14, Local Government~~
 5915 ~~Bonding Act]~~ in accordance with Title 20A, Chapter 7, Part 9, Tax Increase
 5916 Voting Requirements.

5917 (b)(i) A tax imposed by a county under Subsection (1)(a) shall be imposed within all
 5918 unincorporated areas of the county.

5919 (ii) A tax imposed by a special service district under Subsection (1)(a) shall be
 5920 imposed within the boundaries of each city and town located within the area of the
 5921 special service district.

5922 (iii) A tax may not be imposed under this section within:

5923 (A) a portion of a city, town, or the unincorporated area of a county; or

5924 (B) an area in which a tax under this section has already been imposed.

- 5925 (c) Notwithstanding Subsection (1)(a), a qualifying political subdivision may not impose
5926 a tax under this section on:
- 5927 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
5928 are exempt from taxation under Section 59-12-104; and
- 5929 (ii) except as provided in Subsection (1)(e), amounts paid or charged for food and
5930 food ingredients.
- 5931 (d) For purposes of this Subsection (1), the location of a transaction is determined in
5932 accordance with Sections 59-12-211 through 59-12-215.
- 5933 (e) A qualifying political subdivision that imposes a tax under this section shall impose
5934 the tax on the purchase price or sales price for amounts paid or charged for food and
5935 food ingredients if the food and food ingredients are sold as part of a bundled
5936 transaction attributable to food and food ingredients and tangible personal property
5937 other than food and food ingredients.
- 5938 (2)(a) The governing body of a qualifying political subdivision proposing a tax rate
5939 described in Subsection (1)(a)(i) shall, as a class A notice under Section 63G-30-102,
5940 publish notice of the public hearing required by Subsection (1)(a)(i)(A) for at least 14
5941 days before the day of the public hearing.
- 5942 (b) The notice described in Subsection (2)(a) shall:
- 5943 (i) state the governing body's intent to adopt a tax under this section;
- 5944 (ii) describe the proposed tax rate;
- 5945 (iii) describe the cities, towns, and unincorporated areas within which the proposed
5946 tax is to be imposed;
- 5947 (iv) specify the date, time, and location of the public hearing; and
- 5948 (v) state that the purpose of the public hearing is to obtain public comments regarding
5949 the proposed tax.
- 5950 (3) For a county proposing a tax rate described in Subsection (1)(a)(ii), the voter approval
5951 requirement in Subsection (1)(a)(ii)(B) applies only to voters residing within the
5952 unincorporated areas of the county.
- 5953 (4)(a) Subject to Subsection (4)(b), a qualifying political subdivision may use money
5954 collected from a tax imposed under this section to fund emergency services provided
5955 by, or on behalf of, a qualifying political subdivision.
- 5956 (b) A qualifying political subdivision that imposes a tax under this section may:
- 5957 (i) use money collected from the tax to fund emergency services within an area in
5958 which the tax is not imposed; and

5959 (ii) enter into an agreement authorized by Title 11, Chapter 13, Interlocal
 5960 Cooperation Act, allowing for another qualifying political subdivision to use
 5961 money collected from the tax to fund emergency services.

5962 (5)(a) Except as provided in Subsection (5)(b), a tax under this section shall be
 5963 administered, collected, and enforced in accordance with the same procedures used to
 5964 administer, collect, and enforce the tax under:

5965 (i)(A) Part 1, Tax Collection; or

5966 (B) Part 2, Local Sales and Use Tax Act; and

5967 (ii) Chapter 1, General Taxation Policies.

5968 (b) A tax under this section is not subject to Subsections 59-12-205(2) through (5).

5969 (c) A tax under this section shall be levied for a period of 10 years and may, in
 5970 accordance with the procedures and requirements for levying a tax under Subsections
 5971 (1) through (3), be reauthorized at the end of the 10-year period by:

5972 (i) the governing body that imposed the tax, for reauthorizing a tax rate described in
 5973 Subsection (1)(a)(i); or

5974 (ii) the governing body that imposed the tax and the qualifying political subdivision's
 5975 voters, for reauthorizing a tax rate described in Subsection (1)(a)(ii).

5976 (d) Except as provided in Subsection (5)(e), the commission shall distribute the revenue
 5977 the commission collects from a tax imposed under this section directly to the
 5978 qualifying political subdivision imposing the tax.

5979 (e) The commission shall retain and deposit an administrative charge in accordance with
 5980 Section 59-1-306 from the revenue the commission collects from a tax under this
 5981 section.

5982 Section 95. Section **59-13-201** is amended to read:

5983 **59-13-201 (Effective 01/01/27). Rate -- Tax basis -- Exemptions -- Revenue**
 5984 **deposited into the Transportation Fund -- Restricted account for boating uses -- Refunds**
 5985 **-- Reduction of tax in limited circumstances.**

5986 (1)(a)(i) Subject to the provisions of this section and except as provided in Subsection
 5987 (1)(e), a tax is imposed at the rate of 14.2% of the statewide average rack price of
 5988 a gallon of motor fuel per gallon upon all motor fuel that is sold, used, or received
 5989 for sale or used in this state.

5990 (ii) Notwithstanding Subsection (1)(a)(i), for the period beginning on July 1, 2023,
 5991 and ending on December 31, 2023, the rate described in Subsection (1)(a)(i) shall
 5992 be 34.5 cents per gallon.

- 5993 (b)(i) Until December 31, 2018, and subject to the requirements under Subsection
 5994 (1)(c), the statewide average rack price of a gallon of motor fuel under Subsection
 5995 (1)(a) shall be determined by calculating the previous fiscal year statewide
 5996 average rack price of a gallon of regular unleaded motor fuel, excluding federal
 5997 and state excise taxes, for the 12 months ending on the previous June 30 as
 5998 published by an oil pricing service.
- 5999 (ii) Beginning on January 1, 2019, and ending on December 31, 2026, and subject to
 6000 the requirements under Subsection (1)(c), the statewide average rack price of a
 6001 gallon of motor fuel under Subsection (1)(a) shall be determined by calculating
 6002 the previous three fiscal years statewide average rack price of a gallon of regular
 6003 unleaded motor fuel, excluding federal and state excise taxes, for the 36 months
 6004 ending on the previous June 30 as published by an oil pricing service.
- 6005 (c)(i) Subject to the requirement in Subsection (1)(c)(ii), the statewide average rack
 6006 price of a gallon of motor fuel determined under Subsection (1)(b) may not be less
 6007 than \$1.78 per gallon.
- 6008 (ii) Beginning on January 1, 2019, and ending on December 31, 2026, the
 6009 commission shall, on January 1, annually adjust the minimum statewide average
 6010 rack price of a gallon of motor fuel described in Subsection (1)(c)(i) by taking the
 6011 minimum statewide average rack price of a gallon of motor fuel for the previous
 6012 calendar year and adding an amount equal to the greater of:
 6013 (A) an amount calculated by multiplying the minimum statewide average rack
 6014 price of a gallon of motor fuel for the previous calendar year by the actual
 6015 percent change during the previous fiscal year in the Consumer Price Index; and
 6016 (B) 0.
- 6017 (iii) The statewide average rack price of a gallon of motor fuel determined by the
 6018 commission under Subsection (1)(b) may not exceed:
 6019 (A) for a calendar year beginning on January 1, 2024, \$2.57 per gallon;
 6020 (B) for a calendar year beginning on January 1, 2025, \$2.71 per gallon; and
 6021 (C) for a calendar year beginning on January 1, 2026, \$2.82 per gallon[; ~~and~~].
 6022 [~~(D) for a calendar year beginning on January 1, 2028, and thereafter, \$2.96 per~~
 6023 ~~gallon.]~~
- 6024 (iv) The minimum statewide average rack price of a gallon of motor fuel described
 6025 and adjusted under Subsections (1)(c)(i) and (ii) may not exceed the maximum
 6026 statewide average rack price of a gallon of motor fuel under Subsection (1)(c)(iii).

- 6027 (d)(i) The commission shall annually:
- 6028 [~~(A)~~ determine the statewide average rack price of a gallon of motor fuel in
- 6029 accordance with ~~Subsections (1)(b) and (c);~~]
- 6030 [~~(B)~~ (A) adjust the fuel tax rate imposed under Subsection (1)(a), rounded to the
- 6031 nearest one-tenth of a cent, based on the determination under Subsection (1)(b);
- 6032 [~~(C)~~ (B) publish the adjusted fuel tax as a cents per gallon rate; and
- 6033 [~~(D)~~ (C) post or otherwise make public the adjusted fuel tax rate [as determined in
- 6034 ~~Subsection (1)(d)(i)(B)~~] no later than 60 days before the annual effective date
- 6035 under Subsection (1)(d)(ii).
- 6036 (ii) The tax rate imposed under this Subsection (1) and adjusted as required under
- 6037 Subsection (1)(d)(i) shall take effect on January 1 of each year.
- 6038 (e) In lieu of the tax imposed under Subsection (1)(a) and subject to the provisions of
- 6039 this section, a tax is imposed at the rate of 3/19 of the rate imposed under Subsection
- 6040 (1)(a), rounded up to the nearest penny, upon all motor fuels that meet the definition
- 6041 of clean fuel in Section 59-13-102 and are sold, used, or received for sale or use in
- 6042 this state.
- 6043 (2) Any increase or decrease in tax rate applies to motor fuel that is imported to the state or
- 6044 sold at refineries in the state on or after the effective date of the rate change.
- 6045 (3)(a) No motor fuel tax is imposed upon:
- 6046 (i) motor fuel that is brought into and sold in this state in original packages as purely
- 6047 interstate commerce sales;
- 6048 (ii) motor fuel that is exported from this state if proof of actual exportation on forms
- 6049 prescribed by the commission is made within 180 days after exportation;
- 6050 (iii) motor fuel or components of motor fuel that is sold and used in this state and
- 6051 distilled from coal, oil shale, rock asphalt, bituminous sand, or solid hydrocarbons
- 6052 located in this state; or
- 6053 (iv) motor fuel that is sold to the United States government, this state, or the political
- 6054 subdivisions of this state.
- 6055 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 6056 commission shall make rules governing the procedures for administering the tax
- 6057 exemption provided under Subsection (3)(a)(iv).
- 6058 (4) The commission may either collect no tax on motor fuel exported from the state or,
- 6059 upon application, refund the tax paid.
- 6060 (5)(a) All revenue received by the commission under this part shall be deposited daily

- 6061 with the state treasurer and credited to the Transportation Fund.
- 6062 (b) An appropriation from the Transportation Fund shall be made to the commission to
6063 cover expenses incurred in the administration and enforcement of this part and the
6064 collection of the motor fuel tax.
- 6065 (6)(a) The commission shall determine what amount of motor fuel tax revenue is
6066 received from the sale or use of motor fuel used in motorboats registered under Title
6067 73, Chapter 18, State Boating Act, and this amount shall be deposited into a restricted
6068 revenue account in the General Fund of the state.
- 6069 (b) The funds from this account shall be used for the construction, improvement,
6070 operation, and maintenance of state-owned boating facilities and for the payment of
6071 the costs and expenses of the Division of Outdoor Recreation in administering and
6072 enforcing Title 73, Chapter 18, State Boating Act.
- 6073 (7)(a) The United States government or any of its instrumentalities, this state, or a
6074 political subdivision of this state that has purchased motor fuel from a licensed
6075 distributor or from a retail dealer of motor fuel and has paid the tax on the motor fuel
6076 as provided in this section is entitled to a refund of the tax and may file with the
6077 commission for a quarterly refund.
- 6078 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6079 commission shall make rules governing the application and refund provided for in
6080 Subsection (7)(a).
- 6081 (8)(a) The commission shall refund annually into the Off-highway Vehicle Account in
6082 the General Fund an amount equal to .5% of the motor fuel tax revenues collected
6083 under this section.
- 6084 (b) This amount shall be used as provided in Section 41-22-19.
- 6085 (9)(a) Beginning on April 1, 2001, a tax imposed under this section on motor fuel that is
6086 sold, used, or received for sale or use in this state is reduced to the extent provided in
6087 Subsection (9)(b) if:
- 6088 (i) a tax imposed on the basis of the sale, use, or receipt for sale or use of the motor
6089 fuel is paid to the Navajo Nation;
- 6090 (ii) the tax described in Subsection (9)(a)(i) is imposed without regard to whether [~~or~~
6091 ~~not~~]the person required to pay the tax is an enrolled member of the Navajo
6092 Nation; and
- 6093 (iii) the commission and the Navajo Nation execute and maintain an agreement as
6094 provided in this Subsection (9) for the administration of the reduction of tax.

- 6095 (b)(i) If but for Subsection (9)(a) the motor fuel is subject to a tax imposed by this
6096 section:
- 6097 (A) the state shall be paid the difference described in Subsection (9)(b)(ii) if that
6098 difference is greater than \$0; and
- 6099 (B) a person may not require the state to provide a refund, a credit, or similar tax
6100 relief if the difference described in Subsection (9)(b)(ii) is less than or equal to
6101 \$0.
- 6102 (ii) The difference described in Subsection (9)(b)(i) is equal to the difference between:
6103 (A) the amount of tax imposed on the motor fuel by this section; less
6104 (B) the tax imposed and collected by the Navajo Nation on the motor fuel.
- 6105 (c) For purposes of Subsections (9)(a) and (b), the tax paid to the Navajo Nation under a
6106 tax imposed by the Navajo Nation on the basis of the sale, use, or receipt for sale or
6107 use of motor fuel does not include any interest or penalties a taxpayer may be
6108 required to pay to the Navajo Nation.
- 6109 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6110 commission shall make rules governing the procedures for administering the
6111 reduction of tax provided under this Subsection (9).
- 6112 (e) The agreement required under Subsection (9)(a):
- 6113 (i) may not:
- 6114 (A) authorize the state to impose a tax in addition to a tax imposed under this
6115 chapter;
- 6116 (B) provide a reduction of taxes greater than or different from the reduction
6117 described in this Subsection (9); or
- 6118 (C) affect the power of the state to establish rates of taxation;
- 6119 (ii) shall:
- 6120 (A) be in writing;
- 6121 (B) be signed by:
- 6122 (I) the chair of the commission or the chair's designee; and
6123 (II) a person designated by the Navajo Nation that may bind the Navajo Nation;
- 6124 (C) be conditioned on obtaining any approval required by federal law;
- 6125 (D) state the effective date of the agreement; and
- 6126 (E) state any accommodation the Navajo Nation makes related to the construction
6127 and maintenance of state highways and other infrastructure within the Utah
6128 portion of the Navajo Nation; and

- 6129 (iii) may:
- 6130 (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the
- 6131 Navajo Nation information that is:
- 6132 (I) contained in a document filed with the commission; and
- 6133 (II) related to the tax imposed under this section;
- 6134 (B) provide for maintaining records by the commission or the Navajo Nation; or
- 6135 (C) provide for inspections or audits of distributors, carriers, or retailers located or
- 6136 doing business within the Utah portion of the Navajo Nation.
- 6137 (f)(i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax
- 6138 imposed on motor fuel, any change in the reduction of taxes under this Subsection
- 6139 (9) as a result of the change in the tax rate is not effective until the first day of the
- 6140 calendar quarter after a 60-day period beginning on the date the commission
- 6141 receives notice:
- 6142 (A) from the Navajo Nation; and
- 6143 (B) meeting the requirements of Subsection (9)(f)(ii).
- 6144 (ii) The notice described in Subsection (9)(f)(i) shall state:
- 6145 (A) that the Navajo Nation has changed or will change the tax rate of a tax
- 6146 imposed on motor fuel;
- 6147 (B) the effective date of the rate change of the tax described in Subsection
- 6148 (9)(f)(ii)(A); and
- 6149 (C) the new rate of the tax described in Subsection (9)(f)(ii)(A).
- 6150 (g) If the agreement required by Subsection (9)(a) terminates, a reduction of tax is not
- 6151 permitted under this Subsection (9) beginning on the first day of the calendar quarter
- 6152 after a 30-day period beginning on the day the agreement terminates.
- 6153 (h) If there is a conflict between this Subsection (9) and the agreement required by
- 6154 Subsection (9)(a), this Subsection (9) governs.
- 6155 Section 96. Section **59-13-301** is amended to read:
- 6156 **59-13-301 (Effective 01/01/27). Tax basis -- Rate -- Exemptions -- Revenue**
- 6157 **deposited with treasurer and credited to Transportation Fund -- Reduction of tax in**
- 6158 **limited circumstances.**
- 6159 (1)(a) Except as provided in Subsections (2), (3), (11), and (12) and Section 59-13-304,
- 6160 a tax is imposed at the same rate imposed under Subsection 59-13-201(1)(a) on the:
- 6161 (i) removal of undyed diesel fuel from any refinery;
- 6162 (ii) removal of undyed diesel fuel from any terminal;

- 6163 (iii) entry into the state of any undyed diesel fuel for consumption, use, sale, or
 6164 warehousing;
- 6165 (iv) sale of undyed diesel fuel to any person who is not registered as a supplier under
 6166 this part unless the tax has been collected under this section;
- 6167 (v) any untaxed special fuel blended with undyed diesel fuel; or
 6168 (vi) use of untaxed special fuel other than propane or electricity.
- 6169 (b) The tax imposed under this section shall only be imposed once upon any special fuel.
- 6170 (2)(a) No special fuel tax is imposed or collected upon dyed diesel fuel which:
- 6171 (i) is sold or used for any purpose other than to operate or propel a motor vehicle
 6172 upon the public highways of the state, but this exemption applies only in those
 6173 cases where the purchasers or the users of special fuel establish to the satisfaction
 6174 of the commission that the special fuel was used for purposes other than to operate
 6175 a motor vehicle upon the public highways of the state; or
- 6176 (ii) is sold to this state or any of its political subdivisions.
- 6177 (b) No special fuel tax is imposed on undyed diesel fuel or clean fuel that is:
- 6178 (i) sold to the United States government or any of its instrumentalities or to this state
 6179 or any of its political subdivisions;
- 6180 (ii) exported from this state if proof of actual exportation on forms prescribed by the
 6181 commission is made within 180 days after exportation;
- 6182 (iii) used in a vehicle off-highway;
- 6183 (iv) used to operate a power take-off unit of a vehicle;
- 6184 (v) used for off-highway agricultural uses;
- 6185 (vi) used in a separately fueled engine on a vehicle that does not propel the vehicle
 6186 upon the highways of the state; or
- 6187 (vii) used in machinery and equipment not registered and not required to be
 6188 registered for highway use.
- 6189 (3) No tax is imposed or collected on special fuel if it is:
- 6190 (a)(i) purchased for business use in machinery and equipment not registered and not
 6191 required to be registered for highway use; and
- 6192 (ii) used ~~[pursuant to]~~ in accordance with the conditions of a state implementation
 6193 plan approved under Title 19, Chapter 2, Air Conservation Act; or
- 6194 (b) propane or electricity.
- 6195 (4) Upon request of a buyer meeting the requirements under Subsection (3), the Division of
 6196 Air Quality shall issue an exemption certificate that may be shown to a seller.

- 6197 (5) The special fuel tax shall be paid by the supplier.
- 6198 (6)(a) The special fuel tax shall be paid by every user who is required by Sections
6199 59-13-303 and 59-13-305 to obtain a special fuel user permit and file special fuel tax
6200 reports.
- 6201 (b) The user shall receive a refundable credit for special fuel taxes paid on purchases
6202 which are delivered into vehicles and for which special fuel tax liability is reported.
- 6203 (7)(a) Except as provided under Subsections (7)(b) and (c), all revenue received by the
6204 commission from taxes and license fees under this part shall be deposited daily with
6205 the state treasurer and credited to the Transportation Fund.
- 6206 (b) An appropriation from the Transportation Fund shall be made to the commission to
6207 cover expenses incurred in the administration and enforcement of this part and the
6208 collection of the special fuel tax.
- 6209 (c) Five dollars of each special fuel user trip permit fee paid under Section 59-13-303
6210 may be used by the commission as a dedicated credit to cover the costs of electronic
6211 credentialing as provided in Section 41-1a-303.
- 6212 (8) The commission may either collect no tax on special fuel exported from the state or,
6213 upon application, refund the tax paid.
- 6214 (9)(a) The United States government or any of its instrumentalities, this state, or a
6215 political subdivision of this state that has purchased special fuel from a supplier or
6216 from a retail dealer of special fuel and has paid the tax on the special fuel as provided
6217 in this section is entitled to a refund of the tax and may file with the commission for a
6218 quarterly refund in a manner prescribed by the commission.
- 6219 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6220 commission shall make rules governing the application and refund provided for in
6221 Subsection (9)(a).
- 6222 (10)(a) The purchaser shall pay the tax on diesel fuel or clean fuel purchased for uses
6223 under Subsections (2)(b)(i), (iii), (iv), (v), (vi), and (vii) and apply for a refund for the
6224 tax paid as provided in Subsection (9) and this Subsection (10).
- 6225 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6226 commission shall make rules governing the application and refund for off-highway
6227 and nonhighway uses provided under Subsections (2)(b)(iii), (iv), (vi), and (vii).
- 6228 (c) A refund of tax paid under this part on diesel fuel used for nonhighway agricultural
6229 uses shall be made in accordance with the tax return procedures under Section
6230 59-13-202.

- 6231 (11)(a) Beginning on April 1, 2001, a tax imposed under this section on special fuel is
6232 reduced to the extent provided in Subsection (11)(b) if:
- 6233 (i) the Navajo Nation imposes a tax on the special fuel;
 - 6234 (ii) the tax described in Subsection (11)(a)(i) is imposed without regard to whether
6235 the person required to pay the tax is an enrolled member of the Navajo Nation; and
 - 6236 (iii) the commission and the Navajo Nation execute and maintain an agreement as
6237 provided in this Subsection (11) for the administration of the reduction of tax.
- 6238 (b)(i) If but for Subsection (11)(a) the special fuel is subject to a tax imposed by this
6239 section:
- 6240 (A) the state shall be paid the difference described in Subsection (11)(b)(ii) if that
6241 difference is greater than \$0; and
 - 6242 (B) a person may not require the state to provide a refund, a credit, or similar tax
6243 relief if the difference described in Subsection (11)(b)(ii) is less than or equal
6244 to \$0.
- 6245 (ii) The difference described in Subsection (11)(b)(i) is equal to the difference
6246 between:
- 6247 (A) the amount of tax imposed on the special fuel by this section; less
 - 6248 (B) the tax imposed and collected by the Navajo Nation on the special fuel.
- 6249 (c) For purposes of Subsections (11)(a) and (b), the tax paid to the Navajo Nation on the
6250 special fuel does not include any interest or penalties a taxpayer may be required to
6251 pay to the Navajo Nation.
- 6252 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6253 commission shall make rules governing the procedures for administering the
6254 reduction of tax provided under this Subsection (11).
- 6255 (e) The agreement required under Subsection (11)(a):
- 6256 (i) may not:
 - 6257 (A) authorize the state to impose a tax in addition to a tax imposed under this
6258 chapter;
 - 6259 (B) provide a reduction of taxes greater than or different from the reduction
6260 described in this Subsection (11); or
 - 6261 (C) affect the power of the state to establish rates of taxation;
 - 6262 (ii) shall:
 - 6263 (A) be in writing;
 - 6264 (B) be signed by:

- 6265 (I) the chair of the commission or the chair's designee; and
 6266 (II) a person designated by the Navajo Nation that may bind the Navajo Nation;
 6267 (C) be conditioned on obtaining any approval required by federal law;
 6268 (D) state the effective date of the agreement; and
 6269 (E) state any accommodation the Navajo Nation makes related to the construction
 6270 and maintenance of state highways and other infrastructure within the Utah
 6271 portion of the Navajo Nation; and
 6272 (iii) may:
 6273 (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the
 6274 Navajo Nation information that is:
 6275 (I) contained in a document filed with the commission; and
 6276 (II) related to the tax imposed under this section;
 6277 (B) provide for maintaining records by the commission or the Navajo Nation; or
 6278 (C) provide for inspections or audits of suppliers, distributors, carriers, or retailers
 6279 located or doing business within the Utah portion of the Navajo Nation.
 6280 (f)(i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax
 6281 imposed on special fuel, any change in the amount of the reduction of taxes under
 6282 this Subsection (11) as a result of the change in the tax rate is not effective until
 6283 the first day of the calendar quarter after a 60-day period beginning on the date the
 6284 commission receives notice:
 6285 (A) from the Navajo Nation; and
 6286 (B) meeting the requirements of Subsection (11)(f)(ii).
 6287 (ii) The notice described in Subsection (11)(f)(i) shall state:
 6288 (A) that the Navajo Nation has changed or will change the tax rate of a tax
 6289 imposed on special fuel;
 6290 (B) the effective date of the rate change of the tax described in Subsection
 6291 (11)(f)(ii)(A); and
 6292 (C) the new rate of the tax described in Subsection (11)(f)(ii)(A).
 6293 (g) If the agreement required by Subsection (11)(a) terminates, a reduction of tax is not
 6294 permitted under this Subsection (11) beginning on the first day of the calendar
 6295 quarter after a 30-day period beginning on the day the agreement terminates.
 6296 (h) If there is a conflict between this Subsection (11) and the agreement required by
 6297 Subsection (11)(a), this Subsection (11) governs.
 6298 (12)(a)(i) Subject to Subsections (12)(a)(ii) and (iii), a tax imposed under this section

- 6299 on compressed natural gas is imposed at a rate of:
- 6300 (A) until June 30, 2016, 10-1/2 cents per gasoline gallon equivalent;
- 6301 (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per gasoline
- 6302 gallon equivalent;
- 6303 (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per gasoline
- 6304 gallon equivalent; and
- 6305 (D) beginning on or after July 1, 2018, 16-1/2 cents per gasoline gallon equivalent.
- 6306 (ii) Beginning on January 1, 2020, and ending on December 31, 2026, the
- 6307 commission shall, on January 1, annually adjust the rate of a tax imposed under
- 6308 this section on compressed natural gas by taking the rate for the previous calendar
- 6309 year and adding an amount equal to the greater of:
- 6310 (A) an amount calculated by multiplying the rate of a tax imposed under this
- 6311 section on compressed natural gas for the previous calendar year by the actual
- 6312 percent change during the previous fiscal year in the Consumer Price Index; and
- 6313 (B) 0.
- 6314 (iii) The rate of a tax imposed under this section on compressed natural gas
- 6315 determined by the commission under Subsection (12)(a)(ii) may not exceed 22-1/2
- 6316 cents per gasoline gallon equivalent.
- 6317 (b)(i) Subject to Subsections (12)(b)(ii) and (iii), a tax imposed under this section on
- 6318 liquified natural gas is imposed at a rate of:
- 6319 (A) until June 30, 2016, 10-1/2 cents per diesel gallon equivalent;
- 6320 (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per diesel
- 6321 gallon equivalent;
- 6322 (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per diesel
- 6323 gallon equivalent; and
- 6324 (D) beginning on or after July 1, 2018, 16-1/2 cents per diesel gallon equivalent.
- 6325 (ii) Beginning on January 1, 2020, and ending on December 31, 2026, the
- 6326 commission shall, on January 1, annually adjust the rate of a tax imposed under
- 6327 this section on liquified natural gas by taking the rate for the previous calendar
- 6328 year and adding an amount equal to the greater of:
- 6329 (A) an amount calculated by multiplying the rate of a tax imposed under this
- 6330 section on liquified natural gas for the previous calendar year by the actual
- 6331 percent change during the previous fiscal year in the Consumer Price Index; and
- 6332 (B) 0.

- 6333 (iii) The rate of a tax imposed under this section on liquified natural gas determined
 6334 by the commission under Subsection (12)(b)(ii) may not exceed 22-1/2 cents per
 6335 diesel gallon equivalent.
- 6336 (c)(i) Subject to Subsections (12)(c)(ii) and (iii), a tax imposed under this section on
 6337 hydrogen used to operate or propel a motor vehicle upon the public highways of
 6338 the state is imposed at a rate of:
- 6339 (A) until June 30, 2016, 10-1/2 cents per gasoline gallon equivalent;
 6340 (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per gasoline
 6341 gallon equivalent;
 6342 (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per gasoline
 6343 gallon equivalent; and
 6344 (D) beginning on or after July 1, 2018, 16-1/2 cents per gasoline gallon equivalent.
- 6345 (ii) Beginning on January 1, 2020, and ending on December 31, 2026, the
 6346 commission shall, on January 1, annually adjust the rate of a tax imposed under
 6347 this section on hydrogen used to operate or propel a motor vehicle upon the public
 6348 highways of the state by taking the rate for the previous calendar year and adding
 6349 an amount equal to the greater of:
- 6350 (A) an amount calculated by multiplying the rate of a tax imposed under this
 6351 section on hydrogen used to operate or propel a motor vehicle upon the public
 6352 highways of the state for the previous calendar year by the actual percent
 6353 change during the previous fiscal year in the Consumer Price Index; and
 6354 (B) 0.
- 6355 (iii) The rate of a tax imposed under this section on hydrogen used to operate or
 6356 propel a motor vehicle upon the public highways of the state determined by the
 6357 commission under Subsection (12)(c)(ii) may not exceed 22-1/2 cents per gasoline
 6358 gallon equivalent.
- 6359 (d)(i) The commission shall annually:
- 6360 ~~[(A) adjust the fuel tax rates imposed under Subsections (12)(a)(ii), (b)(ii), and~~
 6361 ~~(c)(ii), rounded to the nearest one-tenth of a cent;]~~
- 6362 ~~[(B)] (A) publish the [adjusted] fuel tax as a cents per gallon rate; and~~
 6363 ~~[(C)] (B) post or otherwise make public the [adjusted] fuel tax rate [as determined~~
 6364 ~~in Subsection (12)(d)(i)(A)] no later than 60 days [prior to] before the annual~~
 6365 ~~effective date under Subsection (12)(d)(ii).~~
- 6366 (ii) The tax rates imposed under this Subsection (12) ~~[and adjusted as required under~~

6367 Subsection (12)(d)(i)] shall take effect on January 1 of each year.

6368 Section 97. Section **63G-7-704** is amended to read:

6369 **63G-7-704 (Effective 01/01/27). Tax levy by political subdivisions for payment of**
 6370 **claims, judgments, or insurance premiums.**

6371 (1) Notwithstanding any provision of law to the contrary, a political subdivision may levy
 6372 an annual property tax sufficient to pay:

6373 (a) any claim, settlement, or judgment, including interest payments and issuance costs
 6374 for bonds issued under Subsection 11-14-103(1)(d) to pay the portion of any claim,
 6375 settlement, or judgment that exceeds \$3,000,000;

6376 (b) the costs to defend against any claim, settlement, or judgment; or

6377 (c) for the establishment and maintenance of a reserve fund for the payment of claims,
 6378 settlements, or judgments that may be reasonably anticipated.

6379 (2)(a) The payments authorized to pay for punitive damages or to pay the premium for
 6380 authorized insurance is money spent for a public purpose within the meaning of this
 6381 section and Utah Constitution, Article XIII, Sec. 5, even though, as a result of the
 6382 levy, the maximum levy as otherwise restricted by law is exceeded.

6383 (b)(i) Except as provided in Subsection (2)(b)(ii), a levy under this section may not
 6384 exceed .0001 per dollar of taxable value of taxable property.

6385 (ii) A levy under Subsection (1)(a) to pay the portion of any claim, settlement, or
 6386 judgment that exceeds \$3,000,000 may not exceed .001 per dollar of taxable value
 6387 of taxable property.

6388 (c) Except as provided in Subsection 17-63-808(2), the revenues derived from this levy
 6389 may not be used for any purpose other than those specified in this section.

6390 (3) [~~Beginning January 1, 2012, a~~] A local school board may not levy a tax in accordance
 6391 with this section.

6392 (4) A political subdivision that levies an annual property tax under Subsection (1)(a) to pay
 6393 the portion of any claim, settlement, or judgment[~~that exceeds \$3,000,000~~]:

6394 (a) shall comply with the notice and public hearing requirements under Section [
 6395 ~~59-2-919~~] 59-2-918.5; and

6396 (b) may levy the annual property tax until the bonds' maturity dates expire.

6397 Section 98. Section **72-2-121.1** is amended to read:

6398 **72-2-121.1 (Effective 01/01/27). Highway Projects Within Counties Fund --**
 6399 **Accounting for revenues -- Interest -- Expenditure of revenues.**

6400 (1) There is created a special revenue fund within the Transportation Fund known as the

- 6401 "Highway Projects Within Counties Fund."
- 6402 (2) The Highway Projects Within Counties Fund shall be funded by revenues generated by
- 6403 a tax imposed by a county under Section 59-12-2216, if those revenues are allocated:
- 6404 (a) for a state highway within the county; and
- 6405 (b) in accordance with Section 59-12-2216.
- 6406 (3) The department shall make a separate accounting for:
- 6407 (a) the revenues described in Subsection (2); and
- 6408 (b) each county for which revenues are deposited into the Highway Projects Within
- 6409 Counties Fund.
- 6410 (4)(a) The Highway Projects Within Counties Fund shall earn interest.
- 6411 (b) The department shall allocate the interest earned on the Highway Projects Within
- 6412 Counties Fund:
- 6413 (i) proportionately;
- 6414 (ii) to each county's balance in the Highway Projects Within Counties Fund; and
- 6415 (iii) on the basis of each county's balance in the Highway Projects Within Counties
- 6416 Fund.
- 6417 (5) The department shall expend the revenues and interest deposited into the Highway
- 6418 Projects Within Counties Fund to pay:
- 6419 (a) for a state highway project within the county for which the requirements of
- 6420 Subsection ~~[59-12-2216(6)]~~ 59-12-2216(5) are met;
- 6421 (b) debt service on a project described in Subsection (5)(a); or
- 6422 (c) bond issuance costs related to a project described in Subsection (5)(a).
- 6423 Section 99. **Repealer.**
- 6424 This bill repeals:
- 6425 Section **20A-7-609.5, Election on referendum challenging local tax law conducted**
- 6426 **entirely by mail.**
- 6427 Section **20A-7-613, Property tax referendum petition.**
- 6428 Section **53F-8-402, Special tax to buy school building sites, build and furnish**
- 6429 **schoolhouses, or improve school property.**
- 6430 Section **59-1-1602, Definitions.**
- 6431 Section **59-1-1603, Applicability of part.**
- 6432 Section **59-2-301.3, Definitions -- Assessment of real property subject to a low-income**
- 6433 **housing covenant.**
- 6434 Section **59-2-301.8, Assessment of multi-tenant residential property.**

6435 Section **59-2-306.5, Valuation of personal property of telecommunications service**
6436 **provider -- Reporting information to counties.**

6437 Section **59-2-402, Proportional assessment of transitory personal property brought from**
6438 **outside state -- Exemptions -- Reporting requirements -- Penalty for failure to file report --**
6439 **Claims for rebates and adjustments.**

6440 Section **59-2-918.6, New and remaining school district budgets -- Advertisement --**
6441 **Public hearing.**

6442 Section **59-2-919.2, Consolidated advertisement of public hearings.**

6443 Section **59-2-922, Replacement resolution for greater tax rate.**

6444 Section **59-2-923, Expenditures of money prior to adoption of budget or tax rate.**

6445 Section **59-12-2212.1, Transition provisions.**

6446 Section 100. **Effective Date.**

6447 This bill takes effect on January 1, 2027, if the amendment to the Utah Constitution
_6448 proposed by H.J.R. 20, Proposal to Amend Utah Constitution -- Utah Taxpayer Oversight of
_6449 Government Spending, 2026 General Session, passes the Legislature and is approved by a
_6450 majority of those voting on it at the next regular general election.