

Daniel McCay proposes the following substitute bill:

Tax Revenue Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

House Sponsor:

LONG TITLE

General Description:

This bill modifies provisions related to tax revenue.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ limits the amount of money in certain reserve funds established by municipalities and counties;
- ▶ reduces the amount of the residential property tax exemption for property that is the primary residence of a tenant;
- ▶ establishes a rebuttable presumption that property owned by a business entity does not qualify for the residential exemption;
- ▶ requires a county to provide information to the Multicounty Appraisal Trust regarding any property for which the owner rebutted the presumption;
- ▶ requires residential property owners to apply to the county to receive a residential exemption if the property was ineligible for the residential exemption in the prior year, an ownership interest in the property changes, or the county has reason to believe the property no longer qualifies for the residential exemption;
- ▶ excludes certain property valuation increases from the calculation of locally assessed new growth;
- ▶ excludes increases to the value of tangible personal property from the calculation of project area new growth;
- ▶ includes a coordination clause to incorporate changes to the Multicounty Appraisal Trust in S.B. 206, Tax Amendments; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

29 None

30 **Other Special Clauses:**

31 This bill provides a special effective date.

32 This bill provides coordination clauses.

33 **Utah Code Sections Affected:**

34 AMENDS:

35 **10-5-113 (Effective 06/01/26)**, as last amended by Laws of Utah 2021, Chapter 52

36 **10-6-116 (Effective 06/01/26)**, as last amended by Laws of Utah 2021, Chapter 52

37 **17-63-204 (Effective 06/01/26)**, as renumbered and amended by Laws of Utah 2025,
38 First Special Session, Chapter 13

39 **59-2-103 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 234

40 **59-2-103.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 234

41 **59-2-924 (Effective 06/01/26)**, as last amended by Laws of Utah 2025, First Special
42 Session, Chapter 15

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

44 **59-2-103 (05/06/26)**, as last amended by Laws of Utah 2025, Chapter 234

45

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

47 Section 1. Section **10-5-113** is amended to read:

48 **10-5-113 (Effective 06/01/26). Accumulation of retained earnings or fund**
49 **balance -- Limit as to general fund -- Reserve for capital improvements.**

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

51 (2) The accumulation of a fund balance in the town general fund may not exceed an amount
52 equal to 100% of the [total revenue of the town general fund for the current fiscal period]
53 town's prior year budgeted property tax revenue.

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

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

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

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

62 Section 2. Section **10-6-116** is amended to read:

63 **10-6-116 (Effective 06/01/26). Accumulated fund balances -- Limitations --**
64 **Excess balances -- Unanticipated excess of revenues -- Reserves for capital improvements.**

65 (1)(a) A city may accumulate retained earnings or fund balances, as appropriate, in any
66 fund. With respect to the city general fund only, any accumulated fund balance is
67 restricted to the following purposes:

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

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

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

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

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

81 (2) The accumulation of a fund balance in the city general fund may not exceed [~~35% of the~~
82 ~~total revenue of the city general fund for the current fiscal period~~] an amount equal to
83 100% of the city's prior year budgeted property tax revenue.

84 (3) If the fund balance at the close of any fiscal period exceeds the amount permitted under
85 Subsection (2), the excess shall be appropriated in the manner provided in Section
86 10-6-117.

87 (4) Any fund balance in excess of 5% of the total revenues of the city general fund may be
88 utilized for budget purposes.

89 (5)(a) Within a capital improvements fund, the governing body may, in any budget
90 period, appropriate from estimated revenue or fund balance to a reserve for capital
91 improvements for the purpose of financing future specific capital improvements,
92 under a formal long-range capital plan adopted by the governing body.

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

96 (c) Disbursements from reserves described in Subsection (5)(a) shall be made only by

97 transfer to a revenue or transfer account within the capital improvements fund, under
98 a budget appropriation in a budget for the fund adopted in the manner provided by
99 this chapter.

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

102 Section 3. Section **17-63-204** is amended to read:

103 **17-63-204 (Effective 06/01/26). Retained earnings -- Accumulation -- Restrictions**
104 **-- Disbursements.**

105 (1)(a) A county may accumulate:

106 (i) retained earnings in any enterprise or internal service fund; and

107 (ii) a fund balance in any fund that is not an enterprise or internal service fund.

108 (b) Notwithstanding Subsection (1)(a), use of the county general fund shall be restricted
109 to the following purposes:

110 (i) to provide cash to finance expenditures from the beginning of the budget period
111 until general property taxes, sales taxes, or other revenues are collected;

112 (ii) to provide a fund or reserve to meet emergency expenditures; and

113 (iii) to cover unanticipated deficits for future years.

114 (2)(a) The maximum accumulated unappropriated surplus in the county general fund, as
115 determined before adoption of the tentative budget, may not exceed an amount equal
116 to ~~[the greater of:]~~ 100% of the county's prior year budgeted property tax revenue.

117 ~~[(i)(A) for a county with a taxable value of \$750,000,000 or more and a
118 population of 100,000 or more, 25% of the total revenues of the county general
119 fund for the current fiscal period; or]~~

120 ~~[(B) for any other county, 65% of the total revenues of the county general fund for
121 the current fiscal period; and]~~

122 ~~[(ii) the estimated total revenues from property taxes for the current fiscal period.]~~

123 (b) Any surplus balance in excess of the above computed maximum shall be included in
124 the estimated revenues of the county general fund budget for the next fiscal period.

125 (3) Any fund balance exceeding 5% of the total county general fund revenues may be used
126 for budgetary purposes.

127 (4)(a) A county may appropriate funds from estimated revenue in any budget period to a
128 reserve for capital improvements within any capital improvements fund which has
129 been duly established by ordinance or resolution.

130 (b) Money in the reserves shall be allowed to accumulate from fiscal period to fiscal

- 131 period until the accumulated total is sufficient to permit economical expenditure for
 132 the specified purposes.
- 133 (c) Disbursements from the reserves shall be made only by transfer to a revenue account
 134 within a capital improvements fund in accordance with an appropriation for the fund.
- 135 (d) Expenditures from the capital improvement budget accounts shall conform to all
 136 requirements of this chapter as it relates to the execution and control of budgets.

137 Section 4. Section **59-2-103** is amended to read:

138 **59-2-103 (Effective 05/06/26). Rate of assessment of property -- Residential**
 139 **property -- Rebuttable presumption.**

140 (1) As used in this section:

- 141 (a) "Business entity" means the same as that term is defined in Section 59-2-1332.5.
- 142 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 143 commission may make rules defining the term "domicile."
- 144 ~~[(a)]~~ (c)(i) "Household" means the association of individuals who live in the same
 145 dwelling, sharing the dwelling's furnishings, facilities, accommodations, and
 146 expenses.
- 147 (ii) "Household" includes married individuals, who are not legally separated, who
 148 have established domiciles at separate locations within the state.
- 149 (d) "Multicounty Appraisal Trust" means the same as that term is defined in Section
 150 59-2-1601.

151 ~~[(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the~~
 152 ~~commission may make rules defining the term "domicile."]~~

- 153 (2) All tangible taxable property located within the state shall be assessed and taxed at a
 154 uniform and equal rate on the basis of its fair market value, as valued on January 1,
 155 unless otherwise provided by law.
- 156 (3) Subject to Subsections (4) through (6) and Section 59-2-103.5, for a calendar year, the
 157 fair market value of residential property located within the state is allowed a residential
 158 exemption equal to:
- 159 (a) a 45% reduction in the value of the property, for residential property that is the
 160 primary residence of the owner; or
- 161 (b) a 40% reduction in the value of the property, for residential property that is the
 162 primary residence of a tenant.
- 163 (4) Part-year residential property located within the state is allowed the residential
 164 exemption described in Subsection (3) if the part-year residential property is used as

165 residential property for 183 or more consecutive calendar days during the calendar year
 166 for which the owner seeks to obtain the residential exemption.

167 (5) No more than one acre of land per residential unit may qualify for the residential
 168 exemption described in Subsection (3).

169 (6)(a) Except as provided in Subsections (6)(b)(ii) and (iii), a residential exemption
 170 described in Subsection (3) is limited to one primary residence per household.

171 (b) An owner of multiple primary residences located within the state is allowed a
 172 residential exemption under Subsection (3) for:

173 (i) subject to Subsection (6)(a), the primary residence of the owner;

174 (ii) each residential property that is the primary residence of a tenant; and

175 (iii) subject to Subsection 59-2-103.5(4), each residential property described in
 176 Subsection 59-2-102(35)(b)(ii).

177 (7)(a) There is a rebuttable presumption that property owned by a business entity does
 178 not qualify for the residential exemption described in Subsection (3).

179 (b) If a property owner rebuts a presumption under this Subsection (7) in relation to
 180 property owned by a business entity, the county shall provide information regarding
 181 the property to the Multicounty Appraisal Trust for the purpose of assisting counties
 182 in identifying property owners who receive a residential exemption described in
 183 Subsection (3) in more than one county.

184 Section 5. Section **59-2-103.5** is amended to read:

185 **59-2-103.5 (Effective 01/01/27). Procedures to obtain an exemption for**
 186 **residential property -- Procedure if property owner or property no longer qualifies to**
 187 **receive a residential exemption.**

188 (1) Subject to Subsections (4), (5), and (6), [~~and (11),~~]for residential property other than
 189 part-year residential property, [~~a county legislative body may adopt an ordinance that~~
 190 ~~requires~~]an owner [tø] shall file an application with the county board of equalization
 191 before the county applies a residential exemption authorized under Section 59-2-103 to
 192 the value of the residential property if:

193 (a) the residential property was ineligible for the residential exemption during the
 194 calendar year immediately preceding the calendar year for which the owner is
 195 seeking to have the residential exemption applied to the value of the residential
 196 property;

197 (b) an ownership interest in the residential property changes; or

198 (c) the county board of equalization determines that there is reason to believe that the

- 199 residential property no longer qualifies for the residential exemption.
- 200 (2)(a) The application described in Subsection (1):
- 201 (i) shall be on a form the commission provides by rule and makes available to the
- 202 counties;
- 203 (ii) shall be signed by the owner of the residential property; and
- 204 (iii) may not request the sales price of the residential property.
- 205 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 206 commission may make rules providing the contents of the form described in
- 207 Subsection (2)(a).
- 208 (c) For purposes of the application described in Subsection (1), a county may not request
- 209 information from an owner of a residential property beyond the information in the
- 210 form provided by the commission under this Subsection (2).
- 211 (3)(a) [~~Regardless of whether a county legislative body adopts an ordinance described in~~
- 212 ~~Subsection (1), before] Before a county may apply a residential exemption to the~~
- 213 value of part-year residential property, an owner of the property shall:
- 214 (i) subject to Subsection (6), file the application described in Subsection (2)(a) with
- 215 the county board of equalization; and
- 216 (ii) include as part of the application described in Subsection (2)(a) a statement that
- 217 certifies:
- 218 (A) the date the part-year residential property became residential property;
- 219 (B) that the part-year residential property will be used as residential property for
- 220 183 or more consecutive calendar days during the calendar year for which the
- 221 owner seeks to obtain the residential exemption; and
- 222 (C) that the owner, or a member of the owner's household, may not claim a
- 223 residential exemption for any property for the calendar year for which the
- 224 owner seeks to obtain the residential exemption, other than the part-year
- 225 residential property, or as allowed under Section 59-2-103 with respect to the
- 226 primary residence or household furnishings, furniture, and equipment of the
- 227 owner's tenant.
- 228 (b) If an owner files an application under this Subsection (3) on or after May 1 of the
- 229 calendar year for which the owner seeks to obtain the residential exemption, the
- 230 county board of equalization may require the owner to pay an application fee not to
- 231 exceed \$50.
- 232 (4) Before a county allows residential property described in Subsection 59-2-102(35)(b)(ii)

- 233 a residential exemption authorized under Section 59-2-103, an owner of the residential
234 property shall file with the county assessor a written declaration that:
- 235 (a) states under penalty of perjury that, to the best of each owner's knowledge, upon
236 completion of construction or occupancy of the residential property, the residential
237 property will be used for residential purposes as a primary residence;
- 238 (b) is signed by each owner of the residential property; and
- 239 (c) is on a form approved by the commission.
- 240 (5)(a) Before a county allows residential property described in Subsection 59-2-103(6)(b)
241 a residential exemption authorized under Section 59-2-103, an owner of the
242 residential property shall file with the county assessor a written declaration that:
- 243 (i) states under penalty of perjury that, to the best of each owner's knowledge, the
244 residential property will be used for residential purposes as a primary residence of
245 a tenant;
- 246 (ii) is signed by each owner of the residential property; and
- 247 (iii) is on a form approved by the commission.
- 248 (b)(i)(A) In addition to the declaration, a county assessor may request from an
249 owner a current lease agreement signed by the tenant.
- 250 (B) If the lease agreement is insufficient for a county assessor to make a
251 determination about eligibility for a residential exemption, a county assessor
252 may request a copy of the real estate insurance policy for the property.
- 253 (C) If the real estate insurance policy is insufficient for a county assessor to make
254 a determination about eligibility for a residential exemption, a county assessor
255 may request a copy of a filing from the most recent federal tax return showing
256 that the owner had profit or loss from the residential property as a rental.
- 257 (ii) A county assessor may not request information from an owner's tenant.
- 258 (6)(a) Except as provided in Subsection (6)(b), the county board of equalization may not
259 accept from a property owner an application to receive a residential exemption
260 authorized under Section 59-2-103 for the property owner's primary residence that is
261 filed after the later of:
- 262 (i) September 15 of the calendar year for which the property owner seeks to receive
263 the residential exemption; or
- 264 (ii) the last day of a 45-day period beginning on the day on which the county auditor
265 provides the notice under Section 59-2-919.1.
- 266 (b)(i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,

- 267 the commission may make rules providing for circumstances under which the
268 county board of equalization is required to accept a property owner's application
269 for a residential exemption authorized under Section 59-2-103 that is filed after
270 the time period described in Subsection (6)(a).
- 271 (ii) The commission shall report to the Revenue and Taxation Interim Committee on
272 any rules [~~promulgated~~] implemented under this Subsection (6)(b).
- 273 (7) Except as provided in Subsection (8), if a property owner no longer qualifies to receive
274 a residential exemption authorized under Section 59-2-103 for the property owner's
275 primary residence, the property owner shall:
- 276 (a) file a written statement with the county board of equalization of the county in which
277 the property is located:
- 278 (i) on a form provided by the county board of equalization; and
279 (ii) notifying the county board of equalization that the property owner no longer
280 qualifies to receive a residential exemption authorized under Section 59-2-103 for
281 the property owner's primary residence; and
- 282 (b) declare on the property owner's individual income tax return under Chapter 10,
283 Individual Income Tax Act, for the taxable year for which the property owner no
284 longer qualifies to receive a residential exemption authorized under Section 59-2-103
285 for the property owner's primary residence, that the property owner no longer
286 qualifies to receive a residential exemption authorized under Section 59-2-103 for the
287 property owner's primary residence.
- 288 (8) A property owner is not required to file a written statement or make the declaration
289 described in Subsection (7) if the property owner:
- 290 (a) changes primary residences;
291 (b) qualified to receive a residential exemption authorized under Section 59-2-103 for
292 the residence that was the property owner's former primary residence; and
293 (c) qualifies to receive a residential exemption authorized under Section 59-2-103 for the
294 residence that is the property owner's current primary residence.
- 295 (9) Subsections (2) through (8) do not apply to qualifying exempt primary residential rental
296 personal property.
- 297 (10)(a) [~~Subject to Subsection (11), for~~] For the first calendar year in which a property
298 owner qualifies to receive a residential exemption under Section 59-2-103, a county
299 assessor may require the property owner to file a signed statement described in
300 Section 59-2-306.

301 (b) ~~[Subject to Subsection (11) and notwithstanding]~~ Notwithstanding Section 59-2-306,
 302 for a calendar year after the calendar year described in Subsection (10)(a) in which a
 303 property owner qualifies for an exemption authorized under Section 59-2-1115 for
 304 qualifying exempt primary residential rental personal property, a signed statement
 305 described in Section 59-2-306 with respect to the qualifying exempt primary
 306 residential rental personal property may only require the property owner to certify,
 307 under penalty of perjury, that the property owner qualifies for the exemption
 308 authorized under Section 59-2-1115.

309 ~~[(11)(a) After an ownership interest in residential property changes, the county assessor~~
 310 ~~shall:]~~

311 ~~[(i) notify the owner of the residential property that the owner is required to submit a~~
 312 ~~written declaration described in Subsection (11)(d) within 90 days after the day on~~
 313 ~~which the county assessor mails the notice under this Subsection (11)(a); and]~~

314 ~~[(ii) provide the owner of the residential property with the form described in~~
 315 ~~Subsection (11)(e) to make the written declaration described in Subsection (11)(d).]~~

316 ~~[(b) A county assessor is not required to provide a notice to an owner of residential~~
 317 ~~property under Subsection (11)(a) if the situs address of the residential property is the~~
 318 ~~same as any one of the following:]~~

319 ~~[(i) the mailing address of the residential property owner or the tenant of the~~
 320 ~~residential property;]~~

321 ~~[(ii) the address listed on the:]~~

322 ~~[(A) residential property owner's driver license; or]~~

323 ~~[(B) tenant of the residential property's driver license; or]~~

324 ~~[(iii) the address listed on the:]~~

325 ~~[(A) residential property owner's voter registration; or]~~

326 ~~[(B) tenant of the residential property's voter registration.]~~

327 ~~[(e) A county assessor is not required to provide a notice to an owner of residential~~
 328 ~~property under Subsection (11)(a) if:]~~

329 ~~[(i) the owner is using a post office box or rural route box located in the county where~~
 330 ~~the residential property is located; and]~~

331 ~~[(ii) the residential property is located in a county of the fourth, fifth, or sixth class.]~~

332 ~~[(d) An owner of residential property that receives a notice described in Subsection~~
 333 ~~(11)(a) shall submit a written declaration to the county assessor under penalty of~~
 334 ~~perjury certifying the information contained in the form described in Subsection~~

335 (11)(e):]

336 [(e) The written declaration required by Subsection (11)(d) shall be:]

337 [(i) signed by the owner of the residential property; and]

338 [(ii) in substantially the following form:

339 "Residential Property Declaration

340 This form must be submitted to the County Assessor's office where your new
341 residential property is located within 90 days of receipt. Failure to do so will result in the
342 county assessor taking action that could result in the withdrawal of the primary residential
343 exemption from your residential property.

344 Residential Property Owner Information

345 Name(s): _____

346 Home Phone: _____

347 Work Phone: _____

348 Mailing Address: _____

349 Residential Property Information

350 Physical Address: _____

351 Certification

352 1. Is this property used as a primary residential property or part-year residential
353 property for you or another person?

354 "Part-year residential property" means owned property that is not residential property
355 on January 1 of a calendar year but becomes residential property after January 1 of the
356 calendar year.

357 Yes No

358 2. Will this primary residential property or part-year residential property be occupied
359 for 183 or more consecutive calendar days by the owner or another person?

360 A part-year residential property occupied for 183 or more consecutive calendar days in
361 a calendar year by the owner(s) or a tenant is eligible for the exemption.

362 Yes No

363 If a property owner or a property owner's spouse claims a residential exemption under
364 Utah Code Ann. §59-2-103 for property in this state that is the primary residence of the property
365 owner or the property owner's spouse, that claim of a residential exemption shall be considered
366 in determining whether the property owner and the property owner's spouse have domicile in
367 Utah for income tax purposes.

368 Signature

369 Under penalties of perjury, I declare to the best of my knowledge and belief, this
 370 declaration and accompanying pages are true, correct, and complete.

371 _____(Owner signature) _____Date (mm/dd/yyyy)

372 _____(Owner printed name)]

373 [(f) For purposes of a written declaration described in this Subsection (11), a county may
 374 not request information from a property owner beyond the information described in
 375 the form provided in Subsection (11)(e).]

376 [(g)(i) If, after receiving a written declaration filed under Subsection (11)(d), the
 377 county determines that the property has been incorrectly qualified or disqualified
 378 to receive a residential exemption, the county shall:]

379 [(A) redetermine the property's qualification to receive a residential exemption;
 380 and]

381 [(B) notify the claimant of the redetermination and the county's reason for the
 382 redetermination.]

383 [(ii) The redetermination provided in Subsection (11)(g)(i)(A) is final unless:]

384 [(A) except as provided in Subsection (11)(g)(iii), the property owner appeals the
 385 redetermination to the board of equalization in accordance with Subsection
 386 59-2-1004(2); or]

387 [(B) the county determines that the property is eligible to receive a primary
 388 residential exemption as part-year residential property.]

389 [(iii) The board of equalization may not accept an appeal that is filed after the later of:]

390 [(A) September 15 of the current calendar year; or]

391 [(B) the last day of the 45-day period beginning on the day on which the county
 392 auditor provides the notice under Section 59-2-919.1.]

393 [(h)(i) If a residential property owner fails to file a written declaration required by
 394 Subsection (11)(d), the county assessor shall mail to the owner of the residential
 395 property a notice that:]

396 [(A) the property owner failed to file a written declaration as required by
 397 Subsection (11)(d); and]

398 [(B) the property owner will no longer qualify to receive the residential exemption
 399 authorized under Section 59-2-103 for the property that is the subject of the
 400 written declaration if the property owner does not file the written declaration
 401 required by Subsection (11)(d) within 30 days after the day on which the
 402 county assessor mails the notice under this Subsection (11)(h)(i).]

- 403 [(ii) If a property owner fails to file a written declaration required by Subsection
 404 (11)(d) after receiving the notice described in Subsection (11)(h)(i), the property
 405 owner no longer qualifies to receive the residential exemption authorized under
 406 Section 59-2-103 in the calendar year for the property that is the subject of the
 407 written declaration unless:]
- 408 [(A) except as provided in Subsection (11)(h)(iii), the property owner appeals the
 409 redetermination to the board of equalization in accordance with Subsection
 410 59-2-1004(2); or]
- 411 [(B) the county determines that the property is eligible to receive a primary
 412 residential exemption as part-year residential property.]
- 413 [(iii) The board of equalization may not accept an appeal that is filed after the later of:]
- 414 [(A) September 15 of the current calendar year; or]
- 415 [(B) the last day of the 45-day period beginning on the day on which the county
 416 auditor provides the notice under Section 59-2-919.1.]
- 417 [(iv) A property owner that is disqualified to receive the residential exemption under
 418 Subsection (11)(h)(ii) may file an application described in Subsection (1) to
 419 determine whether the owner is eligible to receive the residential exemption.]
- 420 [(i) The requirements of this Subsection (11) do not apply to a county assessor in a
 421 county that adopts and enforces an ordinance described in Subsection (1).]

422 Section 6. Section **59-2-924** is amended to read:

423 **59-2-924 (Effective 06/01/26). Definitions -- Report of valuation of property to**
 424 **county auditor and commission -- Transmittal by auditor to governing bodies --**
 425 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**
 426 **-- Notice provided by the commission.**

427 (1) As used in this section:

428 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with
 429 this chapter.

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

431 (A) interest;

432 (B) penalties;

433 (C) collections from redemptions; or

434 (D) revenue received by a taxing entity from personal property that is
 435 semiconductor manufacturing equipment assessed by a county assessor in
 436 accordance with Part 3, County Assessment.

- 437 (b) "Adjusted tax increment" means the same as that term is defined in Section
438 17C-1-102.
- 439 (c)(i) "Aggregate taxable value of all property taxed" means:
- 440 (A) the aggregate taxable value of all real property a county assessor assesses in
441 accordance with Part 3, County Assessment, for the current year;
- 442 (B) the aggregate taxable value of all real and personal property the commission
443 assesses in accordance with Part 2, Assessment of Property, for the current
444 year; and
- 445 (C) the aggregate year end taxable value of all personal property a county assessor
446 assesses in accordance with Part 3, County Assessment, contained on the prior
447 year's tax rolls of the taxing entity.
- 448 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
449 year end taxable value of personal property that is:
- 450 (A) semiconductor manufacturing equipment assessed by a county assessor in
451 accordance with Part 3, County Assessment; and
- 452 (B) contained on the prior year's tax rolls of the taxing entity.
- 453 (d) "Base taxable value" means:
- 454 (i) for an authority created under Section 11-58-201, the same as that term is defined
455 in Section 11-58-102;
- 456 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
457 the same as that term is defined in Section 11-59-207;
- 458 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
459 11-70-201, the same as that term is defined in Section 11-70-101;
- 460 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
461 defined in Section 17C-1-102;
- 462 (v) for an authority created under Section 63H-1-201, the same as that term is defined
463 in Section 63H-1-102;
- 464 (vi) for a host local government, the same as that term is defined in Section
465 63N-2-502;
- 466 (vii) for a housing and transit reinvestment zone or convention center reinvestment
467 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
468 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 469 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
470 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,

- 471 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
 472 upon the assessment roll last equalized during the base year, as that term is
 473 defined in Section 10-21-101 or Section 17-80-101;
- 474 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 475 First Home Investment Zone Act, a property's taxable value as shown upon the
 476 assessment roll last equalized during the base year, as that term is defined in
 477 Section 63N-3-1601;
- 478 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 479 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
 480 upon the assessment roll last equalized during the property tax base year, as that
 481 term is defined in Section 63N-3-1701; or
- 482 (xi) for an electrical energy development zone created under Section 79-6-1104, the
 483 value of the property within an electrical energy development zone, as shown on
 484 the assessment roll last equalized before the creation of the electrical development
 485 zone, as that term is defined in Section 79-6-1104.
- 486 (e) "Building area" means the total floor area of a structure measured from the exterior
 487 dimensions of the structure's enclosing walls, including each level of finished or
 488 unfinished space designed for occupancy or use.
- 489 [(e)] (f) "Centrally assessed benchmark value" means an amount equal to the average
 490 year end taxable value of real and personal property the commission assesses in
 491 accordance with Part 2, Assessment of Property, for the previous three calendar
 492 years, adjusted for taxable value attributable to:
- 493 (i) an annexation to a taxing entity;
- 494 (ii) an incorrect allocation of taxable value of real or personal property the
 495 commission assesses in accordance with Part 2, Assessment of Property; or
- 496 (iii) a change in value as a result of a change in the method of apportioning the value
 497 prescribed by the Legislature, a court, or the commission in an administrative rule
 498 or administrative order.
- 499 [(f)] (g) "Centrally assessed industry" means the following industry classes the
 500 commission assesses in accordance with Part 2, Assessment of Property:
- 501 (i) air carrier;
- 502 (ii) coal;
- 503 (iii) coal load out property;
- 504 (iv) electric generation;

- 505 (v) electric rural;
 506 (vi) electric utility;
 507 (vii) gas utility;
 508 (viii) ground access property;
 509 (ix) land only property;
 510 (x) liquid pipeline;
 511 (xi) metalliferous mining;
 512 (xii) nonmetalliferous mining;
 513 (xiii) oil and gas gathering;
 514 (xiv) oil and gas production;
 515 (xv) oil and gas water disposal;
 516 (xvi) railroad;
 517 (xvii) sand and gravel; and
 518 (xviii) uranium.

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

- 520 (A) for each centrally assessed industry, zero; or
 521 (B) the amount calculated by subtracting the centrally assessed benchmark value
 522 for each centrally assessed industry, adjusted for prior year end incremental
 523 value, from the taxable value of real and personal property the commission
 524 assesses in accordance with Part 2, Assessment of Property, for each centrally
 525 assessed industry for the current year, adjusted for current year incremental
 526 value.

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

531 ~~(h)~~ (i) "Certified tax rate" means a tax rate that will provide the same ad valorem
 532 property tax revenue for a taxing entity as was budgeted by that taxing entity for the
 533 prior year.

534 ~~(i)~~ (j) "Community reinvestment agency" means the same as that term is defined in
 535 Section 17C-1-102.

536 ~~(j)~~ (k) "Eligible new growth" means the greater of:

- 537 (i) zero; or
 538 (ii) the sum of:

- 539 (A) locally assessed new growth;
- 540 (B) centrally assessed new growth; and
- 541 (C) project area new growth or hotel property new growth.
- 542 ~~[(k)]~~ (l) "Host local government" means the same as that term is defined in Section
- 543 63N-2-502.
- 544 ~~[(h)]~~ (m) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 545 ~~[(m)]~~ (n) "Hotel property new growth" means an amount equal to the incremental value
- 546 that is no longer provided to a host local government as incremental property tax
- 547 revenue.
- 548 ~~[(n)]~~ (o) "Incremental property tax revenue" means the same as that term is defined in
- 549 Section 63N-2-502.
- 550 ~~[(o)]~~ (p) "Incremental value" means:
- 551 (i) for an authority created under Section 11-58-201, the amount calculated by
- 552 multiplying:
- 553 (A) the difference between the taxable value and the base taxable value of the
- 554 property that is located within a project area and on which property tax
- 555 differential is collected; and
- 556 (B) the number that represents the percentage of the property tax differential that
- 557 is paid to the authority;
- 558 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 559 an amount calculated by multiplying:
- 560 (A) the difference between the current assessed value of the property and the base
- 561 taxable value; and
- 562 (B) the number that represents the percentage of the property tax augmentation, as
- 563 defined in Section 11-59-207, that is paid to the Point of the Mountain State
- 564 Land Authority;
- 565 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 566 11-70-201, the amount calculated by multiplying:
- 567 (A) the difference between the taxable value for the current year and the base
- 568 taxable value of the property that is located within a project area; and
- 569 (B) the number that represents the percentage of enhanced property tax revenue,
- 570 as defined in Section 11-70-101;
- 571 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
- 572 multiplying:

- 573 (A) the difference between the taxable value and the base taxable value of the
574 property located within a project area and on which tax increment is collected;
575 and
- 576 (B) the number that represents the adjusted tax increment from that project area
577 that is paid to the agency;
- 578 (v) for an authority created under Section 63H-1-201, the amount calculated by
579 multiplying:
- 580 (A) the difference between the taxable value and the base taxable value of the
581 property located within a project area and on which property tax allocation is
582 collected; and
- 583 (B) the number that represents the percentage of the property tax allocation from
584 that project area that is paid to the authority;
- 585 (vi) for a housing and transit reinvestment zone or convention center reinvestment
586 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
587 Reinvestment Zone Act, an amount calculated by multiplying:
- 588 (A) the difference between the taxable value and the base taxable value of the
589 property that is located within a housing and transit reinvestment zone or
590 convention center reinvestment zone and on which tax increment is collected;
591 and
- 592 (B) the number that represents the percentage of the tax increment that is paid to
593 the housing and transit reinvestment zone or convention center reinvestment
594 zone;
- 595 (vii) for a host local government, an amount calculated by multiplying:
- 596 (A) the difference between the taxable value and the base taxable value of the
597 hotel property on which incremental property tax revenue is collected; and
- 598 (B) the number that represents the percentage of the incremental property tax
599 revenue from that hotel property that is paid to the host local government;
- 600 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
601 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
602 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 603 (A) the difference between the taxable value and the base taxable value of the
604 property that is located within a home ownership promotion zone and on which
605 tax increment is collected; and
- 606 (B) the number that represents the percentage of the tax increment that is paid to

- 607 the home ownership promotion zone;
- 608 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
- 609 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 610 (A) the difference between the taxable value and the base taxable value of the
- 611 property that is located within a first home investment zone and on which tax
- 612 increment is collected; and
- 613 (B) the number that represents the percentage of the tax increment that is paid to
- 614 the first home investment zone;
- 615 (x) for a major sporting event venue zone created pursuant to Title 63N, Chapter 3,
- 616 Part 17, Major Sporting Event Venue Zone Act, an amount calculated by
- 617 multiplying:
- 618 (A) the difference between the taxable value and the base taxable value of the
- 619 property located within a qualified development zone for a major sporting
- 620 event venue zone and upon which property tax increment is collected; and
- 621 (B) the number that represents the percentage of tax increment that is paid to the
- 622 major sporting event venue zone, as approved by a major sporting event venue
- 623 zone committee described in Section 63N-1a-1706; or
- 624 (xi) for an electrical energy development zone created under Section 79-6-1104, the
- 625 amount calculated by multiplying:
- 626 (A) the difference between the taxable value and the base taxable value of the
- 627 property that is located within the electrical energy developmental zone; and
- 628 (B) the number that represents the percentage of the tax increment that is paid to a
- 629 community reinvestment agency and the Electrical Energy Development
- 630 Investment Fund created in Section 79-6-1105.
- 631 ~~(p)~~ (q)(i) "Locally assessed new growth" means the greater of:
- 632 (A) zero; or
- 633 (B) the amount calculated by subtracting the year end taxable value of real
- 634 property the county assessor assesses in accordance with Part 3, County
- 635 Assessment, for the previous year, adjusted for prior year end incremental
- 636 value from the taxable value of real property the county assessor assesses in
- 637 accordance with Part 3, County Assessment, for the current year, adjusted for
- 638 current year incremental value, minus any change in taxable value attributable
- 639 to physical improvements to an existing structure or the construction of a new
- 640 structure that does not add new building area related to residential or

641 commercial use, and excluding any increase in taxable value for property that
642 was assessed in the previous year as partially completed new growth, subject to
643 Subsection (10).

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

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

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

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

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

653 [(q)] (r) "Project area" means:

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

656 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
657 11-70-201, the same as that term is defined in Section 11-70-101;

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

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

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

665 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
666 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
667 5, Home Ownership Promotion Zone, the same as that term is defined in Section
668 10-21-101 or Section 17-80-101;

669 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
670 First Home Investment Zone Act, the same as that term is defined in Section
671 63N-3-1601; or

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

675 ~~[(+)]~~ ~~(s)~~(i) "Project area new growth" means:

676 ~~[(+)]~~ ~~(A)~~ for an authority created under Section 11-58-201, an amount equal to the

677 incremental value that is no longer provided to an authority as property tax

678 differential;

679 ~~[(+)]~~ ~~(ii)~~ ~~(B)~~ for the Point of the Mountain State Land Authority created in Section

680 11-59-201, an amount equal to the incremental value that is no longer provided

681 to the Point of the Mountain State Land Authority as property tax

682 augmentation, as defined in Section 11-59-207;

683 ~~[(+)]~~ ~~(iii)~~ ~~(C)~~ for the Utah Fairpark Area Investment and Restoration District created in

684 Section 11-70-201, an amount equal to the incremental value that is no longer

685 provided to the Utah Fairpark Area Investment and Restoration District;

686 ~~[(+)]~~ ~~(iv)~~ ~~(D)~~ for an agency created under Section 17C-1-201.5, an amount equal to the

687 incremental value that is no longer provided to an agency as tax increment;

688 ~~[(+)]~~ ~~(v)~~ ~~(E)~~ for an authority created under Section 63H-1-201, an amount equal to the

689 incremental value that is no longer provided to an authority as property tax

690 allocation;

691 ~~[(+)]~~ ~~(vi)~~ ~~(F)~~ for a housing and transit reinvestment zone or convention center

692 reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and

693 Transit Reinvestment Zone Act, an amount equal to the incremental value that

694 is no longer provided to a housing and transit reinvestment zone or convention

695 center reinvestment zone as tax increment;

696 ~~[(+)]~~ ~~(vii)~~ ~~(G)~~ for a home ownership promotion zone created under Title 10, Chapter

697 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17,

698 Chapter 80, Part 5, Home Ownership Promotion Zone, an amount equal to the

699 incremental value that is no longer provided to a home ownership promotion

700 zone as tax increment;

701 ~~[(+)]~~ ~~(viii)~~ ~~(H)~~ for a first home investment zone created under Title 63N, Chapter 3,

702 Part 16, First Home Investment Zone Act, an amount equal to the incremental

703 value that is no longer provided to a first home investment zone as tax

704 increment; or

705 ~~[(+)]~~ ~~(ix)~~ ~~(I)~~ for a major sporting event venue zone created under Title 63N, Chapter 3,

706 Part 17, Major Sporting Event Venue Zone Act, an amount equal to the

707 incremental value that is no longer provided to the creating entity of a major

708 sporting event venue zone as property tax increment.

709 (ii) "Project area new growth" does not include, for any entity listed under Subsection
 710 (1)(s)(i), tangible personal property.

711 [~~(s)~~] (t) "Project area incremental revenue" means the same as that term is defined in
 712 Section 17C-1-1001.

713 [~~(t)~~] (u) "Property tax allocation" means the same as that term is defined in Section
 714 63H-1-102.

715 [~~(u)~~] (v) "Property tax differential" means the same as that term is defined in Sections
 716 11-58-102 and 79-6-1104.

717 [~~(v)~~] (w) "Tax increment" means:

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

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

724 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 725 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 726 5, Home Ownership Promotion Zone, the same as that term is defined in Section
 727 10-21-101 or Section 17-80-101;

728 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 729 First Home Investment Zone Act, the same as that term is defined in Section
 730 63N-3-1601; or

731 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 732 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
 733 defined in Section 63N-3-1701.

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

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

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

742 (3) The county auditor shall, on or before June 8, transmit to the governing body of each

- 743 taxing entity:
- 744 (a) the statements described in Subsections (2)(a) and (b);
- 745 (b) an estimate of the revenue from personal property;
- 746 (c) the certified tax rate; and
- 747 (d) all forms necessary to submit a tax levy request.
- 748 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
- 749 calculated by dividing the ad valorem property tax revenue that a taxing entity
- 750 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 751 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
- 752 calculate an amount as follows:
- 753 (i) calculate for the taxing entity the difference between:
- 754 (A) the aggregate taxable value of all property taxed; and
- 755 (B) any adjustments for current year incremental value;
- 756 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
- 757 determined by increasing or decreasing the amount calculated under Subsection
- 758 (4)(b)(i) by the average of the percentage net change in the value of taxable
- 759 property for the equalization period for the three calendar years immediately
- 760 preceding the current calendar year;
- 761 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
- 762 product of:
- 763 (A) the amount calculated under Subsection (4)(b)(ii); and
- 764 (B) the percentage of property taxes collected for the five calendar years
- 765 immediately preceding the current calendar year; and
- 766 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
- 767 amount determined by:
- 768 (A) multiplying the percentage of property taxes collected for the five calendar
- 769 years immediately preceding the current calendar year by eligible new growth;
- 770 and
- 771 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
- 772 amount calculated under Subsection (4)(b)(iii).
- 773 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
- 774 as follows:
- 775 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
- 776 tax rate is zero;

- 777 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 778 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
- 779 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
- 780 to Unincorporated Areas; and
- 781 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
- 782 purposes and such other levies imposed solely for the municipal-type services
- 783 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 784 (c) for a community reinvestment agency that received all or a portion of a taxing
- 785 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
- 786 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
- 787 Subsection (4) except that the commission shall treat the total revenue transferred to
- 788 the community reinvestment agency as ad valorem property tax revenue that the
- 789 taxing entity budgeted for the prior year; and
- 790 (d) for debt service voted on by the public, the certified tax rate is the actual levy
- 791 imposed by that section, except that a certified tax rate for the following levies shall
- 792 be calculated in accordance with Section 59-2-913 and this section:
- 793 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
- 794 (ii) a levy to pay for the costs of state legislative mandates or judicial or
- 795 administrative orders under Section 59-2-1602.
- 796 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
- 797 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
- 798 one or more eligible judgments.
- 799 (b) The ad valorem property tax revenue generated by a judgment levy described in
- 800 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
- 801 certified tax rate.
- 802 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 803 (i) the taxable value of real property:
- 804 (A) the county assessor assesses in accordance with Part 3, County Assessment;
- 805 and
- 806 (B) contained on the assessment roll;
- 807 (ii) the year end taxable value of personal property:
- 808 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 809 (B) contained on the prior year's assessment roll; and
- 810 (iii) the taxable value of real and personal property the commission assesses in

- 811 accordance with Part 2, Assessment of Property.
- 812 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
813 growth.
- 814 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 815 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
816 the county auditor of:
- 817 (i) the taxing entity's intent to exceed the certified tax rate; and
818 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 819 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
820 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 821 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
822 electronic means on or before July 31, to a taxing entity and the Revenue and
823 Taxation Interim Committee if:
- 824 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
825 taxable value of the real and personal property the commission assesses in
826 accordance with Part 2, Assessment of Property, for the previous year, adjusted
827 for prior year end incremental value; and
- 828 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
829 end taxable value of the real and personal property of a taxpayer the commission
830 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 831 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
832 subtracting the taxable value of real and personal property the commission assesses
833 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
834 current year incremental value, from the year end taxable value of the real and
835 personal property the commission assesses in accordance with Part 2, Assessment of
836 Property, for the previous year, adjusted for prior year end incremental value.
- 837 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
838 subtracting the total taxable value of real and personal property of a taxpayer the
839 commission assesses in accordance with Part 2, Assessment of Property, for the
840 current year, from the total year end taxable value of the real and personal property of
841 a taxpayer the commission assesses in accordance with Part 2, Assessment of
842 Property, for the previous year.
- 843 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
844 requirement under Subsection (9)(a)(ii).

845 (10) For purposes of Subsection (1)(q)(i)(B), a county assessor may not use permit value to
846 determine the taxable value of construction in progress as of January 1.

847 **Section 7. Effective Date.**

848 (1) Except as provided in Subsections (2) and (3), this bill takes effect on May 6, 2026.

849 (2) The actions affecting Section 59-2-924 (Effective 06/01/26) take effect on June 1, 2026.

850 (3) The actions affecting Section 59-2-103.5 (Effective 01/01/27) take effect on January 1,
851 2027.

852 **Section 8. Coordinating S.B. 97 with S.B. 206.**

853 If S.B. 97, Tax Revenue Amendments, and S.B. 206, Tax Amendments, both pass and
854 become law, the Legislature intends that, on May 6, 2026:

855 (1) Subsection 59-2-103(1)(d), enacted in S.B. 97, be amended to read:

856 "(d) "Program manager" means the same as that term is defined in Section
857 59-2-1601."; and

858 (2) Subsection 59-2-103(7)(b), enacted in S.B. 97, be amended to read:

859 "(b) If a property owner rebuts a presumption under this Subsection (7) in relation to
860 property owned by a business entity, the county shall provide information regarding the
861 property to the program manager for the purpose of assisting counties in identifying
862 property owners who receive a residential exemption described in Subsection (3) in
863 more than one county.".