

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 reserve funds maintained by cities and counties;
- ▶ reduces the amount of the residential property tax exemption for rental properties, with certain exceptions;
- ▶ establishes a rebuttable presumption that property owned by a business entity does not qualify for the residential exemption;
- ▶ requires counties to provide information to the Multicounty Appraisal Trust regarding properties for which the owner rebuts the presumption on qualification for the residential exemption;
- ▶ requires residential property owners to apply to the county to receive the 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;
- ▶ subtracts from a city's certified tax rate calculation any amount of reserve funds maintained by the city in excess of the maximum amount authorized, beginning in fiscal year 2032;
- ▶ includes a coordination clause to incorporate changes to the Multicounty Appraisal Trust

29 in S.B. 206, Tax Amendments; and
 30 ▸ makes technical and conforming changes.

31 **Money Appropriated in this Bill:**

32 None

33 **Other Special Clauses:**

34 This bill provides a special effective date.

35 This bill provides a coordination clause.

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **10-6-116 (Effective 06/01/26)**, as last amended by Laws of Utah 2021, Chapter 52

39 **17-63-204 (Effective 06/01/26)**, as renumbered and amended by Laws of Utah 2025,
 40 First Special Session, Chapter 13

41 **59-2-103 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 234

42 **59-2-103.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 234

43 **59-2-924 (Effective 06/01/26)**, as last amended by Laws of Utah 2025, First Special
 44 Session, Chapter 15

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

46 **59-2-103 (05/06/26)**, as last amended by Laws of Utah 2025, Chapter 234

47

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

49 Section 1. Section **10-6-116** is amended to read:

50 **10-6-116 (Effective 06/01/26). Accumulated fund balances -- Limitations --**

51 **Excess balances -- Unanticipated excess of revenues -- Reserves for capital improvements.**

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

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

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

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

- 63 (b) Notwithstanding Subsection (1)(a)(i), a city may not appropriate a fund balance for
64 budgeting purposes except as provided in Subsection (4).
- 65 (c) Notwithstanding Subsection (1)(a)(iii), a city may not appropriate a fund balance to
66 avoid an operating deficit during any budget period except as provided under
67 Subsection (4), or for emergency purposes under Section 10-6-129.
- 68 (2)(a) As used in this Subsection (2), "excess amount" means any fund balance in a city
69 general fund for the current fiscal year period in excess of the maximum amount
70 permitted under Subsection (2)(b).
- 71 (b) The accumulation of a fund balance in the city general fund may not exceed:
72 (i) [35%] 25% of the total revenue of the city general fund for the current fiscal period,
73 if the total amount of revenue in the city general fund is \$50,000,000 or more;
74 (ii) 28% of the total revenue of the city general fund for the current fiscal period, if
75 the total amount of revenue in the city general fund is \$25,000,000 or more but
76 less than \$50,000,000; or
77 (iii) 30% of the total revenue of the city general fund for the current fiscal period, if
78 the total amount of revenue in the city general fund is less than \$25,000,000.
- 79 (c) For a fiscal year beginning on or after July 1, 2031, a city's budgeted ad valorem
80 property tax revenue shall, for purposes of calculating the city's certified tax rate, be
81 reduced by any excess amount in accordance with Subsection 59-2-924(4)(a)(ii).
- 82 (3) If the fund balance at the close of any fiscal period exceeds the amount permitted under
83 Subsection (2), the excess shall be appropriated in the manner provided in Section
84 10-6-117.
- 85 (4) Any fund balance in excess of 5% of the total revenues of the city general fund may be
86 utilized for budget purposes.
- 87 (5)(a) Within a capital improvements fund, the governing body may, in any budget
88 period, appropriate from estimated revenue or fund balance to a reserve for capital
89 improvements for the purpose of financing future specific capital improvements,
90 under a formal long-range capital plan adopted by the governing body.
- 91 (b) The reserves described in Subsection (5)(a) may accumulate from fiscal period to
92 fiscal period until the accumulated total is sufficient to permit economical
93 expenditure for the specified purposes.
- 94 (c) Disbursements from reserves described in Subsection (5)(a) shall be made only by
95 transfer to a revenue or transfer account within the capital improvements fund, under
96 a budget appropriation in a budget for the fund adopted in the manner provided by

97 this chapter.

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

100 Section 2. Section **17-63-204** is amended to read:

101 **17-63-204 (Effective 06/01/26). Retained earnings -- Accumulation -- Restrictions**
102 **-- Disbursements.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

128 (b) Money in the reserves shall be allowed to accumulate from fiscal period to fiscal
129 period until the accumulated total is sufficient to permit economical expenditure for
130 the specified purposes.

- 131 (c) Disbursements from the reserves shall be made only by transfer to a revenue account
 132 within a capital improvements fund in accordance with an appropriation for the fund.
 133 (d) Expenditures from the capital improvement budget accounts shall conform to all
 134 requirements of this chapter as it relates to the execution and control of budgets.

135 Section 3. Section **59-2-103** is amended to read:

136 **59-2-103 (Effective 05/06/26). Rate of assessment of property -- Residential**
 137 **property -- Rebuttable presumption.**

138 (1) As used in this section:

139 (a) "Business entity" means the same as that term is defined in Section 59-2-1332.5.

140 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 141 commission may make rules defining the term "domicile."

142 [~~(a)~~] (c)(i) "Household" means the association of individuals who live in the same
 143 dwelling, sharing the dwelling's furnishings, facilities, accommodations, and
 144 expenses.

145 (ii) "Household" includes married individuals, who are not legally separated, who
 146 have established domiciles at separate locations within the state.

147 (d) "Multicounty Appraisal Trust" means the same as that term is defined in Section
 148 59-2-1601.

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

151 (2) All tangible taxable property located within the state shall be assessed and taxed at a
 152 uniform and equal rate on the basis of its fair market value, as valued on January 1,
 153 unless otherwise provided by law.

154 (3)(a) Subject to Subsections (4) through (6) and Section 59-2-103.5, for a calendar year,
 155 the fair market value of residential property located within the state is allowed a
 156 residential exemption equal to:

157 (i) a 45% reduction in the value of the property for residential property that is the
 158 primary residence of the owner; or.

159 (ii) except as provided in Subsection (3)(b), a 40% reduction in the value of the
 160 property for residential property that is the primary residence of a tenant.

161 (b) Notwithstanding Subsection (3)(a)(ii), the fair market value of residential property
 162 that is the primary residence of a tenant is allowed a residential exemption equal to
 163 45% for a calendar year if the residential property:

164 (i) is offered for rent at a rental price affordable to a household with a gross income

165 of no more than 60% of area median income for the county in which the
 166 residential property is located; and
 167 (ii) is deed restricted to require rent to be offered at the rental price described in
 168 Subsection (3)(b)(i) for at least 30 years.

169 (4) Part-year residential property located within the state is allowed the residential
 170 exemption described in Subsection (3) if the part-year residential property is used as
 171 residential property for 183 or more consecutive calendar days during the calendar year
 172 for which the owner seeks to obtain the residential exemption.

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

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

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

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

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

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

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

185 (b) If a property owner rebuts a presumption under this Subsection (7) in relation to
 186 property owned by a business entity, the county shall provide information regarding
 187 the property to the Multicounty Appraisal Trust for purposes of assisting counties in
 188 identifying property owners who receive a residential exemption described in
 189 Subsection (3) in more than one county.

190 Section 4. Section **59-2-103.5** is amended to read:

191 **59-2-103.5 (Effective 01/01/27). Procedures to obtain an exemption for**
 192 **residential property -- Procedure if property owner or property no longer qualifies to**
 193 **receive a residential exemption.**

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

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

- 233 owner's tenant.
- 234 (b) If an owner files an application under this Subsection (3) on or after May 1 of the
235 calendar year for which the owner seeks to obtain the residential exemption, the
236 county board of equalization may require the owner to pay an application fee not to
237 exceed \$50.
- 238 (4) Before a county allows residential property described in Subsection 59-2-102(35)(b)(ii)
239 a residential exemption authorized under Section 59-2-103, an owner of the residential
240 property shall file with the county assessor a written declaration that:
- 241 (a) states under penalty of perjury that, to the best of each owner's knowledge, upon
242 completion of construction or occupancy of the residential property, the residential
243 property will be used for residential purposes as a primary residence;
- 244 (b) is signed by each owner of the residential property; and
- 245 (c) is on a form approved by the commission.
- 246 (5)(a) Before a county allows residential property described in Subsection 59-2-103(6)(b)
247 a residential exemption authorized under Section 59-2-103, an owner of the
248 residential property shall file with the county assessor a written declaration that:
- 249 (i) states under penalty of perjury that, to the best of each owner's knowledge, the
250 residential property will be used for residential purposes as a primary residence of
251 a tenant;
- 252 (ii) is signed by each owner of the residential property; and
- 253 (iii) is on a form approved by the commission.
- 254 (b)(i)(A) In addition to the declaration, a county assessor may request from an
255 owner a current lease agreement signed by the tenant.
- 256 (B) If the lease agreement is insufficient for a county assessor to make a
257 determination about eligibility for a residential exemption, a county assessor
258 may request a copy of the real estate insurance policy for the property.
- 259 (C) If the real estate insurance policy is insufficient for a county assessor to make
260 a determination about eligibility for a residential exemption, a county assessor
261 may request a copy of a filing from the most recent federal tax return showing
262 that the owner had profit or loss from the residential property as a rental.
- 263 (ii) A county assessor may not request information from an owner's tenant.
- 264 (6)(a) Except as provided in Subsection (6)(b), the county board of equalization may not
265 accept from a property owner an application to receive a residential exemption
266 authorized under Section 59-2-103 for the property owner's primary residence that is

- 267 filed after the later of:
- 268 (i) September 15 of the calendar year for which the property owner seeks to receive
269 the residential exemption; or
- 270 (ii) the last day of a 45-day period beginning on the day on which the county auditor
271 provides the notice under Section 59-2-919.1.
- 272 (b)(i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
273 the commission may make rules providing for circumstances under which the
274 county board of equalization is required to accept a property owner's application
275 for a residential exemption authorized under Section 59-2-103 that is filed after
276 the time period described in Subsection (6)(a).
- 277 (ii) The commission shall report to the Revenue and Taxation Interim Committee on
278 any rules [~~promulgated~~] implemented under this Subsection (6)(b).
- 279 (7) Except as provided in Subsection (8), if a property owner no longer qualifies to receive
280 a residential exemption authorized under Section 59-2-103 for the property owner's
281 primary residence, the property owner shall:
- 282 (a) file a written statement with the county board of equalization of the county in which
283 the property is located:
- 284 (i) on a form provided by the county board of equalization; and
- 285 (ii) notifying the county board of equalization that the property owner no longer
286 qualifies to receive a residential exemption authorized under Section 59-2-103 for
287 the property owner's primary residence; and
- 288 (b) declare on the property owner's individual income tax return under Chapter 10,
289 Individual Income Tax Act, for the taxable year for which the property owner no
290 longer qualifies to receive a residential exemption authorized under Section 59-2-103
291 for the property owner's primary residence, that the property owner no longer
292 qualifies to receive a residential exemption authorized under Section 59-2-103 for the
293 property owner's primary residence.
- 294 (8) A property owner is not required to file a written statement or make the declaration
295 described in Subsection (7) if the property owner:
- 296 (a) changes primary residences;
- 297 (b) qualified to receive a residential exemption authorized under Section 59-2-103 for
298 the residence that was the property owner's former primary residence; and
- 299 (c) qualifies to receive a residential exemption authorized under Section 59-2-103 for the
300 residence that is the property owner's current primary residence.

301 (9) Subsections (2) through (8) do not apply to qualifying exempt primary residential rental
302 personal property.

303 (10)(a) ~~[Subject to Subsection (11), for]~~ For the first calendar year in which a property
304 owner qualifies to receive a residential exemption under Section 59-2-103, a county
305 assessor may require the property owner to file a signed statement described in
306 Section 59-2-306.

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

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

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

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

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

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

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

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

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

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

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

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

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

335 [i] the owner is using a post office box or rural route box located in the county where
336 the residential property is located; and]

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

338 [(d) An owner of residential property that receives a notice described in Subsection
339 (11)(a) shall submit a written declaration to the county assessor under penalty of
340 perjury certifying the information contained in the form described in Subsection
341 (11)(e).]

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

343 [i] signed by the owner of the residential property; and]

344 [(ii) in substantially the following form:

345 "Residential Property Declaration

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

350 Residential Property Owner Information

351 Name(s): _____

352 Home Phone: _____

353 Work Phone: _____

354 Mailing Address: _____

355 Residential Property Information

356 Physical Address: _____

357 Certification

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

360 "Part-year residential property" means owned property that is not residential property
361 on January 1 of a calendar year but becomes residential property after January 1 of the
362 calendar year.

363 Yes No

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

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

368 Yes No

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

374 Signature

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

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

378 _____(Owner printed name)]

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

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

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

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

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

390 [(A) except as provided in Subsection (11)(g)(iii), the property owner appeals the
 391 redetermination to the board of equalization in accordance with Subsection
 392 59-2-1004(2); or]

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

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

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

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

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

402 [(A) the property owner failed to file a written declaration as required by

- 403 Subsection (11)(d); and]
- 404 [(B) the property owner will no longer qualify to receive the residential exemption
- 405 authorized under Section 59-2-103 for the property that is the subject of the
- 406 written declaration if the property owner does not file the written declaration
- 407 required by Subsection (11)(d) within 30 days after the day on which the
- 408 county assessor mails the notice under this Subsection (11)(h)(i).]
- 409 [(ii) If a property owner fails to file a written declaration required by Subsection
- 410 (11)(d) after receiving the notice described in Subsection (11)(h)(i), the property
- 411 owner no longer qualifies to receive the residential exemption authorized under
- 412 Section 59-2-103 in the calendar year for the property that is the subject of the
- 413 written declaration unless:]
- 414 [(A) except as provided in Subsection (11)(h)(iii), the property owner appeals the
- 415 redetermination to the board of equalization in accordance with Subsection
- 416 59-2-1004(2); or]
- 417 [(B) the county determines that the property is eligible to receive a primary
- 418 residential exemption as part-year residential property.]
- 419 [(iii) The board of equalization may not accept an appeal that is filed after the later of:]
- 420 [(A) September 15 of the current calendar year; or]
- 421 [(B) the last day of the 45-day period beginning on the day on which the county
- 422 auditor provides the notice under Section 59-2-919.1.]
- 423 [(iv) A property owner that is disqualified to receive the residential exemption under
- 424 Subsection (11)(h)(ii) may file an application described in Subsection (1) to
- 425 determine whether the owner is eligible to receive the residential exemption.]
- 426 [(i) The requirements of this Subsection (11) do not apply to a county assessor in a
- 427 county that adopts and enforces an ordinance described in Subsection (1).]

428 Section 5. Section **59-2-924** is amended to read:

429 **59-2-924 (Effective 06/01/26). Definitions -- Report of valuation of property to**

430 **county auditor and commission -- Transmittal by auditor to governing bodies --**

431 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**

432 **-- Notice provided by the commission.**

433 (1) As used in this section:

434 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with

435 this chapter.

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

- 437 (A) interest;
- 438 (B) penalties;
- 439 (C) collections from redemptions; or
- 440 (D) revenue received by a taxing entity from personal property that is
- 441 semiconductor manufacturing equipment assessed by a county assessor in
- 442 accordance with Part 3, County Assessment.
- 443 (b) "Adjusted tax increment" means the same as that term is defined in Section
- 444 17C-1-102.
- 445 (c)(i) "Aggregate taxable value of all property taxed" means:
- 446 (A) the aggregate taxable value of all real property a county assessor assesses in
- 447 accordance with Part 3, County Assessment, for the current year;
- 448 (B) the aggregate taxable value of all real and personal property the commission
- 449 assesses in accordance with Part 2, Assessment of Property, for the current
- 450 year; and
- 451 (C) the aggregate year end taxable value of all personal property a county assessor
- 452 assesses in accordance with Part 3, County Assessment, contained on the prior
- 453 year's tax rolls of the taxing entity.
- 454 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
- 455 year end taxable value of personal property that is:
- 456 (A) semiconductor manufacturing equipment assessed by a county assessor in
- 457 accordance with Part 3, County Assessment; and
- 458 (B) contained on the prior year's tax rolls of the taxing entity.
- 459 (d) "Base taxable value" means:
- 460 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 461 in Section 11-58-102;
- 462 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 463 the same as that term is defined in Section 11-59-207;
- 464 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 465 11-70-201, the same as that term is defined in Section 11-70-101;
- 466 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
- 467 defined in Section 17C-1-102;
- 468 (v) for an authority created under Section 63H-1-201, the same as that term is defined
- 469 in Section 63H-1-102;
- 470 (vi) for a host local government, the same as that term is defined in Section

- 471 63N-2-502;
- 472 (vii) for a housing and transit reinvestment zone or convention center reinvestment
- 473 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 474 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 475 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
- 476 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
- 477 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
- 478 upon the assessment roll last equalized during the base year, as that term is
- 479 defined in Section 10-21-101 or Section 17-80-101;
- 480 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 481 First Home Investment Zone Act, a property's taxable value as shown upon the
- 482 assessment roll last equalized during the base year, as that term is defined in
- 483 Section 63N-3-1601;
- 484 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 485 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
- 486 upon the assessment roll last equalized during the property tax base year, as that
- 487 term is defined in Section 63N-3-1701; or
- 488 (xi) for an electrical energy development zone created under Section 79-6-1104, the
- 489 value of the property within an electrical energy development zone, as shown on
- 490 the assessment roll last equalized before the creation of the electrical development
- 491 zone, as that term is defined in Section 79-6-1104.
- 492 (e) "Building area" means the total floor area of a structure measured from the exterior
- 493 dimensions of the structure's enclosing walls, including each level of finished or
- 494 unfinished space designed for occupancy or use.
- 495 [(e)] (f) "Centrally assessed benchmark value" means an amount equal to the average
- 496 year end taxable value of real and personal property the commission assesses in
- 497 accordance with Part 2, Assessment of Property, for the previous three calendar
- 498 years, adjusted for taxable value attributable to:
- 499 (i) an annexation to a taxing entity;
- 500 (ii) an incorrect allocation of taxable value of real or personal property the
- 501 commission assesses in accordance with Part 2, Assessment of Property; or
- 502 (iii) a change in value as a result of a change in the method of apportioning the value
- 503 prescribed by the Legislature, a court, or the commission in an administrative rule
- 504 or administrative order.

- 505 ~~[(f)]~~ (g) "Centrally assessed industry" means the following industry classes the
506 commission assesses in accordance with Part 2, Assessment of Property:
- 507 (i) air carrier;
 - 508 (ii) coal;
 - 509 (iii) coal load out property;
 - 510 (iv) electric generation;
 - 511 (v) electric rural;
 - 512 (vi) electric utility;
 - 513 (vii) gas utility;
 - 514 (viii) ground access property;
 - 515 (ix) land only property;
 - 516 (x) liquid pipeline;
 - 517 (xi) metalliferous mining;
 - 518 (xii) nonmetalliferous mining;
 - 519 (xiii) oil and gas gathering;
 - 520 (xiv) oil and gas production;
 - 521 (xv) oil and gas water disposal;
 - 522 (xvi) railroad;
 - 523 (xvii) sand and gravel; and
 - 524 (xviii) uranium.
- 525 ~~[(g)]~~ (h)(i) "Centrally assessed new growth" means the greater of:
- 526 (A) for each centrally assessed industry, zero; or
 - 527 (B) the amount calculated by subtracting the centrally assessed benchmark value
528 for each centrally assessed industry, adjusted for prior year end incremental
529 value, from the taxable value of real and personal property the commission
530 assesses in accordance with Part 2, Assessment of Property, for each centrally
531 assessed industry for the current year, adjusted for current year incremental
532 value.
 - 533 (ii) "Centrally assessed new growth" does not include a change in value for a
534 centrally assessed industry as a result of a change in the method of apportioning
535 the value prescribed by the Legislature, a court, or the commission in an
536 administrative rule or administrative order.
- 537 ~~[(h)]~~ (i) "Certified tax rate" means a tax rate that will provide the same ad valorem
538 property tax revenue for a taxing entity as was budgeted by that taxing entity for the

- 539 prior year.
- 540 ~~[(+)]~~ (j) "Community reinvestment agency" means the same as that term is defined in
541 Section 17C-1-102.
- 542 ~~[(+)]~~ (k) "Eligible new growth" means the greater of:
543 (i) zero; or
544 (ii) the sum of:
545 (A) locally assessed new growth;
546 (B) centrally assessed new growth; and
547 (C) project area new growth or hotel property new growth.
- 548 ~~[(+)]~~ (l) "Host local government" means the same as that term is defined in Section
549 63N-2-502.
- 550 ~~[(+)]~~ (m) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 551 ~~[(+)]~~ (n) "Hotel property new growth" means an amount equal to the incremental value
552 that is no longer provided to a host local government as incremental property tax
553 revenue.
- 554 ~~[(+)]~~ (o) "Incremental property tax revenue" means the same as that term is defined in
555 Section 63N-2-502.
- 556 ~~[(+)]~~ (p) "Incremental value" means:
557 (i) for an authority created under Section 11-58-201, the amount calculated by
558 multiplying:
559 (A) the difference between the taxable value and the base taxable value of the
560 property that is located within a project area and on which property tax
561 differential is collected; and
562 (B) the number that represents the percentage of the property tax differential that
563 is paid to the authority;
- 564 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
565 an amount calculated by multiplying:
566 (A) the difference between the current assessed value of the property and the base
567 taxable value; and
568 (B) the number that represents the percentage of the property tax augmentation, as
569 defined in Section 11-59-207, that is paid to the Point of the Mountain State
570 Land Authority;
- 571 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
572 11-70-201, the amount calculated by multiplying:

- 573 (A) the difference between the taxable value for the current year and the base
574 taxable value of the property that is located within a project area; and
- 575 (B) the number that represents the percentage of enhanced property tax revenue,
576 as defined in Section 11-70-101;
- 577 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
578 multiplying:
- 579 (A) the difference between the taxable value and the base taxable value of the
580 property located within a project area and on which tax increment is collected;
581 and
- 582 (B) the number that represents the adjusted tax increment from that project area
583 that is paid to the agency;
- 584 (v) for an authority created under Section 63H-1-201, the amount calculated by
585 multiplying:
- 586 (A) the difference between the taxable value and the base taxable value of the
587 property located within a project area and on which property tax allocation is
588 collected; and
- 589 (B) the number that represents the percentage of the property tax allocation from
590 that project area that is paid to the authority;
- 591 (vi) for a housing and transit reinvestment zone or convention center reinvestment
592 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
593 Reinvestment Zone Act, an amount calculated by multiplying:
- 594 (A) the difference between the taxable value and the base taxable value of the
595 property that is located within a housing and transit reinvestment zone or
596 convention center reinvestment zone and on which tax increment is collected;
597 and
- 598 (B) the number that represents the percentage of the tax increment that is paid to
599 the housing and transit reinvestment zone or convention center reinvestment
600 zone;
- 601 (vii) for a host local government, an amount calculated by multiplying:
- 602 (A) the difference between the taxable value and the base taxable value of the
603 hotel property on which incremental property tax revenue is collected; and
- 604 (B) the number that represents the percentage of the incremental property tax
605 revenue from that hotel property that is paid to the host local government;
- 606 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part

- 607 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
608 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
609 (A) the difference between the taxable value and the base taxable value of the
610 property that is located within a home ownership promotion zone and on which
611 tax increment is collected; and
612 (B) the number that represents the percentage of the tax increment that is paid to
613 the home ownership promotion zone;
- 614 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
615 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
616 (A) the difference between the taxable value and the base taxable value of the
617 property that is located within a first home investment zone and on which tax
618 increment is collected; and
619 (B) the number that represents the percentage of the tax increment that is paid to
620 the first home investment zone;
- 621 (x) for a major sporting event venue zone created pursuant to Title 63N, Chapter 3,
622 Part 17, Major Sporting Event Venue Zone Act, an amount calculated by
623 multiplying:
624 (A) the difference between the taxable value and the base taxable value of the
625 property located within a qualified development zone for a major sporting
626 event venue zone and upon which property tax increment is collected; and
627 (B) the number that represents the percentage of tax increment that is paid to the
628 major sporting event venue zone, as approved by a major sporting event venue
629 zone committee described in Section 63N-1a-1706; or
- 630 (xi) for an electrical energy development zone created under Section 79-6-1104, the
631 amount calculated by multiplying:
632 (A) the difference between the taxable value and the base taxable value of the
633 property that is located within the electrical energy developmental zone; and
634 (B) the number that represents the percentage of the tax increment that is paid to a
635 community reinvestment agency and the Electrical Energy Development
636 Investment Fund created in Section 79-6-1105.
- 637 [(p)] (q)(i) "Locally assessed new growth" means the greater of:
638 (A) zero; or
639 (B) subject to Subsection (10), the amount calculated by subtracting the year end
640 taxable value of real property the county assessor assesses in accordance with

641 Part 3, County Assessment, for the previous year, adjusted for prior year end
642 incremental value from the taxable value of real property the county assessor
643 assesses in accordance with Part 3, County Assessment, for the current year,
644 adjusted for current year incremental value, minus any change in taxable value
645 attributable to physical improvements to an existing structure or the
646 construction of a new structure that does not add new building area related to
647 residential or commercial use, and excluding any increase in taxable value for
648 property that was assessed in the previous year as partially completed new
649 growth.

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

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

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

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

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

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

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

662 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
663 11-70-201, the same as that term is defined in Section 11-70-101;

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

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

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

671 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
672 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
673 5, Home Ownership Promotion Zone, the same as that term is defined in Section
674 10-21-101 or Section 17-80-101;

- 675 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 676 First Home Investment Zone Act, the same as that term is defined in Section
 677 63N-3-1601; or
- 678 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
 679 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
 680 as defined in Section 63N-3-1701.
- 681 ~~[(+)]~~ (s)(i) "Project area new growth" means:
- 682 ~~[(+)]~~ (A) for an authority created under Section 11-58-201, an amount equal to the
 683 incremental value that is no longer provided to an authority as property tax
 684 differential;
- 685 ~~[(+)]~~ (B) for the Point of the Mountain State Land Authority created in Section
 686 11-59-201, an amount equal to the incremental value that is no longer provided
 687 to the Point of the Mountain State Land Authority as property tax
 688 augmentation, as defined in Section 11-59-207;
- 689 ~~[(+)]~~ (C) for the Utah Fairpark Area Investment and Restoration District created in
 690 Section 11-70-201, an amount equal to the incremental value that is no longer
 691 provided to the Utah Fairpark Area Investment and Restoration District;
- 692 ~~[(+)]~~ (D) for an agency created under Section 17C-1-201.5, an amount equal to the
 693 incremental value that is no longer provided to an agency as tax increment;
- 694 ~~[(+)]~~ (E) for an authority created under Section 63H-1-201, an amount equal to the
 695 incremental value that is no longer provided to an authority as property tax
 696 allocation;
- 697 ~~[(+)]~~ (F) for a housing and transit reinvestment zone or convention center
 698 reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and
 699 Transit Reinvestment Zone Act, an amount equal to the incremental value that
 700 is no longer provided to a housing and transit reinvestment zone or convention
 701 center reinvestment zone as tax increment;
- 702 ~~[(+)]~~ (G) for a home ownership promotion zone created under Title 10, Chapter
 703 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17,
 704 Chapter 80, Part 5, Home Ownership Promotion Zone, an amount equal to the
 705 incremental value that is no longer provided to a home ownership promotion
 706 zone as tax increment;
- 707 ~~[(+)]~~ (H) for a first home investment zone created under Title 63N, Chapter 3,
 708 Part 16, First Home Investment Zone Act, an amount equal to the incremental

- 709 value that is no longer provided to a first home investment zone as tax
 710 increment; or
- 711 ~~[(ix)]~~ (I) for a major sporting event venue zone created under Title 63N, Chapter 3,
 712 Part 17, Major Sporting Event Venue Zone Act, an amount equal to the
 713 incremental value that is no longer provided to the creating entity of a major
 714 sporting event venue zone as property tax increment.
- 715 (ii) "Project area new growth" does not include, for any entity listed under Subsection
 716 (1)(s)(i), tangible personal property.
- 717 ~~[(s)]~~ (t) "Project area incremental revenue" means the same as that term is defined in
 718 Section 17C-1-1001.
- 719 ~~[(t)]~~ (u) "Property tax allocation" means the same as that term is defined in Section
 720 63H-1-102.
- 721 ~~[(u)]~~ (v) "Property tax differential" means the same as that term is defined in Sections
 722 11-58-102 and 79-6-1104.
- 723 ~~[(v)]~~ (w) "Tax increment" means:
- 724 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
 725 in Section 17C-1-102;
- 726 (ii) for a housing and transit reinvestment zone or convention center reinvestment
 727 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 728 Reinvestment Zone Act, the same as the term "property tax increment" is defined
 729 in Section 63N-3-602;
- 730 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 731 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 732 5, Home Ownership Promotion Zone, the same as that term is defined in Section
 733 10-21-101 or Section 17-80-101;
- 734 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 735 First Home Investment Zone Act, the same as that term is defined in Section
 736 63N-3-1601; or
- 737 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
 738 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
 739 defined in Section 63N-3-1701.
- 740 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
 741 the commission the following statements:
- 742 (a) a statement containing the aggregate valuation of all taxable real property a county

- 743 assessor assesses in accordance with Part 3, County Assessment, for each taxing
744 entity; and
- 745 (b) a statement containing the taxable value of all personal property a county assessor
746 assesses in accordance with Part 3, County Assessment, from the prior year end
747 values.
- 748 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
749 taxing entity:
- 750 (a) the statements described in Subsections (2)(a) and (b);
- 751 (b) an estimate of the revenue from personal property;
- 752 (c) the certified tax rate; and
- 753 (d) all forms necessary to submit a tax levy request.
- 754 (4)(a)(i) Except as otherwise provided in this section and subject to Subsection
755 (4)(a)(ii), the certified tax rate shall be calculated by dividing the ad valorem
756 property tax revenue that a taxing entity budgeted for the prior year by the amount
757 calculated under Subsection (4)(b).
- 758 (ii) For a fiscal year beginning on or after July 1, 2031, the legislative body of a
759 taxing entity that is a city shall subtract any excess amount, as defined in
760 Subsection 10-6-116(2), from the ad valorem property tax revenue that the taxing
761 entity budgeted for the prior year.
- 762 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
763 calculate an amount as follows:
- 764 (i) calculate for the taxing entity the difference between:
- 765 (A) the aggregate taxable value of all property taxed; and
- 766 (B) any adjustments for current year incremental value;
- 767 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
768 determined by increasing or decreasing the amount calculated under Subsection
769 (4)(b)(i) by the average of the percentage net change in the value of taxable
770 property for the equalization period for the three calendar years immediately
771 preceding the current calendar year;
- 772 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
773 product of:
- 774 (A) the amount calculated under Subsection (4)(b)(ii); and
- 775 (B) the percentage of property taxes collected for the five calendar years
776 immediately preceding the current calendar year; and

- 777 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
778 amount determined by:
- 779 (A) multiplying the percentage of property taxes collected for the five calendar
780 years immediately preceding the current calendar year by eligible new growth;
781 and
- 782 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
783 amount calculated under Subsection (4)(b)(iii).
- 784 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
785 as follows:
- 786 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
787 tax rate is zero;
- 788 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 789 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
790 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
791 to Unincorporated Areas; and
- 792 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
793 purposes and such other levies imposed solely for the municipal-type services
794 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 795 (c) for a community reinvestment agency that received all or a portion of a taxing
796 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
797 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
798 Subsection (4) except that the commission shall treat the total revenue transferred to
799 the community reinvestment agency as ad valorem property tax revenue that the
800 taxing entity budgeted for the prior year; and
- 801 (d) for debt service voted on by the public, the certified tax rate is the actual levy
802 imposed by that section, except that a certified tax rate for the following levies shall
803 be calculated in accordance with Section 59-2-913 and this section:
- 804 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
805 (ii) a levy to pay for the costs of state legislative mandates or judicial or
806 administrative orders under Section 59-2-1602.
- 807 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
808 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
809 one or more eligible judgments.
- 810 (b) The ad valorem property tax revenue generated by a judgment levy described in

- 811 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
812 certified tax rate.
- 813 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 814 (i) the taxable value of real property:
- 815 (A) the county assessor assesses in accordance with Part 3, County Assessment;
816 and
- 817 (B) contained on the assessment roll;
- 818 (ii) the year end taxable value of personal property:
- 819 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
820 (B) contained on the prior year's assessment roll; and
- 821 (iii) the taxable value of real and personal property the commission assesses in
822 accordance with Part 2, Assessment of Property.
- 823 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
824 growth.
- 825 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 826 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
827 the county auditor of:
- 828 (i) the taxing entity's intent to exceed the certified tax rate; and
829 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 830 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
831 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 832 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
833 electronic means on or before July 31, to a taxing entity and the Revenue and
834 Taxation Interim Committee if:
- 835 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
836 taxable value of the real and personal property the commission assesses in
837 accordance with Part 2, Assessment of Property, for the previous year, adjusted
838 for prior year end incremental value; and
- 839 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
840 end taxable value of the real and personal property of a taxpayer the commission
841 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 842 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
843 subtracting the taxable value of real and personal property the commission assesses
844 in accordance with Part 2, Assessment of Property, for the current year, adjusted for

- 845 current year incremental value, from the year end taxable value of the real and
846 personal property the commission assesses in accordance with Part 2, Assessment of
847 Property, for the previous year, adjusted for prior year end incremental value.
- 848 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
849 subtracting the total taxable value of real and personal property of a taxpayer the
850 commission assesses in accordance with Part 2, Assessment of Property, for the
851 current year, from the total year end taxable value of the real and personal property of
852 a taxpayer the commission assesses in accordance with Part 2, Assessment of
853 Property, for the previous year.
- 854 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
855 requirement under Subsection (9)(a)(ii).
- 856 (10) For purposes of Subsection (1)(q)(i)(B), a county assessor may not use permit value to
857 determine the taxable value of construction in progress as of January 1.

858 **Section 6. Effective Date.**

- 859 (1) Except as provided in Subsections (2) and (3), this bill takes effect on May 6, 2026.
860 (2) The actions affecting Section 59-2-924 (Effective 06/01/26) take effect on June 1, 2026.
861 (3) The actions affecting Section 59-2-103.5 (Effective 01/01/27) take effect on January 1,
862 2027.

863 **Section 7. Coordinating S.B. 97 with S.B. 206.**

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

- 866 (1) Subsection 59-2-103(1)(d), enacted in S.B. 97, be amended to read:
867 "(d) "Program manager" means the same as that term is defined in Section
868 59-2-1601."; and
- 869 (2) Subsection 59-2-103(7)(b), enacted in S.B. 97, be amended to read:
870 "(b) If a property owner rebuts a presumption under this Subsection (7) in relation to
871 property owned by a business entity, the county shall provide information regarding the
872 property to the program manager for the purpose of assisting counties in identifying
873 property owners who receive a residential exemption described in Subsection (3) in
874 more than one county."