

Wayne A. Harper proposes the following substitute bill:

Tax Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: R. Neil Walter

LONG TITLE

General Description:

This bill modifies provisions relating to tax.

Highlighted Provisions:

This bill:

▸ creates the Statewide Tax Administration and Technology Solutions program, which includes the following services:

- maintenance and enhancement of the statewide property tax system, including statewide web portals;
- provision of property valuation services;
- valuation of personal property of telecommunications service providers;
- mediation of disputes about commission orders between the State Tax Commission and a county;

- participation in a study on the rate of a recovery fee for rentals of heavy equipment; and

- collation of information from entities that seek to receive and receive tax increment financing;

- establishes the program manager;

- transfers responsibilities from the Multicounty Appraisal Trust (MCAT) to the program manager;

- transfers existing MCAT personal property and unexpended revenue to the program manager;

- imposes accounting and reporting obligations on the program manager;

- grants rulemaking authority to the State Tax Commission to establish the requirements for the statewide property tax system;

- provides the conditions for a county to opt out of use of the statewide property tax

29 system;

30 ▶ beginning July 1, 2026, requires a local entity seeking to use tax increment to first:

31 • conduct a public meeting; and

32 • submit a notice to the program manager;

33 ▶ authorizes the program manager to determine if the local entity complied with the notice
34 requirements to begin the process to trigger, collect, and use tax increment;

35 ▶ requires a public entity that receives more revenue from tax increment than anticipated to
36 use the revenue to pay off debt;

37 ▶ requires local entities that receive tax increment to report annually to the program
38 manager;

39 ▶ modifies definitions relating to public service districts to reflect the transition of land
40 within the public service districts from unincorporated county to incorporated cities or
41 towns since the public service districts formed; and

42 ▶ makes technical and conforming changes.

43 **Money Appropriated in this Bill:**

44 None

45 **Other Special Clauses:**

46 This bill provides a special effective date.

47 This bill provides retrospective operation.

48 **Utah Code Sections Affected:**

49 AMENDS:

50 **10-21-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
51 First Special Session, Chapter 15

52 **10-21-504 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
53 First Special Session, Chapter 15

54 **11-58-803 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Second Special
55 Session, Chapter 1

56 **11-59-208 (Effective 05/06/26) (Repealed 01/01/29)**, as enacted by Laws of Utah 2022,
57 Chapter 237

58 **11-70-401 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
59 Session, Chapter 16

60 **17-80-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
61 First Special Session, Chapter 14

62 **17-80-504 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,

63 First Special Session, Chapter 14
64 **17C-1-606 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 480
65 **17D-4-205 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2021,
66 Chapter 314
67 **59-2-306.5 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
68 of Utah 2024, Chapter 315
69 **59-2-307 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
70 Utah 2022, Chapter 239
71 **59-2-308 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
72 Utah 2022, Chapter 239
73 **59-2-704 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
74 Utah 2025, Chapter 337
75 **59-2-919.1 (Effective 05/06/26) (Superseded 07/01/26) (Applies beginning 01/01/26)**, as
76 last amended by Laws of Utah 2025, Chapter 518
77 **59-2-919.1 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, Chapter 518
78 **59-2-924.2 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
79 of Utah 2025, Chapter 29
80 **59-2-1601 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
81 of Utah 2024, Chapter 263
82 **59-2-1602 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
83 of Utah 2025, Chapters 337, 484
84 **59-2-1605 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
85 of Utah 2014, Chapter 270
86 **59-2-1606 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
87 of Utah 2025, Chapter 337
88 **59-2-2001 (Effective 05/06/26) (Applies beginning 01/01/26)**, as enacted by Laws of
89 Utah 2025, Chapter 432
90 **59-2-2002 (Effective 05/06/26) (Applies beginning 01/01/26)**, as enacted by Laws of
91 Utah 2025, Chapter 432
92 **63H-1-501 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 514
93 **63I-1-259 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
94 of Utah 2025, Chapter 270
95 **63N-3-602 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
96 **63N-3-603.1 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 29

- 97 **63N-3-607 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 404
- 98 **63N-3-609 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
- 99 **63N-3-1601 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 440
- 100 **63N-3-1606 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537
- 101 **63N-3-1608 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537
- 102 **63N-3-1701 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 495
- 103 **63N-3-1708 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 495

104 ENACTS:

- 105 **59-1-1901 (Effective 05/06/26)**, Utah Code Annotated 1953
- 106 **59-1-1902 (Effective 05/06/26)**, Utah Code Annotated 1953
- 107 **59-35-101 (Effective 05/06/26)**, Utah Code Annotated 1953
- 108 **59-35-201 (Effective 05/06/26)**, Utah Code Annotated 1953
- 109 **59-35-202 (Effective 05/06/26)**, Utah Code Annotated 1953
- 110 **59-35-203 (Effective 05/06/26)**, Utah Code Annotated 1953
- 111 **59-35-204 (Effective 05/06/26)**, Utah Code Annotated 1953
- 112 **59-35-301 (Effective 05/06/26)**, Utah Code Annotated 1953
- 113 **59-35-302 (Effective 05/06/26)**, Utah Code Annotated 1953

114 REPEALS AND REENACTS:

- 115 **17C-1-603 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 480

116 REPEALS:

- 117 **59-2-1603 (Effective 05/06/26) (Repealed 07/01/30)**, as last amended by Laws of Utah
- 118 2022, Chapter 451

119

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

121 Section 1. Section **10-21-101** is amended to read:

122 **10-21-101 (Effective 05/06/26). Definitions.**

123 As used in this part:

- 124 (1) "Affordable housing" means housing offered for sale at 80% or less of the median
- 125 county home price for housing of that type.
- 126 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 127 (3) "Applicable metropolitan planning organization" means the metropolitan planning
- 128 organization that has jurisdiction over the area in which a fixed guideway public transit
- 129 station is located.
- 130 (4) "Applicable public transit district" means the public transit district, as defined in Section

- 131 17B-2a-802, of which a fixed guideway public transit station is included.
- 132 (5) "Base taxable value" means a property's taxable value as shown upon the assessment
133 roll last equalized during the base year.
- 134 (6) "Base year" means, for a proposed home ownership promotion zone area, a year
135 beginning the first day of the calendar quarter determined by the last equalized tax roll
136 before the adoption of the home ownership promotion zone.
- 137 (7) "Division" means the Housing and Community Development Division within the
138 Department of Workforce Services.
- 139 (8) "Existing fixed guideway public transit station" means a fixed guideway public transit
140 station for which construction begins before June 1, 2022.
- 141 (9) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 142 (10) "Home ownership promotion zone" means a home ownership promotion zone created
143 in accordance with this part.
- 144 (11) "Implementation plan" means the implementation plan adopted as part of the moderate
145 income housing element of a specified municipality's general plan as provided in
146 Subsection 10-21-201(4).
- 147 (12) "Initial report" or "initial moderate income housing report" means the one-time report
148 described in Subsection 10-21-202(1).
- 149 (13) "Internal accessory dwelling unit" means an accessory dwelling unit created:
150 (a) within a primary dwelling;
151 (b) within the footprint of the primary dwelling described in Subsection (13)(a) at the
152 time the internal accessory dwelling unit is created; and
153 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.
- 154 (14) "Moderate income housing strategy" means a strategy described in Subsection
155 10-21-201(3)(a)(iii).
- 156 (15) "New fixed guideway public transit station" means a fixed guideway public transit
157 station for which construction begins on or after June 1, 2022.
- 158 (16) "Participant" means the same as that term is defined in Section 17C-1-102.
- 159 (17) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 160 (18)(a) "Primary dwelling" means a single-family dwelling that:
161 (i) is detached; and
162 (ii) is occupied as the primary residence of the owner of record.
- 163 (b) "Primary dwelling" includes a garage if the garage:
164 (i) is a habitable space; and

- 165 (ii) is connected to the primary dwelling by a common wall.
- 166 (19) "Project improvements" means the same as that term is defined in Section 11-36a-102.
- 167 (20) "Qualifying land use petition" means a petition:
- 168 (a) that involves land located within a station area for an existing public transit station
- 169 that provides rail services;
- 170 (b) that involves land located within a station area for which the municipality has not yet
- 171 satisfied the requirements of Subsection 10-21-203(1)(a);
- 172 (c) that proposes the development of an area greater than five contiguous acres, with no
- 173 less than 51% of the acreage within the station area;
- 174 (d) that would require the municipality to amend the municipality's general plan or
- 175 change a zoning designation for the land use application to be approved;
- 176 (e) that would require a higher density than the density currently allowed by the
- 177 municipality;
- 178 (f) that proposes the construction of new residential units, at least 10% of which are
- 179 dedicated to moderate income housing; and
- 180 (g) for which the land use applicant requests the municipality to initiate the process of
- 181 satisfying the requirements of Subsection 10-21-203(1)(a) for the station area in
- 182 which the development is proposed, subject to Subsection 10-21-203(2)(d).
- 183 (21) "Report" means an initial report or a subsequent progress report.
- 184 (22) "Specified municipality" means:
- 185 (a) a city of the first, second, third, or fourth class; or
- 186 (b) a city of the fifth class with a population of 5,000 or more, if the city is located
- 187 within a county of the first, second, or third class.
- 188 (23)(a) "Station area" means:
- 189 (i) for a fixed guideway public transit station that provides rail services, the area
- 190 within a one-half mile radius of the center of the fixed guideway public transit
- 191 station platform; or
- 192 (ii) for a fixed guideway public transit station that provides bus services only, the
- 193 area within a one-fourth mile radius of the center of the fixed guideway public
- 194 transit station platform.
- 195 (b) "Station area" includes any parcel bisected by the radius limitation described in
- 196 Subsection (a)(i) or (ii).
- 197 (24) "Station area plan" means a plan that:
- 198 (a) establishes a vision, and the actions needed to implement that vision, for the

- 199 development of land within a station area; and
- 200 (b) is developed and adopted in accordance with this section.
- 201 (25) "Subsequent progress report" means the annual report described in Subsection
- 202 10-21-202(2).
- 203 (26) "System improvements" means the same as that term is defined in Section 11-36a-102.
- 204 (27) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 205 (28)(a) "Tax increment" means the difference between:
- 206 (i) the amount of property tax revenue generated each tax year by a taxing entity from
- 207 the area within a home ownership promotion zone, using the current assessed
- 208 value and each taxing entity's current certified tax rate as defined in Section
- 209 59-2-924; and
- 210 (ii) the amount of property tax revenue that would be generated from that same area
- 211 using the base taxable value and each taxing entity's current certified tax rate as
- 212 defined in Section 59-2-924.
- 213 (b) "Tax increment" does not include property revenue from~~[:]~~ a multicounty assessing
- 214 and collecting levy or a county additional property tax described in Section 59-2-1602.
- 215 ~~[(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
- 216 ~~or]~~
- 217 ~~[(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~
- 218 (29) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 219 Section 2. Section **10-21-504** is amended to read:
- 220 **10-21-504 (Effective 05/06/26). Payment, use, and administration of revenue**
- 221 **from a home ownership promotion zone.**
- 222 (1)(a) A municipality may receive tax increment and use home ownership promotion
- 223 zone funds in accordance with this section.
- 224 (b) The maximum amount of time that a municipality may receive and use tax increment
- 225 in accordance with a home ownership promotion zone is 15 consecutive years.
- 226 (2) A county that collects property tax on property located within a home ownership
- 227 promotion zone shall distribute, in accordance with Section 59-2-1365, ~~[distribute]~~ 60%
- 228 of the tax increment ~~[collected]~~ the county collects from property within the home
- 229 ownership promotion zone to the municipality over the home ownership promotion zone
- 230 to ~~[be used]~~ use as described in this section.
- 231 (3)(a) Tax increment distributed to a municipality in accordance with Subsection (2) is
- 232 not revenue of the taxing entity or municipality, but home ownership promotion zone

- 233 funds.
- 234 (b) ~~[Home ownership promotion zone funds may be administered by an agency created~~
235 ~~by the municipality within which the home ownership promotion zone is located.] An~~
236 ~~agency created by the municipality within which the home ownership promotion~~
237 ~~zone is located may administer home ownership promotion zone funds.~~
- 238 (c) Before an agency may receive home ownership promotion zone funds from a
239 municipality, the agency shall enter into an interlocal agreement with the
240 municipality.
- 241 (4)(a) A municipality or agency shall use home ownership promotion zone funds within,
242 or for the direct benefit of, the home ownership promotion zone.
- 243 (b) If any home ownership promotion zone funds will be used outside of the home
244 ownership promotion zone, the legislative body of the municipality shall make a
245 finding that the use of the home ownership promotion zone funds outside of the home
246 ownership promotion zone will directly benefit the home ownership promotion zone.
- 247 (5) A municipality or agency shall use home ownership promotion zone funds to achieve
248 the purposes described in Section 10-21-502 by paying all or part of the costs of any of
249 the following:
- 250 (a) project improvement costs;
- 251 (b) systems improvement costs;
- 252 (c) water exaction costs;
- 253 (d) street lighting costs;
- 254 (e) environmental remediation costs; or
- 255 (f) the costs of the municipality or agency to create and administer the home ownership
256 promotion zone, which may not exceed 3% of the total home ownership promotion
257 zone funds.
- 258 (6) Home ownership promotion zone funds may be paid to a participant, if the municipality
259 and participant enter into a participation agreement which requires the participant to [
260 ~~utilize~~] use the home ownership promotion zone funds as allowed in this section.
- 261 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds
262 issued by the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency
263 Bonds, including the cost to issue and repay the bonds including interest.
- 264 (8) A municipality may:
- 265 (a) create one or more public infrastructure districts within a home ownership promotion
266 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and

267 (b) pledge and [utilize] use the home ownership promotion zone funds to guarantee the
 268 payment of public infrastructure bonds issued by a public infrastructure district.

269 (9) A municipality, agency, or public infrastructure district that receives tax increment shall
 270 comply with the requirements described in Title 59, Chapter 35, Tax Increment
 271 Financing Reporting.

272 Section 3. Section **11-58-803** is amended to read:

273 **11-58-803 (Effective 05/06/26). Port authority reporting.**

274 (1)(a) On or before November 1 of each year, the authority shall prepare and file a report
 275 with the county auditor of each county in which the authority jurisdictional land is
 276 located, the State Tax Commission, the State Board of Education, and each taxing
 277 entity that levies a tax on property from which the authority collects property tax
 278 differential.

279 (b) The requirement of Subsection (1)(a) to file a copy of the report with the state as a
 280 taxing entity is met if the authority files a copy with the State Tax Commission and
 281 the state auditor.

282 (2) Each report under Subsection (1) shall contain:

283 (a) an estimate of the property tax differential to be paid to the authority for the calendar
 284 year ending December 31; and

285 (b) an estimate of the property tax differential to be paid to the authority for the calendar
 286 year beginning the next January 1.

287 (3) Before November 30 of each year, the board shall present a report to the Executive
 288 Appropriations Committee of the Legislature, as the Executive Appropriations
 289 Committee directs, that includes:

290 (a) an accounting of how authority funds have been spent, including funds spent on the
 291 environmental sustainability component of the authority business plan under
 292 Subsection 11-58-202(1)(a);

293 (b) an update about the progress of the development and implementation of the authority
 294 business plan under Subsection 11-58-202(1)(a), including the development and
 295 implementation of the environmental sustainability component of the plan; and

296 (c) an explanation of the authority's progress in achieving the policies and objectives
 297 described in Subsection 11-58-203(1).

298 (4) The authority shall comply with the requirements described in Title 59, Chapter 35, Tax
 299 Increment Financing Reporting.

300 Section 4. Section **11-59-208** is amended to read:

301 **11-59-208 (Effective 05/06/26) (Repealed 01/01/29). Portion of property tax**
302 **augmentation to be paid to authority -- Reporting.**

303 (1) As used in this section:

304 (a) "Base taxable value" means the taxable value in the year before the transfer date.

305 (b) "Property tax augmentation":

306 (i) means the amount of property tax that is the difference between:

307 (A) the amount of property tax revenues generated each tax year by all taxing
308 entities from a transferred parcel, using the current assessed value of the
309 property; and

310 (B) the amount of property tax revenues that would be generated from that same
311 transferred parcel using the base taxable value of the property; and

312 (ii) does not include property tax revenue from:

313 (A) a county additional property tax or multicounty assessing and collecting levy
314 imposed in accordance with Section 59-2-1602;

315 (B) a judgment levy imposed by a taxing entity under Section 59-2-1328 or
316 59-2-1330; or

317 (C) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general
318 obligation bond.

319 (c) "Transfer date" means the date that fee title to land that is part of the point of the
320 mountain state land is transferred to a private person.

321 (d) "Transferred parcel" means a parcel of land:

322 (i) that is part of the point of the mountain state land; and

323 (ii) the fee title to which has been transferred to a private person.

324 (2) Beginning January 1, 2023, the authority shall be paid 75% of property tax
325 augmentation from a transferred parcel:

326 (a) for a period of 25 years beginning January 1 of the year immediately following the
327 transfer date for the transferred parcel; and

328 (b) for a period of an additional 15 years beyond the period stated in Subsection (2)(a) if:

329 (i) the board determines by resolution that the additional years will produce a
330 significant benefit to the authority; and

331 (ii) the resolution is adopted before the end of the 25-year period under Subsection
332 (2)(a).

333 (3) A county that collects property tax on property within the county in which the point of
334 the mountain state land is located shall pay and distribute to the authority the amount of

335 property tax augmentation that the authority is entitled to collect under Subsection (2), in
336 the manner and at the time provided in Section 59-2-1365.

337 (4) The authority shall comply with the requirements described in Title 59, Chapter 35, Tax
338 Increment Financing Reporting.

339 Section 5. Section **11-70-401** is amended to read:

340 **11-70-401 (Effective 05/06/26). Enhanced property tax revenue to be paid to**
341 **fairpark district -- Reporting.**

342 (1) Subject to Subsection (5), the fairpark district shall be paid 90% of enhanced property
343 tax revenue generated from each parcel of privately owned land within the fairpark
344 district boundary:

345 (a) beginning the tax year that begins on January 1, 2025; and

346 (b) until the transition date for that parcel.

347 (2) Subject to Subsection (5), during the payment period the fairpark district shall be paid
348 up to 100% of enhanced property tax revenue:

349 (a) generated from designated parcels of privately owned land within a project area; and

350 (b) as the board specifies in a designation resolution adopted in consultation with a
351 qualified owner.

352 (3) For purposes of the payment of enhanced property tax revenue under this section, a
353 payment period shall begin, as specified in the designation resolution, on January 1 of a
354 year that begins after the designation resolution is adopted.

355 (4)(a) For purposes of this section, the fairpark district may designate an improved
356 portion of a parcel in a project area as a separate parcel.

357 (b) A fairpark district designation of an improved portion of a parcel as a separate parcel
358 under Subsection (4)(a) does not constitute a subdivision, as defined in Section
359 10-20-102 or Section 17-79-102.

360 (c) A county recorder shall assign a separate tax identification number to the improved
361 portion of a parcel designated by the fairpark district as a separate parcel under
362 Subsection (4)(a).

363 (5) A host municipality shall be paid a minimum of 25% of the enhanced property tax
364 revenue generated by a property tax imposed by the host municipality to reimburse the
365 host municipality for services the host municipality provides to a project area in
366 accordance with Subsection 11-70-206(6)(c), with the exact amount determined in an
367 agreement between the host municipality and the fairpark district.

368 (6) The fairpark district shall comply with the requirements described in Title 59, Chapter

369 35, Tax Increment Financing Reporting.370 Section 6. Section **17-80-101** is amended to read:371 **17-80-101 (Effective 05/06/26). Definitions.**

372 As used in this part:

- 373 (1) "Affordable housing" means housing offered for sale at 80% or less of the median
374 county home price for housing of that type.
- 375 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 376 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
377 roll last equalized during the base year.
- 378 (4) "Base year" means, for a proposed home ownership promotion zone area, a year
379 beginning the first day of the calendar quarter determined by the last equalized tax roll
380 before the adoption of the home ownership promotion zone.
- 381 (5) "Division" means the Housing and Community Development Division within the
382 Department of Workforce Services.
- 383 (6) "Home ownership promotion zone" means a home ownership promotion zone created in
384 accordance with this part.
- 385 (7) "Implementation plan" means the implementation plan adopted as part of the moderate
386 income housing element of a specified county's general plan.
- 387 (8) "Initial report" means the one-time moderate income housing report described in
388 Subsection 17-80-202(1).
- 389 (9) "Internal accessory dwelling unit" means an accessory dwelling unit created:
390 (a) within a primary dwelling;
391 (b) within the footprint of the detached primary dwelling at the time the internal
392 accessory dwelling unit is created; and
393 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.
- 394 (10) "Moderate income housing strategy" means a strategy described in Section 17-80-201.
- 395 (11) "Participant" means the same as that term is defined in Section 17C-1-102.
- 396 (12) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 397 (13)(a) "Primary dwelling" means a single-family dwelling that:
398 (i) is detached; and
399 (ii) is occupied as the primary residence of the owner of record.
- 400 (b) "Primary dwelling" includes a garage if the garage:
401 (i) is a habitable space; and
402 (ii) is connected to the primary dwelling by a common wall.

- 403 (14) "Project improvements" means the same as that term is defined in Section 11-36a-102.
- 404 (15) "Report" means an initial report or a subsequent report described in Section 17-80-202.
- 405 (16) "Specified county" means a county of the first, second, or third class, which has a
406 population of more than 5,000 in the county's unincorporated areas.
- 407 (17) "Subsequent progress report" means the annual moderate income housing report
408 described in Section 17-80-202.
- 409 (18) "System improvements" means the same as that term is defined in Section 11-36a-102.
- 410 (19) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 411 (20)(a) "Tax increment" means the difference between:
- 412 (i) the amount of property tax revenue generated each tax year by a taxing entity from
413 the area within a home ownership promotion zone, using the current assessed
414 value and each taxing entity's current certified tax rate as defined in Section
415 59-2-924; and
- 416 (ii) the amount of property tax revenue that would be generated from that same area
417 using the base taxable value and each taxing entity's current certified tax rate as
418 defined in Section 59-2-924.
- 419 (b) "Tax increment" does not include property revenue from~~[:]~~ a multicounty assessing
420 and collecting levy or a county additional property tax described in Section 59-2-1602.
421 ~~[(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
422 ~~or]~~
- 423 ~~[(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~
- 424 (21) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 425 Section 7. Section **17-80-504** is amended to read:
- 426 **17-80-504 (Effective 05/06/26). Payment, use, and administration of revenue**
427 **from a home ownership promotion zone -- Reporting.**
- 428 (1)(a) A county may receive tax increment and use home ownership promotion zone
429 funds in accordance with this section.
- 430 (b) The maximum amount of time that a county may receive and use tax increment
431 collected from a home ownership promotion zone is 15 consecutive years.
- 432 (2) A county that collects property tax on property located within a home ownership
433 promotion zone shall retain, in accordance with Section 59-2-1365,~~[-retain]~~ 60% of the
434 tax increment ~~[collected-]~~ the county collects from property within the home ownership
435 promotion zone to ~~[be used]~~ use as described in this section.
- 436 (3)(a) Tax increment retained by a county in accordance with Subsection (2) is not

- 437 revenue of the taxing entity or county, but home ownership promotion zone funds.
- 438 (b) ~~[Home ownership promotion zone funds may be administered by an agency created~~
439 ~~by the county within which the home ownership promotion zone is located.]~~ An
440 agency created by the county within which the home ownership promotion zone is
441 located may administer home ownership promotion zone funds.
- 442 (c) Before an agency may receive home ownership promotion zone funds from a county,
443 the agency shall enter into an interlocal agreement with the county.
- 444 (4)(a) A county or agency shall use home ownership promotion zone funds within, or for
445 the direct benefit of, the home ownership promotion zone.
- 446 (b) If any home ownership promotion zone funds will be used outside of the home
447 ownership promotion zone, the legislative body of the county shall make a finding
448 that the use of the home ownership promotion zone funds outside of the home
449 ownership promotion zone will directly benefit the home ownership promotion zone.
- 450 (5) A county or agency shall use home ownership promotion zone funds to achieve the
451 purposes described in Section 17-80-502 by paying all or part of the costs of any of the
452 following:
- 453 (a) project improvement costs;
454 (b) systems improvement costs;
455 (c) water exaction costs;
456 (d) street lighting costs;
457 (e) environmental remediation costs; or
458 (f) the costs of the county to create and administer the home ownership promotion zone,
459 which may not exceed 3% of the total home ownership promotion zone funds.
- 460 (6) Home ownership promotion zone funds may be paid to a participant, if the county and
461 participant enter into a participation agreement which requires the participant to ~~[utilize]~~
462 use the home ownership promotion zone funds as allowed in this section.
- 463 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds
464 issued by the county in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,
465 including the cost to issue and repay the bonds including interest.
- 466 (8) A county may:
- 467 (a) create one or more public infrastructure districts within home ownership promotion
468 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and
469 (b) pledge and ~~[utilize]~~ use the home ownership promotion zone funds to guarantee the
470 payment of public infrastructure bonds issued by a public infrastructure district.

471 (9) A county, an agency, or the public infrastructure district that receives tax increment
 472 shall comply with the requirements described in Title 59, Chapter 35, Tax Increment
 473 Financing Reporting.

474 Section 8. Section **17C-1-603** is repealed and reenacted to read:

475 **17C-1-603 (Effective 05/06/26). Reporting requirements.**

476 An agency shall comply with the requirements described in Title 59, Chapter 35, Tax
 477 Increment Financing Reporting.

478 Section 9. Section **17C-1-606** is amended to read:

479 **17C-1-606 (Effective 05/06/26). County auditor report on project areas.**

480 (1)(a) On or before March 31 of each year, the auditor of each county in which an
 481 agency is located shall prepare a report on the project areas within each agency.

482 (b) The county auditor shall send a copy of each report under Subsection (1)(a) to the
 483 agency that is the subject of the report, the State Tax Commission, the State Board of
 484 Education, and each taxing entity from which the agency receives tax increment.

485 (c) On or before March 31 of each year, the county auditor shall submit a copy of each
 486 report under Subsection (1)(a) to the [~~Governor's Office of Economic Opportunity~~]
 487 project manager for inclusion in the database described in [~~Section 17C-1-603~~] Title
 488 59, Chapter 35, Tax Increment Financing Reporting.

489 (2) Each report under Subsection (1)(a) shall report:

490 (a) the total assessed property value within each project area for the previous tax year;

491 (b) the base taxable value of each project area for the previous tax year;

492 (c) the tax increment available to be paid to the agency for the previous tax year;

493 (d) the tax increment requested by the agency for the previous tax year; and

494 (e) the tax increment paid to the agency for the previous tax year.

495 (3) Within 30 days after a request by an agency, the State Tax Commission, the State Board
 496 of Education, or any taxing entity from which the agency receives tax increment, the
 497 county auditor or the county assessor shall provide access to:

498 (a) the county auditor's method and calculations used to make adjustments under Section
 499 17C-1-408;

500 (b) the unequalized assessed valuation of an existing or proposed project area, or any
 501 parcel or parcels within an existing or proposed project area, if the equalized assessed
 502 valuation has not yet been determined for that year;

503 (c) the most recent equalized assessed valuation of an existing or proposed project area
 504 or any parcel or parcels within an existing or proposed project area; and

- 505 (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax year.
- 506 (4) Each report described in Subsection (1)(a) shall include:
- 507 (a) sufficient detail regarding the calculations performed by a county auditor so that an
- 508 agency or other interested party could repeat and verify the calculations; and
- 509 (b) a detailed explanation of any adjustments made to the base taxable value of each
- 510 project area.

511 Section 10. Section **17D-4-205** is amended to read:

512 **17D-4-205 (Effective 05/06/26). Reporting.**

- 513 (1) A public infrastructure district shall file annual reports with the creating entity
- 514 regarding the public infrastructure district's actions as provided in the governing
- 515 document.
- 516 (2) A public infrastructure district shall comply with the requirements described in Title 59,
- 517 Chapter 35, Tax Increment Financing Reporting.

518 Section 11. Section **59-1-1901** is enacted to read:

519 **Part 19. Statewide Tax Administration and Technology Solutions**

520 **59-1-1901 (Effective 05/06/26). Definitions.**

- 521 (1) "Agency" means a community reinvestment agency, as defined in Section 17C-1-102.
- 522 (2) "Database" means a collection of electronic data to track the information that each local
- 523 entity is required to submit, or the program manager collects, in accordance with
- 524 Chapter 35, Tax Increment Financing Reporting.
- 525 (3)(a) "Local entity" means a political subdivision of the state that seeks to receive,
- 526 receives, or is authorized to receive tax increment for an approved project area.
- 527 (b) "Local entity" includes an agency.
- 528 (4) "Program manager" means the same as that term is defined in Section 59-2-1601.
- 529 (5) "STATS" means the Statewide Tax Administration and Technology Solutions program,
- 530 created in Section 59-1-1902.

531 Section 12. Section **59-1-1902** is enacted to read:

532 **59-1-1902 (Effective 05/06/26). Statewide Tax Administration and Technology**

533 **Solutions -- Duties of program manager.**

- 534 (1) There is created the "Statewide Tax Administration and Technology Solutions"
- 535 program, administered by the program manager.
- 536 (2) STATS services are:
- 537 (a) subject to Subsection (3), the hiring of one or more professional appraisers to provide
- 538 property valuation services within a county of the third, fourth, fifth, or sixth class, as

- 539 classified in Section 17-60-104;
- 540 (b) the performance of the duties related to telecommunications service providers
- 541 described in Sections 59-2-306.5 and 59-2-307;
- 542 (c) the mediation of factoring orders as required by Section 59-2-704;
- 543 (d) the maintenance and enhancement of the statewide property tax system in
- 544 accordance with Section 59-2-1606;
- 545 (e) the coordination with the commission to conduct a study to determine the need for
- 546 adjustment to the rate of the recovery fee as required by Section 59-2-2002; and
- 547 (f) the collation and distribution of the information regarding tax increment financing
- 548 that a local entity provides in accordance with Part 35, Tax Increment Financing
- 549 Reporting.
- 550 (3) A professional appraiser hired to provide property valuation services under Subsection
- 551 (2) shall hold an appraiser's certificate or license from the Division of Real Estate in
- 552 accordance with Title 61, Chapter 2g, Real Estate Appraiser Licensing and Certification
- 553 Act.
- 554 (4)(a) The commission shall approve a professional appraiser before the program
- 555 manager hires the professional appraiser.
- 556 (b) The program manager shall determine that hiring a professional appraiser to provide
- 557 property valuation services promotes the objectives described in Subsection
- 558 59-2-1606(2)(a) before hiring a professional appraiser.
- 559 (5)(a) The program manager shall:
- 560 (i) create and maintain a database;
- 561 (ii) summarize and provide analysis of the electronic data within the database; and
- 562 (iii) make the database publicly accessible from the STATS website.
- 563 (b) The program manager may:
- 564 (i) contract with a third party to create and maintain the database; and
- 565 (ii) charge a fee to a local entity to cover the program manager's cost of complying
- 566 with Subsection (4)(a).
- 567 (c) The program manager shall determine the amount of the fee described in Subsection
- 568 (4)(b)(ii), provided that the combined fees charged to all local entities may not
- 569 exceed the actual cost of complying with Subsection (4)(a).

570 Section 13. Section **59-2-306.5** is amended to read:

571 **59-2-306.5 (Effective 05/06/26) (Applies beginning 01/01/26). Valuation of**

572 **personal property of telecommunications service provider -- Reporting information to**

573 **counties.**

574 (1) As used in this section, [~~"Multicounty Appraisal Trust"~~] "program manager" means the
575 same as that term is defined in Section 59-2-1601.

576 (2) A telecommunications service provider shall provide to the [~~Multicounty Appraisal~~
577 ~~Trust~~] program manager a signed statement setting forth all of the personal property that
578 the telecommunications service provider owns, possesses, manages, or has under the
579 telecommunications service provider's control in the state.

580 (3) The signed statement:

581 (a) may be requested by the [~~Multicounty Appraisal Trust:~~] program manager on or
582 before January 31 of each year;

583 [(i) each year; and]

584 [(ii) if requested, on or before January 31;]

585 (b) shall itemize each item of personal property that the telecommunications service
586 provider owns, possesses, manages, or has under the telecommunications service
587 provider's control:

588 (i) by county and by tax area; and

589 (ii) for the tax year that began on January 1; and

590 (c) shall be submitted:

591 (i) annually on or before March 31; and

592 (ii) electronically in a form [~~approved by~~]the commission approves.

593 (4)(a) Except where an estimate is made in accordance with Subsection [~~59-2-307~~

594 (~~3~~)(b)(i)(C)] 59-2-307(4)(b)(i)(C), the [~~Multicounty Appraisal Trust~~] program manager

595 shall value each item of personal property of a telecommunications service provider

596 according to the personal property valuation guides and schedules [~~established by~~]

597 the commission establishes.

598 (b)(i) Between March 31 and May 31 of each year:

599 (A) the [~~Multicounty Appraisal Trust~~] program manager may communicate with a
600 telecommunications service provider to address any inconsistency or error in
601 the filed signed statement; and

602 (B) the telecommunications service provider may file an amended signed
603 statement with the [~~Multicounty Appraisal Trust~~] program manager regarding
604 the items agreed to by the [~~Multicounty Appraisal Trust~~] program manager and
605 the telecommunications service provider.

606 (ii) The communication described in this Subsection (4)(b) is in addition to the audit

- 607 authority provided by this chapter.
- 608 (c) On or before May 31 of each year, the [~~Multicounty Appraisal Trust~~] program
 609 manager shall:
- 610 (i) forward to each county information about the total value of personal property of
 611 each telecommunications service provider within the county, by tax area,
 612 including a listing of personal property that is exempt; and
- 613 (ii) issue a tax notice to each telecommunications service provider listing the tax due
 614 to each county, by tax area.
- 615 (d) On or before June 30 of each year, a telecommunications service provider shall pay
 616 to the county the tax due on the tax notice.
- 617 (e) A telecommunications service provider may appeal the valuation of personal
 618 property to the county on or before the later of:
- 619 (i) July 30 of the year the [~~Multicounty Appraisal Trust~~] program manager requests a
 620 statement described in Subsection (3)(a); or
- 621 (ii) 60 days after mailing of a tax notice.
- 622 (5) The [~~Multicounty Appraisal Trust~~] program manager shall forward to each county
 623 information about the total value of personal property of each telecommunications
 624 service provider within the county.
- 625 (6) If a signed statement filed in accordance with this section discloses real property, the [
 626 ~~Multicounty Appraisal Trust~~] program manager shall send a copy of the signed statement
 627 to the county in which the property is located.
- 628 Section 14. Section **59-2-307** is amended to read:
- 629 **59-2-307 (Effective 05/06/26) (Applies beginning 01/01/26). Refusal by taxpayer**
 630 **to file signed statement -- Estimation of value -- Penalty.**
- 631 (1) As used in this section, "program manager" means the same as that term is defined in
 632 Section 59-2-1601.
- 633 [(a)] (2)(a) Each person that fails to file the signed statement required by Section
 634 59-2-306 or Section 59-2-306.5, fails to file the signed statement with respect to
 635 name and place of residence, or fails to appear and testify when requested by the
 636 county assessor[;] shall pay a penalty equal to 10% of the estimated tax due, but not
 637 less than \$25 for each failure to file a signed and completed statement.
- 638 (b) The [~~Multicounty Appraisal Trust~~] program manager shall notify the county assessor
 639 of a telecommunications service provider's failure to file the signed statement.
- 640 (c) The county assessor shall collect each penalty under Subsection [(1)(a)] (2)(a) in the

641 manner provided by Sections 59-2-1302 and 59-2-1303, except as otherwise provided
642 for in this section, or by a judicial proceeding brought in the name of the county
643 assessor.

644 (d) The county assessor shall pay all money recovered under this section into the county
645 treasury.

646 ~~[(2)]~~ (3)(a) Upon a showing of reasonable cause, a county may waive or reduce a penalty
647 imposed under Subsection ~~[(1)(a)]~~ (2)(a).

648 (b)(i) Except as provided in Subsection ~~[(2)(b)(ii)]~~ (3)(b)(ii), a county assessor may
649 impose a penalty under Subsection ~~[(1)(a)]~~ (2)(a) on or after May 16 of the year
650 the county assessor requests the statement described in Section 59-2-306 or is due
651 under Section 59-2-306.5.

652 (ii) A county assessor may not impose a penalty under Subsection ~~[(1)(a)]~~ (2)(a) until
653 30 days after the postmark date of mailing of a subsequent notice if the signed
654 statement described in Section 59-2-306 is requested:

655 (A) on or after March 16; or

656 (B) by a county assessor of a county of the first class, as classified in Section
657 17-60-104.

658 ~~[(3)]~~ (4)(a) If an owner neglects or refuses to file a signed statement ~~[requested by an~~
659 ~~assessor-]~~ as required under Section 59-2-306 after the county assessor makes a
660 request:

661 (i) the county assessor shall:

662 (A) make a record of the failure to file; and

663 (B) make an estimate of the value of the property of the owner based on known
664 facts and circumstances; and

665 (ii) the county assessor of a county of the first class, as classified in Section 17-60-104:

666 (A) shall make a subsequent request by mail for the signed statement, informing
667 the owner of the consequences of not filing a signed statement; and

668 (B) may impose a fee for the actual and necessary expenses of the mailing under
669 Subsection ~~[(3)(a)(ii)(A)]~~ (4)(a).

670 (b)(i) If a telecommunications service provider neglects or refuses to file a signed
671 statement in accordance with Section 59-2-306.5, the ~~[Multicounty Appraisal Trust]~~
672 program manager shall make:

673 (A) a record of the failure to file;

674 (B) a request by mail for the signed statement, informing the telecommunications

- 675 service provider of the consequences of not filing a signed statement; and
 676 (C) an estimate of the value of the personal property of the telecommunications
 677 service provider based on known facts and circumstances.
- 678 (ii) The [~~Multicounty Appraisal Trust~~] program manager may impose a fee for the
 679 actual and necessary expenses of the mailing under Subsection [~~(3)(b)(i)(B)~~] (4)(b).
- 680 (c) A county board of equalization or the commission may not reduce the value fixed by
 681 the county assessor in accordance with Subsection [~~(3)(a)(i)~~] (4)(a)(i) or the [
 682 ~~Multicounty Appraisal Trust~~] program manager in accordance with Subsection [
 683 ~~(3)(b)(i)~~] (4)(b)(i).

684 Section 15. Section **59-2-308** is amended to read:

685 **59-2-308 (Effective 05/06/26) (Applies beginning 01/01/26). Assessment in name**
 686 **of representative -- Assessment of property of decedents -- Assessment of property in**
 687 **litigation -- Assessment of personal property valued by program manager.**

- 688 (1) If a person is assessed as agent, trustee, bailee, guardian, executor, or administrator, a
 689 county shall:
- 690 (a) add the representative designation to the name; and
 691 (b) enter the assessment separately from the individual assessment.
- 692 (2) A county may assess the undistributed or unpartitioned property of a deceased
 693 individual to an heir, guardian, executor, or administrator, and the payment of taxes
 694 binds all the parties in interest.
- 695 (3) Property in litigation, which is in the possession of a court or receiver, shall be assessed
 696 to the court clerk or receiver, and the taxes shall be paid under the direction of the court.
- 697 (4) A county shall add the valuation the [~~Multicounty Appraisal Trust~~] program manager, as
 698 that term is defined in Section 59-2-1601, gives to personal property of a
 699 telecommunications service provider to the valuation of any real property of the
 700 telecommunications service provider within the county before making an assessment in
 701 accordance with this part.

702 Section 16. Section **59-2-704** is amended to read:

703 **59-2-704 (Effective 05/06/26) (Applies beginning 01/01/26). Assessment studies --**
 704 **Sharing of data -- Factoring assessment rates -- Rulemaking.**

- 705 (1)(a) Each year, to assist in the evaluation of appraisal performance of taxable real
 706 property, the commission shall conduct and publish studies to determine the
 707 relationship between the market value shown on the assessment roll and the market
 708 value of real property in each county.

- 709 (b) The studies conducted under this Subsection (1) shall include measurements of
 710 uniformity within counties and use statistical methods established by the commission.
- 711 (c) County assessors may provide sales information to the commission for purposes of
 712 the studies conducted under this Subsection (1).
- 713 (d) The commission shall make the sales and appraisal information related to the studies
 714 conducted under this Subsection (1) available to the county assessors upon request.
- 715 (2)(a) The commission shall, each year, order each county to adjust or factor [its] the
 716 county's assessment rates using the most current studies so that the assessment rate in
 717 each county is in accordance with [~~that prescribed in~~] Section 59-2-103.
- 718 (b) The adjustment or factoring ordered under this Subsection (2) may include an entire
 719 county, geographical areas within a county, and separate classes of properties.
- 720 (3) If the commission determines that sales data in any county is insufficient to perform the
 721 studies required under Subsection (1), the commission may conduct appraisals of
 722 property within that county.
- 723 (4) If a county fails to implement factoring [~~ordered~~] the commission orders under
 724 Subsection (2), the commission shall:
- 725 (a) implement the factoring; and
- 726 (b) charge an amount equal to the reasonable implementation costs of the factoring to
 727 that county.
- 728 (5) If a county disputes the factoring ordered under Subsection (2), [~~the matter may be~~
 729 ~~mediated by the Multicounty Appraisal Trust~~] the program manager, as defined in
 730 Section 59-2-1601, may mediate the matter.
- 731 (6)(a) The commission may change the factor for any county which, after a hearing
 732 before the commission, establishes that the factor should properly be set at a different
 733 level for that county.
- 734 (b) The commission shall establish the method, procedure, and timetable for the hearings
 735 authorized under this section, including access to information to ensure a fair hearing.
- 736 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 737 commission may establish rules to implement this section.
- 738 Section 17. Section **59-2-919.1** is amended to read:
- 739 **59-2-919.1 (Effective 05/06/26) (Superseded 07/01/26) (Applies beginning 01/01/26).**
- 740 **Notice of property valuation and tax changes.**
- 741 (1) [~~In addition to the notice requirements of Section 59-2-919, the county auditor, on or~~
 742 ~~before July 22 of each year,]~~ On or before July 22 of each year, the county auditor, in

- 743 addition to the notice requirements of Section 59-2-919, shall notify each owner of real
744 estate who is listed on the assessment roll.
- 745 (2) The notice described in Subsection (1) shall:
- 746 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
747 10 or more days before the day on which:
- 748 (i) the county board of equalization meets; and
749 (ii) the taxing entity holds a public hearing on the proposed increase in the certified
750 tax rate;
- 751 (b) be on a form that~~[-is]~~:
- 752 (i) ~~[approved by]~~the commission approves; and
753 (ii) is uniform in content in all counties in the state; and
- 754 (c) contain for each property:
- 755 (i) the assessor's determination of the value of the property;
756 (ii) the taxable value of the property;
757 (iii) for property assessed by the county assessor:
- 758 (A) instructions on how the taxpayer may file an application with the county
759 board of equalization to appeal the valuation or equalization of the property
760 under Section 59-2-1004, including instructions for filing an application
761 through electronic means; and
- 762 (B) the deadline for the taxpayer to make an application to appeal the valuation or
763 equalization of the property under Section 59-2-1004;
- 764 (iv) for property assessed by the commission:
- 765 (A) instructions on how the taxpayer may file an application with the commission
766 for a hearing on an objection to the valuation or equalization of the property
767 under Section 59-2-1007;
768 (B) the deadline for the taxpayer to apply to the commission for a hearing on an
769 objection to the valuation or equalization of the property under Section
770 59-2-1007; and
- 771 (C) a statement that the taxpayer may not appeal the valuation or equalization of
772 the property to the county board of equalization;
- 773 (v) itemized tax information for all applicable taxing entities, including:
- 774 (A) the dollar amount of the taxpayer's tax liability for the property in the prior
775 year; and
776 (B) the dollar amount of the taxpayer's tax liability under the current rate;

- 777 (vi) the following, stated separately:
- 778 (A) the charter school levy described in Section 53F-2-703;
- 779 (B) the multicounty assessing and collecting levy described in [~~Subsection~~
- 780 59-2-1602(2)] Section 59-2-1602;
- 781 (C) the county assessing and collecting levy described in [~~Subsection 59-2-1602(4)~~]
- 782 Section 59-2-1602;
- 783 (D) levies for debt service voted on by the public;
- 784 (E) levies imposed for special purposes under Section 10-6-133.4;
- 785 (F) the combined basic rate as defined in Section 53F-2-301; and
- 786 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 787 (vii) the tax impact on the property;
- 788 (viii) the date, time, and place of the required public hearing for each entity;
- 789 (ix) property tax information pertaining to:
- 790 (A) taxpayer relief; and
- 791 (B) the residential exemption described in Section 59-2-103;
- 792 (x) information specifically authorized to be included on the notice under this chapter;
- 793 (xi) the last property review date of the property as [~~described in Subsection~~
- 794 59-2-303.1(1)(e)] defined in Section 59-2-303.1;
- 795 (xii) instructions on how the taxpayer may obtain additional information regarding
- 796 the valuation of the property, including the characteristics and features of the
- 797 property, from:
- 798 (A) a website maintained by the county; or
- 799 (B) the statewide web portal developed and maintained [~~by the Multicounty~~
- 800 ~~Appraisal Trust under~~] [~~Subsection 59-2-1606(5)(a)~~] in accordance with
- 801 Section 59-2-1606 for uniform access to property characteristics and features;
- 802 and
- 803 (xiii) other information [~~approved by~~] the commission approves.
- 804 (3) If a taxing entity that is subject to the notice and hearing requirements of Subsection
- 805 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in
- 806 addition to the information required by Subsection (2):
- 807 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- 808 (b) the difference between the dollar amount of the taxpayer's tax liability if the
- 809 proposed increase is approved and the dollar amount of the taxpayer's tax liability
- 810 under the current rate, placed in close proximity to the information described in

- 811 Subsection (2)(c)(viii);
- 812 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the
813 proposed tax rate represents as compared to the dollar amount of the taxpayer's tax
814 liability under the current tax rate; and
- 815 (d) for each taxing entity proposing a tax increase, the dollar amount of additional ad
816 valorem tax revenue, as defined in Section 59-2-919, that would be generated each
817 year if the proposed tax increase is approved.
- 818 (4) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a
819 notice sent to a residential property shall:
- 820 (a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship,
821 and this property is your primary residence, you may be eligible to defer payment of
822 this property tax."; and
- 823 (b) include a telephone number, or a website address on which a telephone number is
824 prominently listed, that the property owner may call to obtain additional information
825 about applying for a deferral.
- 826 (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may
827 provide, at the county auditor's discretion, the notice required by this section to a
828 taxpayer by electronic means if a taxpayer makes an election, according to
829 procedures determined by the county auditor, to receive the notice by electronic
830 means.
- 831 (b)(i) If a county auditor sends a notice required by this section by electronic means,
832 the county auditor shall attempt to verify whether a taxpayer receives the notice.
- 833 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
834 14 days or more before the county board of equalization meets and the taxing
835 entity holds a public hearing on a proposed increase in the certified tax rate, the
836 county auditor shall send the notice required by this section by mail as provided in
837 Subsection (2).
- 838 (c) A taxpayer may revoke an election to receive the notice required by this section by
839 electronic means if the taxpayer provides written notice to the county auditor on or
840 before April 30.
- 841 (d) An election or a revocation of an election under this Subsection (5):
- 842 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
843 before the due date for paying the tax; or
- 844 (ii) does not alter the requirement that a taxpayer appealing the valuation or the

845 equalization of the taxpayer's real property submit the application for appeal
846 within the time period provided in Subsection 59-2-1004(3).

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

850 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
851 the notice required by this section by electronic means; or

852 (ii) the county auditor finds that the taxpayer's electronic contact information is
853 invalid.

854 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
855 of whether the property that is the subject of the notice required by this section is
856 exempt from taxation.

857 Section 18. Section **59-2-919.1** is amended to read:

858 **59-2-919.1 (Effective 07/01/26). Notice of property valuation and tax changes.**

859 (1) [~~In addition to the notice requirements of Section 59-2-919, the county auditor, on or~~
860 ~~before July 22 of each year,] On or before July 22 of each year, in addition to the notice
861 requirements of Section 59-2-919, the county auditor shall notify each owner of real
862 estate who is listed on the assessment roll.~~

863 (2) The notice described in Subsection (1) shall:

864 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
865 10 or more days before the day on which:

866 (i) the county board of equalization meets; and

867 (ii) the taxing entity holds a public hearing on the proposed increase in the certified
868 tax rate;

869 (b) be on a form that[~~is~~]:

870 (i) [~~approved by~~]the commission approves; and

871 (ii) is uniform in content in all counties in the state; and

872 (c) contain for each property:

873 (i) the assessor's determination of the value of the property;

874 (ii) the taxable value of the property;

875 (iii) for property assessed by the county assessor:

876 (A) instructions on how the taxpayer may file an application with the county
877 board of equalization to appeal the valuation or equalization of the property
878 under Section 59-2-1004, including instructions for filing an application

- 879 through electronic means; and
- 880 (B) the deadline for the taxpayer to make an application to appeal the valuation or
- 881 equalization of the property under Section 59-2-1004;
- 882 (iv) for property assessed by the commission:
- 883 (A) instructions on how the taxpayer may file an application with the commission
- 884 for a hearing on an objection to the valuation or equalization of the property
- 885 under Section 59-2-1007;
- 886 (B) the deadline for the taxpayer to apply to the commission for a hearing on an
- 887 objection to the valuation or equalization of the property under Section
- 888 59-2-1007; and
- 889 (C) a statement that the taxpayer may not appeal the valuation or equalization of
- 890 the property to the county board of equalization;
- 891 (v) itemized tax information for all applicable taxing entities, including:
- 892 (A) the dollar amount of the taxpayer's tax liability for the property in the prior
- 893 year; and
- 894 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 895 (vi) the following, stated separately:
- 896 (A) the charter school levy described in Section 53F-2-703;
- 897 (B) the multicounty assessing and collecting levy described in Subsection [
- 898 ~~59-2-1602(2)~~] 59-2-1602;
- 899 (C) the county assessing and collecting levy described in Subsection [~~59-2-1602(4)~~]
- 900 59-2-1602;
- 901 (D) levies for debt service voted on by the public;
- 902 (E) levies imposed for special purposes under Section 10-6-133.4;
- 903 (F) the minimum basic tax rate as defined in Section 53F-2-301; and
- 904 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 905 (vii) the tax impact on the property;
- 906 (viii) the date, time, and place of the required public hearing for each entity;
- 907 (ix) property tax information pertaining to:
- 908 (A) taxpayer relief; and
- 909 (B) the residential exemption described in Section 59-2-103;
- 910 (x) information specifically authorized to be included on the notice under this chapter;
- 911 (xi) the last property review date of the property as described in Subsection [
- 912 ~~59-2-303.1(1)(e)~~] 59-2-303.1;

- 913 (xii) instructions on how the taxpayer may obtain additional information regarding
914 the valuation of the property, including the characteristics and features of the
915 property, from:
- 916 (A) a website maintained by the county; or
917 (B) the statewide web portal developed and maintained [~~by the Multicounty~~
918 ~~Appraisal Trust under Subsection 59-2-1606(5)(a)] in accordance with Section
919 59-2-1606 for uniform access to property characteristics and features; and
920 (xiii) other information approved by the commission.~~
- 921 (3) If a taxing entity that is subject to the notice and hearing requirements of Subsection
922 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in
923 addition to the information required by Subsection (2):
- 924 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
925 (b) the difference between the dollar amount of the taxpayer's tax liability if the
926 proposed increase is approved and the dollar amount of the taxpayer's tax liability
927 under the current rate, placed in close proximity to the information described in
928 Subsection (2)(c)(viii);
929 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the
930 proposed tax rate represents as compared to the dollar amount of the taxpayer's tax
931 liability under the current tax rate; and
932 (d) for each taxing entity proposing a tax increase, the dollar amount of additional ad
933 valorem tax revenue, as defined in Section 59-2-919, that would be generated each
934 year if the proposed tax increase is approved.
- 935 (4) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a
936 notice sent to a residential property shall:
- 937 (a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship,
938 and this property is your primary residence, you may be eligible to defer payment of
939 this property tax."; and
940 (b) include a telephone number, or a website address on which a telephone number is
941 prominently listed, that the property owner may call to obtain additional information
942 about applying for a deferral.
- 943 (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may
944 provide, at the county auditor's discretion, the notice required by this section to a
945 taxpayer by electronic means if a taxpayer makes an election, according to
946 procedures determined by the county auditor, to receive the notice by electronic

- 947 means.
- 948 (b)(i) If a county auditor sends a notice required by this section by electronic means,
949 the county auditor shall attempt to verify whether a taxpayer receives the notice.
- 950 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
951 14 days or more before the county board of equalization meets and the taxing
952 entity holds a public hearing on a proposed increase in the certified tax rate, the
953 county auditor shall send the notice required by this section by mail as provided in
954 Subsection (2).
- 955 (c) A taxpayer may revoke an election to receive the notice required by this section by
956 electronic means if the taxpayer provides written notice to the county auditor on or
957 before April 30.
- 958 (d) An election or a revocation of an election under this Subsection (5):
959 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
960 before the due date for paying the tax; or
961 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
962 equalization of the taxpayer's real property submit the application for appeal
963 within the time period provided in Subsection 59-2-1004(3).
- 964 (e) A county auditor shall provide the notice required by this section as provided in
965 Subsection (2), until a taxpayer makes a new election in accordance with this
966 Subsection (5), if:
967 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
968 the notice required by this section by electronic means; or
969 (ii) the county auditor finds that the taxpayer's electronic contact information is
970 invalid.
- 971 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
972 of whether the property that is the subject of the notice required by this section is
973 exempt from taxation.

974 Section 19. Section **59-2-924.2** is amended to read:

975 **59-2-924.2 (Effective 05/06/26) (Applies beginning 01/01/26). Adjustments to the**
976 **calculation of a taxing entity's certified tax rate.**

977 (1) [~~For purposes of this section, "certified]~~ As used in this section:

- 978 (a) "Annexing county" means a county for which the unincorporated area is included
979 within a public safety district by annexation.
- 980 (b) "Annexing municipality" means a municipality that is included within a public safety

- 981 district by annexation.
- 982 (c) "Certified tax rate" means a certified tax rate calculated in accordance with Section
983 59-2-924.
- 984 (d) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area
985 Act:
- 986 (i) created to provide fire protection, paramedic, and emergency services; and
987 (ii) in the creation of which an election was not required under Subsection
988 17B-1-214(3)(d).
- 989 (e) "Participating county" means a county that has the unincorporated area included
990 within a public safety district.
- 991 (f) "Participating municipality" means a municipality that is included within a public
992 safety district.
- 993 (g) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
994 Area Act, within a county of the first class:
- 995 (i) created to provide law enforcement service; and
996 (ii) in the creation of which an election was not required under Subsection
997 17B-1-214(3)(d).
- 998 (h) "Public safety district" means a fire district or a police district.
- 999 (i) "Public safety service" means:
- 1000 (i) in the case of a public safety district that is a fire district, fire protection,
1001 paramedic, and emergency services; and
- 1002 (ii) in the case of a public safety district that is a police district, law enforcement
1003 service.
- 1004 (2) [~~Beginning January 1, 1997, if~~] If a taxing entity receives increased [revenues] revenue
1005 from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1,
1006 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and
1007 use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity
1008 shall decrease [its] the taxing entity's certified tax rate to offset the increased [revenues]
1009 revenue.
- 1010 (3)(a) [~~Beginning July 1, 1997, if~~] If a county has imposed a sales and use tax under
1011 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate
1012 shall be:
- 1013 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
1014 revenue to be distributed to the county under Subsection 59-12-1102(4); and

1015 (ii) increased by the amount necessary to offset the county's reduction in revenue
 1016 from uniform fees on tangible personal property under Section 59-2-405,
 1017 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in
 1018 the certified tax rate under Subsection (3)(a)(i).

1019 (b) The commission shall determine estimates of sales and use tax distributions for
 1020 purposes of Subsection (3)(a).

1021 (4) ~~[Beginning January 1, 1998, if]~~ If a municipality has imposed an additional resort
 1022 communities sales and use tax under Section 59-12-402, the municipality's certified tax
 1023 rate shall be decreased on a one-time basis by the amount necessary to offset the first 12
 1024 months of estimated revenue from the additional resort communities sales and use tax
 1025 imposed under Section 59-12-402.

1026 (5)(a) This Subsection (5) applies to each county that:

1027 (i) establishes a countywide special service district under Title 17D, Chapter 1,
 1028 Special Service District Act, to provide jail service, as provided in Subsection
 1029 17D-1-201(10); and

1030 (ii) levies a property tax on behalf of the special service district under Section
 1031 17D-1-105.

1032 (b)(i) The certified tax rate of each county to which this Subsection (5) applies shall
 1033 be decreased by the amount necessary to reduce county ~~[revenues]~~ revenue by the
 1034 same amount of ~~[revenues]~~ revenue that will be generated by the property tax
 1035 imposed on behalf of the special service district.

1036 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
 1037 levy on behalf of the special service district under Section 17D-1-105.

1038 (6) The equalized public safety tax rate is determined by:

1039 (a) calculating, for each participating county and each participating municipality, the
 1040 property tax revenue necessary:

1041 (i) in the case of a fire district, to cover all the costs associated with providing fire
 1042 protection, paramedic, and emergency services:

1043 (A) for a participating county, in the unincorporated area of the county; and

1044 (B) for a participating municipality, in the municipality; or

1045 (ii) in the case of a police district, to cover all the costs associated with providing law
 1046 enforcement service that the police district board designates to be funded by a
 1047 property tax:

1048 (A) for a participating county, in the unincorporated area of the county; or

- 1049 (B) for a participating municipality, in the municipality; and
- 1050 (b) adding all the amounts calculated under Subsection (6)(a) for all participating
- 1051 counties and all participating municipalities and then dividing that sum by the
- 1052 aggregate taxable value of the property, as adjusted in accordance with Section
- 1053 59-2-913:
- 1054 (i) for participating counties, in the unincorporated area of all participating counties;
- 1055 and
- 1056 (ii) for participating municipalities, in all participating municipalities.
- 1057 ~~[(6)] (7)[(a) As used in this Subsection (6):]~~
- 1058 ~~[(i) "Annexing county" means a county whose unincorporated area is included within~~
- 1059 ~~a public safety district by annexation.]~~
- 1060 ~~[(ii) "Annexing municipality" means a municipality whose area is included within a~~
- 1061 ~~public safety district by annexation.]~~
- 1062 ~~[(iii) "Equalized public safety protection tax rate" means the tax rate that results from:]~~
- 1063 ~~[(A) calculating, for each participating county and each participating municipality,~~
- 1064 ~~the property tax revenue necessary:]~~
- 1065 ~~[(I) in the case of a fire district, to cover all of the costs associated with~~
- 1066 ~~providing fire protection, paramedic, and emergency services:]~~
- 1067 ~~[(Aa) for a participating county, in the unincorporated area of the county;~~
- 1068 ~~and]~~
- 1069 ~~[(Bb) for a participating municipality, in the municipality; or]~~
- 1070 ~~[(H) in the case of a police district, to cover all the costs:]~~
- 1071 ~~[(Aa) associated with providing law enforcement service:]~~
- 1072 ~~[(Ii) for a participating county, in the unincorporated area of the county;~~
- 1073 ~~and]~~
- 1074 ~~[(Hii) for a participating municipality, in the municipality; and]~~
- 1075 ~~[(Bb) that the police district board designates as the costs to be funded by a~~
- 1076 ~~property tax; and]~~
- 1077 ~~[(B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all~~
- 1078 ~~participating counties and all participating municipalities and then dividing that~~
- 1079 ~~sum by the aggregate taxable value of the property, as adjusted in accordance~~
- 1080 ~~with Section 59-2-913:]~~
- 1081 ~~[(I) for participating counties, in the unincorporated area of all participating~~
- 1082 ~~counties; and]~~

- 1083 ~~[(H) for participating municipalities, in all the participating municipalities.]~~
- 1084 ~~[(iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service~~
- 1085 ~~Area Act:]~~
- 1086 ~~[(A) created to provide fire protection, paramedic, and emergency services; and]~~
- 1087 ~~[(B) in the creation of which an election was not required under Subsection~~
- 1088 ~~17B-1-214(3)(d).]~~
- 1089 ~~[(v) "Participating county" means a county whose unincorporated area is included~~
- 1090 ~~within a public safety district at the time of the creation of the public safety~~
- 1091 ~~district.]~~
- 1092 ~~[(vi) "Participating municipality" means a municipality whose area is included within~~
- 1093 ~~a public safety district at the time of the creation of the public safety district.]~~
- 1094 ~~[(vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9,~~
- 1095 ~~Service Area Act, within a county of the first class:]~~
- 1096 ~~[(A) created to provide law enforcement service; and]~~
- 1097 ~~[(B) in the creation of which an election was not required under Subsection~~
- 1098 ~~17B-1-214(3)(d).]~~
- 1099 ~~[(viii) "Public safety district" means a fire district or a police district.]~~
- 1100 ~~[(ix) "Public safety service" means:]~~
- 1101 ~~[(A) in the case of a public safety district that is a fire district, fire protection,~~
- 1102 ~~paramedic, and emergency services; and]~~
- 1103 ~~[(B) in the case of a public safety district that is a police district, law enforcement~~
- 1104 ~~service.]~~
- 1105 ~~[(b)]~~ (a) In the first year following creation of a public safety district, the certified tax
- 1106 rate of each participating county and each participating municipality shall be
- 1107 decreased by the amount of the equalized public safety tax rate calculated in
- 1108 accordance with Subsection (6).
- 1109 ~~[(e)]~~ (b) In the first budget year following annexation to a public safety district, the
- 1110 certified tax rate of each annexing county and each annexing municipality shall be
- 1111 decreased by an amount equal to the amount of revenue budgeted by the annexing
- 1112 county or annexing municipality:
- 1113 (i) for public safety service; and
- 1114 (ii) in:
- 1115 (A) for a taxing entity operating under a January 1 through December 31 fiscal
- 1116 year, the prior calendar year; or

1117 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the
1118 prior fiscal year.

1119 ~~[(d)]~~ (c) Each tax levied under this section by a public safety district shall be considered
1120 to be levied by:

1121 (i) each participating county and each annexing county for purposes of the county's
1122 tax limitation under Section 59-2-908; and

1123 (ii) each participating municipality and each annexing municipality for purposes of
1124 the municipality's tax limitation under Section 10-5-112, for a town, or Section
1125 10-6-133, for a city.

1126 ~~[(e)]~~ (d) The calculation of a public safety district's certified tax rate for the year of
1127 annexation shall be adjusted to include an amount of revenue equal to one half of the
1128 amount of revenue budgeted by the annexing entity for public safety service in the
1129 annexing entity's prior fiscal year if:

1130 (i) the public safety district operates on a January 1 through December 31 fiscal year;

1131 (ii) the public safety district approves an annexation of an entity operating on a July 1
1132 through June 30 fiscal year; and

1133 (iii) the annexation described in Subsection ~~[(6)(e)(ii)]~~ (7)(d)(ii) takes effect on July 1.

1134 ~~[(7)]~~ (8)(a) The base taxable value as defined in Section 17C-1-102 shall be reduced for
1135 any year to the extent necessary to provide a community reinvestment agency
1136 established under Title 17C, Limited Purpose Local Government Entities -
1137 Community Reinvestment Agency Act, with approximately the same amount of
1138 money the agency would have received without a reduction in the county's certified
1139 tax rate, calculated in accordance with Section 59-2-924, if:

1140 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or
1141 (3)(a);

1142 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of
1143 the previous year; and

1144 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1145 Section 17C-1-403 or 17C-1-404.

1146 (b) The base taxable value as defined in Section 17C-1-102 shall be increased in any
1147 year to the extent necessary to provide a community reinvestment agency with
1148 approximately the same amount of money as the agency would have received without
1149 an increase in the certified tax rate that year if:

1150 (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due

1151 to a decrease in the certified tax rate under Subsection (2) or (3)(a); and
 1152 (ii) the certified tax rate of a city, school district, special district, or special service
 1153 district increases independent of the adjustment to the taxable value of the base
 1154 year.
 1155 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the
 1156 amount of money allocated and, when collected, paid each year to a community
 1157 reinvestment agency established under Title 17C, Limited Purpose Local
 1158 Government Entities - Community Reinvestment Agency Act, for the payment of
 1159 bonds or other contract indebtedness, but not for administrative costs, may not be less
 1160 than ~~[that]~~ the amount would have been without a decrease in the certified tax rate
 1161 under Subsection (2) or (3)(a).

1162 ~~[(8)(a) For the calendar year beginning on January 1, 2014, the calculation of a county
 1163 assessing and collecting levy shall be adjusted by the amount necessary to offset:]~~

1164 ~~[(i) any change in the certified tax rate that may result from amendments to Part 16,
 1165 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270,
 1166 Section 3; and]~~

1167 ~~[(ii) the difference in the amount of revenue a taxing entity receives from or
 1168 contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that
 1169 may result from amendments to Part 16, Multicounty Assessing and Collecting
 1170 Levy, in Laws of Utah 2014, Chapter 270, Section 3.]~~

1171 ~~[(b) A taxing entity is not required to comply with the notice and public hearing
 1172 requirements in Section 59-2-919 for an adjustment to the county assessing and
 1173 collecting levy described in Subsection (8)(a).]~~

1174 ~~[(9) If a taxing entity receives decreased revenues from uniform fees on tangible personal
 1175 property under Section 59-2-405 as a result of any error in applying uniform fees to
 1176 motor vehicle registration in the calendar year beginning on January 1, 2023, the
 1177 commission may, for the calendar year beginning on January 1, 2024, increase the
 1178 taxing entity's budgeted revenue to offset the decreased revenues.]~~

1179 Section 20. Section **59-2-1601** is amended to read:

1180 **59-2-1601 (Effective 05/06/26) (Applies beginning 01/01/26). Definitions.**

1181 As used in this part:

1182 ~~[(1) "County additional property tax" means the property tax levy described in Subsection
 1183 59-2-1602(4).]~~

1184 ~~[(2)]~~

- 1185 (1) "Database" means the same as that term is defined in Section 59-1-1901.
- 1186 (2) "Fund" means the Property Tax Valuation Fund created in Section ~~[59-2-1602]~~
- 1187 59-2-1606.
- 1188 ~~[(3) "Multicounty Appraisal Trust" means the Multicounty Appraisal Trust created by an~~
- 1189 ~~agreement:]~~
- 1190 ~~[(a) entered into by all of the counties in the state; and]~~
- 1191 ~~[(b) authorized by Title 11, Chapter 13, Interlocal Cooperation Act.]~~
- 1192 ~~[(4)] (3) "Multicounty assessing and collecting levy" means a property tax ~~[levied]~~ the~~
- 1193 counties levy in accordance with Subsection ~~[59-2-1602(2)]~~ 59-2-1602(1).
- 1194 (4) "Program manager" means an association that represents at least two-thirds of the
- 1195 counties in the state.
- 1196 (5)(a) "Property valuation service" means ~~[any]~~ a service or technology that promotes
- 1197 uniform assessment levels for the valuation of personal property and real property in
- 1198 accordance with Part 3, County Assessment.
- 1199 (b) "Property valuation service" includes statewide aerial imagery, change detection,
- 1200 sketch validation, exception analysis, commercial valuation modeling, residential
- 1201 valuation modeling, automated valuation modeling, and equity analysis.
- 1202 (6) "Statewide property tax system" means a computer assisted system for mass appraisal,
- 1203 equalization, collection, distribution, and administration related to property tax ~~[-, created~~
- 1204 ~~by the Multicounty Appraisal Trust in accordance with Section 59-2-1606]~~.
- 1205 (7) "STATS" means the Statewide Tax Administration and Technology Solutions program,
- 1206 created in Section 59-1-1902.
- 1207 Section 21. Section **59-2-1602** is amended to read:
- 1208 **59-2-1602 (Effective 05/06/26) (Applies beginning 01/01/26). Property Tax**
- 1209 **Valuation Fund -- Statewide levy -- Additional county levy.**
- 1210 (1)(a) There is created a custodial fund in the Division of Finance known as the
- 1211 "Property Tax Valuation Fund."
- 1212 (b) The fund consists of:
- 1213 (i) deposits made and penalties received under Subsection (3); ~~[-and]~~
- 1214 (ii) interest on money deposited into the fund ~~[-]~~ ;
- 1215 (iii) the statewide property tax system and statewide web portals, including
- 1216 intellectual property rights; and
- 1217 (iv) the database.
- 1218 (c)(i) Subject to Subsection (1)(c)(ii), the Division of Finance shall allocate money in

- 1219 the fund for the calendar year to the program manager:
- 1220 (A) after the Division of Finance determines that the budget contains proposed
- 1221 expenses for a use described in Subsection (3); and
- 1222 (B) for revenue the Division of Finance receives after the Division of Finance
- 1223 makes the determination in accordance with Subsection (1)(c)(i), within 30
- 1224 days after receipt of the money.
- 1225 (ii) The Division of Finance may retain an amount equal to the cost of making the
- 1226 determination described in Subsection (1)(c)(i) before making an allocation.
- 1227 (d) Subject to the requirements of this section, the program manager shall have:
- 1228 (i) sole authority to:
- 1229 (A) determine expenditure of revenue the Division of Finance allocates to the
- 1230 program manager, including provision of property valuation services within
- 1231 counties; and
- 1232 (B) oversee the maintenance and enhancement of a statewide property tax system,
- 1233 including statewide web portals, that meets the requirements of this section; and
- 1234 (ii) control over the property described in Subsections (1)(b)(iv), (1)(b)(v), and (2)
- 1235 for the purpose and uses described in this section.
- 1236 (e) The program manager may spend money the Division of Finance allocates to the
- 1237 program manager only for STATS.
- 1238 ~~[(e) Deposits, penalties, and interest described in Subsection (1)(b) shall be disbursed~~
- 1239 ~~and used as provided in Section 59-2-1603.]~~
- 1240 (2) The following assets are transferred to the program manager to use for STATS:
- 1241 (a) tangible personal property purchased, in whole or in part, with revenue from the
- 1242 multicounty assessing and collecting levy, including property acquired before May 6,
- 1243 2026; and
- 1244 (b) unexpended revenue that is:
- 1245 (i) obtained from the multicounty assessing and collecting levy or for the
- 1246 performance of the duties described in this section, including revenue acquired
- 1247 before May 6, 2026; and
- 1248 (ii) within the control of the program manager.
- 1249 (3)(a) Each county shall annually impose a multicounty assessing and collecting levy as
- 1250 provided in this Subsection ~~[(2)] (3).~~
- 1251 (b) The tax rate of the multicounty assessing and collecting levy is the certified revenue
- 1252 levy rounded up to the sixth decimal place.

1253 (c) The state treasurer shall allocate all revenue collected from the multicounty assessing
1254 and collecting levy to the Multicounty Appraisal Trust.

1255 ~~[(3)] (4)(a)(i) Each county shall impose annually a multicounty assessing and~~
1256 ~~collecting levy.~~

1257 ~~(ii) The tax rate of the multicounty assessing and collecting levy is the certified~~
1258 ~~revenue levy rounded up to the sixth decimal place.~~

1259 (b) ~~The county shall state separately the multicounty assessing and collecting levy [~~
1260 ~~imposed under Subsection (2) shall be separately stated]~~ on the tax notice as a
1261 multicounty assessing and collecting levy.

1262 ~~[(b)] (c) The multicounty assessing and collecting levy is:~~

1263 (i) exempt from Sections 17C-1-403 through 17C-1-406;

1264 (ii) in addition to and exempt from the maximum levies allowable under Section
1265 59-2-908; and

1266 (iii) exempt from the notice and public hearing requirements of Section 59-2-919.

1267 ~~[(e)] (d)(i) Each county shall transmit quarterly to the state treasurer the revenue [~~
1268 ~~collected] the county collects from the multicounty assessing and collecting levy.~~

1269 (ii) ~~The [revenue transmitted under Subsection (3)(c)(i) shall be transmitted] county~~
1270 ~~shall transmit the revenue described in Subsection (1)(d)(i) no later than the tenth~~
1271 ~~day of the month following the end of the quarter in which the county collects the~~
1272 ~~revenue[is collected].~~

1273 ~~[(iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth~~
1274 ~~day of the month following the end of the quarter in which the revenue is~~
1275 ~~collected, the county shall pay an interest penalty at the rate of 10% each year~~
1276 ~~until the revenue is transmitted.]~~

1277 (iii) If a county transmits revenue described in Subsection (1)(d)(i) after the tenth day
1278 of the month following the end of the quarter in which the county collects the
1279 revenue, the county shall pay an interest penalty at the rate of 10% each year until
1280 the county transmits the revenue.

1281 (iv) The state treasurer shall deposit the revenue and penalties described in this
1282 Subsection (4) into the fund.

1283 ~~[(d) The state treasurer shall allocate the penalties received under this Subsection (3) in~~
1284 ~~the same manner as revenue is allocated under Subsection (2)(e).]~~

1285 ~~[(4)] (5)(a) A county may levy a county additional property tax in accordance with this~~
1286 ~~Subsection [(4)] (5).~~

- 1287 (b) The county additional property tax:
- 1288 (i) shall be separately stated on the tax notice as a county assessing and collecting
- 1289 levy;
- 1290 (ii) may not be incorporated into the rate of any other levy;
- 1291 (iii) is exempt from Sections 17C-1-403 through 17C-1-406; and
- 1292 (iv) is in addition to and exempt from the maximum levies allowable under Section
- 1293 59-2-908.
- 1294 (c) ~~[Revenue-]~~ A county shall use revenue collected from the county additional property
- 1295 tax~~[-shall be used]~~ to:
- 1296 (i) promote the accurate valuation and uniform assessment levels of property as
- 1297 required by Section 59-2-103;
- 1298 (ii) promote the efficient administration of the property tax system, including the
- 1299 costs of assessment, collection, and distribution of property taxes;
- 1300 (iii) fund state mandated actions to meet legislative mandates or judicial or
- 1301 administrative orders that relate to promoting:
- 1302 (A) the accurate valuation of property; and
- 1303 (B) the establishment and maintenance of uniform assessment levels within and
- 1304 among counties; and
- 1305 (iv) establish reappraisal programs that:
- 1306 (A) are adopted by a resolution or ordinance of the county legislative body; and
- 1307 (B) conform to rules the commission makes in accordance with Title 63G,
- 1308 Chapter 3, Utah Administrative Rulemaking Act.

1309 Section 22. Section **59-2-1605** is amended to read:

1310 **59-2-1605 (Effective 05/06/26) (Applies beginning 01/01/26). Accounting records**

1311 **for levies -- Records -- Report to Legislature, commission -- Budget to Division of Finance.**

- 1312 (1) Each county shall separately budget and account for the use of any money [
- 1313 received or expended from a levy imposed under] the county receives or spends from a
- 1314 levy the county imposes in accordance with Section 59-2-1602.
- 1315 (2) The program manager shall separately budget and account for the use of any revenue
- 1316 received from the fund.
- 1317 (3) On or before October 1 of each year, the program manager shall submit an electronic
- 1318 report to the Revenue and Taxation Interim Committee and the commission that
- 1319 contains:
- 1320 (a) a financial report that includes:

- 1321 (i) the amount of revenue allocated to the program manager for the current calendar
 1322 year; and
 1323 (ii) a summary of the uses of the revenue during the current calendar year; and
 1324 (b) a status report on:
 1325 (i) the development, enhancement, and implementation of the statewide property tax
 1326 system and the statewide web portals described in Section 59-2-1606; and
 1327 (ii) achievement of the performance metrics described in Section 59-2-1606.
 1328 (4) On or before December 31 of each year, the program manager shall submit a detailed
 1329 budget for the upcoming calendar year to the Division of Finance.
 1330 (5) For the calendar year that begins on January 1, 2026, the program manager shall submit
 1331 a detailed budget for the current year to the Division of Finance on May 6, 2026.

1332 Section 23. Section **59-2-1606** is amended to read:

1333 **59-2-1606 (Effective 05/06/26) (Applies beginning 01/01/26). Statewide property**
 1334 **tax system funding for counties -- Disbursements to the program manager -- Use of funds.**

- 1335 (1) The [~~funds deposited into the Multicounty Appraisal Trust in accordance with Section~~
 1336 ~~59-2-1602 shall be used to provide funding for] purpose for creating the fund is to
 1337 provide the counties with:
 1338 (a) a statewide property tax system that will promote:
 1339 (i) the accurate valuation of property;
 1340 (ii) the establishment and maintenance of uniform assessment levels among counties
 1341 within the state;
 1342 (iii) efficient administration of the property tax system, including the costs of
 1343 assessment, collection, and distribution of property taxes; and
 1344 (iv) the uniform filing of a signed statement a county assessor requests under Section
 1345 59-2-306, including implementation of a statewide electronic filing system; and
 1346 (b) property valuation services[~~within the counties~~].
 1347 [~~(2)(a) An association representing at least two-thirds of the counties in the state shall~~
 1348 ~~appoint a trustee.~~]
 1349 [~~(b) The trustee of the Multicounty Appraisal Trust shall:~~]
 1350 [~~(i) determine which projects to fund, including property valuation services within~~
 1351 ~~counties; and~~]
 1352 [~~(ii) oversee the administration of a statewide property tax system that meets the~~
 1353 ~~requirements of Subsection (1)(a).~~]
 1354 [~~(3)(a) Subject to Subsection (3)(b), the trustee of the Multicounty Appraisal Trust may,~~~~

1355 in order to promote the objectives described in Subsection (1), use funds deposited
 1356 into the Multicounty Appraisal Trust to hire one or more professional appraisers to
 1357 provide property valuation services within a county of the third, fourth, fifth, or sixth
 1358 class.]

1359 [(b) A professional appraiser hired to provide property valuation services under this
 1360 Subsection (3) shall:]

1361 [(i) hold an appraiser's certificate or license from the Division of Real Estate in
 1362 accordance with Title 61, Chapter 2g, Real Estate Appraiser Licensing and
 1363 Certification Act; and]

1364 [(ii) be approved by:]

1365 [(A) the commission; and]

1366 [(B) an association representing two or more counties in the state.]

1367 [(4)(a) Except as provided in Subsection (4)(b), each county shall adopt the statewide
 1368 property tax system on or before January 1, 2026.]

1369 [(b) A county is exempt from the requirement in Subsection (4)(a) if:]

1370 [(i) the county utilizes a computer assisted property tax system for mass appraisal
 1371 other than the statewide property tax system;]

1372 [(ii) the county demonstrates to the trustee of the Multicounty Appraisal Trust and to
 1373 the commission that the property tax system described in Subsection (4)(b)(i) is
 1374 interoperable with the statewide property tax system; and]

1375 [(iii) the trustee of the Multicounty Appraisal Trust and the commission approve the
 1376 county's exemption from the requirement in Subsection (4)(a).]

1377 [(c) The commission and an association that represents at least two-thirds of the counties
 1378 in the state shall assist any county adopting the statewide property tax system.]

1379 [(5)] (2) To promote the objectives described in Subsection (1), the trustee of
 1380 the Multicounty Appraisal Trust shall use funds deposited into the Multicounty
 1381 Appraisal Trust to] program manager shall:

1382 (a) maintain and enhance the statewide property tax system in accordance with
 1383 Subsection (3);

1384 (b) subject to Subsection [(6)] (3), develop and maintain a statewide web portal for
 1385 uniform access to property characteristics and features relevant to the valuation of
 1386 real property;

1387 [(b)] (c) subject to Subsection [(7)] (4), develop and maintain a statewide web portal for
 1388 the uniform electronic filing of an application to appeal the valuation or equalization

1389 of real property with a county board of equalization under Section 59-2-1004; and
 1390 [(e)] (d) assist counties with tracking and reporting appeals information to the
 1391 commission as required by Section 59-2-1018.

1392 [(6)] (3)(a) The statewide web portal for uniform access to property characteristics and
 1393 features developed under Subsection [(5)(a)] (2)(b) shall, at a minimum, specify the
 1394 following property characteristics and features:

- 1395 [(i)] (i) property owner's name;
- 1396 [(ii)] (i) parcel or serial number;
- 1397 [(iii)] (ii) situs address;
- 1398 [(iv)] mailing address;
- 1399 [(v)] (iii) tax area;
- 1400 [(vi)] (iv) the neighborhood;
- 1401 [(vii)] (v) property type;
- 1402 [(viii)] (vi) land type;
- 1403 [(ix)] (vii) quality or condition;
- 1404 [(x)] (viii) year of construction;
- 1405 [(xi)] (ix) gross living area;
- 1406 [(xii)] (x) acreage;
- 1407 [(xiii)] (xi) market value; and
- 1408 [(xiv)] (xii) taxable value.

1409 (b) In developing the statewide web portal for uniform access to property characteristics
 1410 and features under Subsection [(5)(a)] (3)(a), the [Multicounty Appraisal Trust]
 1411 program manager may link the statewide web portal to a web portal [~~maintained by~~]
 1412 a county maintains for accessing property characteristics and features within the
 1413 county if the [Multicounty Appraisal Trust] program manager determines that the
 1414 county web portal meets the requirements of Subsection [(6)(a)] (3)(a).

1415 [(7)] (4) In developing the statewide web portal for the uniform electronic filing of appeal
 1416 applications under Subsection [(5)(b)] (2)(c), the [Multicounty Appraisal Trust] program
 1417 manager may link the statewide web portal to a web portal [~~maintained by~~] a county
 1418 maintains for the uniform electronic filing of appeal applications if the [Multicounty
 1419 Appraisal Trust] program manager determines that the county web portal provides
 1420 equivalent functions as the statewide web portal.

1421 Section 24. Section **59-2-2001** is amended to read:

1422 **59-2-2001 (Effective 05/06/26) (Applies beginning 01/01/26). Definitions.**

- 1423 As used in this part:
- 1424 (1)[(a)] "Program manager" means the same as that term is defined in Section 59-2-1601.
- 1425 (2)(a) "Heavy equipment" means tangible personal property that:
- 1426 (i) is owned by a qualified rental business for purposes of renting;
- 1427 (ii) is utilized or designed for construction, earthmoving, or industrial operations; and
- 1428 (iii) is portable and transferable to the location in which the heavy equipment is used.
- 1429 (b) "Heavy equipment" includes:
- 1430 (i) lift equipment;
- 1431 (ii) material handling equipment;
- 1432 (iii) cranes;
- 1433 (iv) pumps;
- 1434 (v) generators;
- 1435 (vi) compressors;
- 1436 (vii) portable power equipment;
- 1437 (viii) heating, ventilation, and air conditioning equipment;
- 1438 (ix) portable worksite offices and containers;
- 1439 (x) tank trailers; and
- 1440 (xi) self-propelled equipment.
- 1441 [~~(2) "Multicounty Appraisal Trust" means the same as that term is defined in Section~~
- 1442 ~~59-2-1601.]~~
- 1443 (3) "Qualified rental business" means a business entity located in this state:
- 1444 (a) that is classified within one of the following NAICS codes of the 2022 North
- 1445 American Industry Classification System of the federal Executive Office of the
- 1446 President, Office of Management and Budget:
- 1447 (i) NAICS Code 532310, General Rental Centers; or
- 1448 (ii) NAICS Code 532412, Construction, Mining, and Forestry Machinery and
- 1449 Equipment Rental and Leasing; and
- 1450 (b) for which 51% or more of the business entity's total annual revenue is derived from
- 1451 the rental of heavy equipment.
- 1452 (4) "Recovery fee" means the fee authorized in Subsection 59-2-2002(1).
- 1453 (5) "Rental" means the same as the terms "lease" or "rental" are defined in Section
- 1454 59-12-102.
- 1455 (6)(a) "Rental charge" means the amount charged to a renter by a qualified rental
- 1456 business for the rental of heavy equipment.

1457 (b) "Rental charge" does not include any additional charges separate from the actual cost
 1458 of the rental transaction, including costs required for delivery, insurance, or a waiver
 1459 of liability.

1460 (7) "Renter" means the person to which a qualified rental business rents heavy equipment.

1461 Section 25. Section **59-2-2002** is amended to read:

1462 **59-2-2002 (Effective 05/06/26) (Applies beginning 01/01/26). Recovery fee for**
 1463 **rental of heavy equipment -- Commission study and report.**

1464 (1) A qualified rental business may charge to a renter a fee in an amount equal to 1.5% of
 1465 the rental charge for each item of heavy equipment rented in this state.

1466 (2) A recovery fee under Subsection (1):

1467 (a) shall be separately stated on the invoice or receipt for the rental transaction; and

1468 (b) is not subject to a sales and use tax under Chapter 12, Sales and Use Tax Act.

1469 (3) A qualified rental business may not charge a recovery fee to a renter that is a
 1470 governmental entity as defined in Section 59-2-511.

1471 (4) Any amount of recovery fees collected by a qualified rental business during a calendar
 1472 year shall be used as reimbursement for property taxes paid by the qualified rental
 1473 business on heavy equipment in the same calendar year.

1474 (5)(a) The commission shall:

1475 (i) in coordination with county assessors and the [~~Multicounty Appraisal Trust~~]
 1476 program manager, conduct a study to determine the need for adjustment to the rate
 1477 authorized under Subsection (1) for purposes of property tax reimbursement; and

1478 (ii) on or before September 30, 2027, provide to the Revenue and Taxation Interim
 1479 Committee an electronic report of the results of the study required under
 1480 Subsection (5)(a)(i), including any recommendations, based on information
 1481 received by the commission, for legislative changes to the rate authorized under
 1482 Subsection (1).

1483 (b) [~~A~~] Upon request by the commission, a county assessor or the [~~Multicounty~~
 1484 ~~Appraisal Trust~~] program manager shall[~~, upon request by the commission,~~] provide
 1485 to the commission any information necessary to complete the study required under
 1486 Subsection (5)(a)(i).

1487 Section 26. Section **59-35-101** is enacted to read:

1488 **CHAPTER 35. Tax Increment Financing Reporting**

1489 **Part 1. General Provisions**

- 1490 **59-35-101 (Effective 05/06/26). Definitions.**
- 1491 (1) "Agency" means a community reinvestment agency, as defined in Section 17C-1-102.
- 1492 (2) "Authorization meeting" means a public meeting:
- 1493 (a) conducted by the governing body of a local entity;
- 1494 (b) for which the local entity provides class A notice under Section 63G-30-102:
- 1495 (i) for a minimum of 10 calendar days before the public meeting; and
- 1496 (ii) with a link to the local entity's website where an explanation of each item listed in
- 1497 Subsection 59-2-201(3) may be found; and
- 1498 (c) in which the governing body of the local entity addresses each item listed in
- 1499 Subsection 59-2-201(3).
- 1500 (3) "Approximated discount rate" means the assumed rate of return used to discount future
- 1501 cash flows back to the cash's present value.
- 1502 (4) "But-for analysis" means information or data that demonstrates:
- 1503 (a) the benefits of a potential project to the public;
- 1504 (b) the existing impediments to the potential project;
- 1505 (c) that the potential project would be unable to overcome existing impediments and
- 1506 proceed without the use of tax increment; and
- 1507 (d) that the impact of using tax increment to the public is less than the benefits of the
- 1508 potential project to the public.
- 1509 (5) "Collecting entity" means:
- 1510 (a) for sales and use tax increment, the commission; or
- 1511 (b) for property tax increment, the county auditor, county assessor, and county treasurer
- 1512 of each county in which the local entity intends to use tax increment.
- 1513 (6) "Collection time period" means the maximum amount of time a local entity may collect
- 1514 tax increment after beginning the process to trigger, collect, and use tax increment.
- 1515 (7) "Database" means a collection of electronic data to track the information that:
- 1516 (a) each local entity is required to submit in accordance with this chapter; and
- 1517 (b) the program manager collects in accordance with Section 59-35-301.
- 1518 (8) "Disclosure" means a written acknowledgment, made in a form and in a manner the
- 1519 program manager establishes, that a local entity seeking to begin the process to trigger,
- 1520 collect, and use tax increment submits.
- 1521 (9) "Established base year" means the year designated in a project area plan, a project area
- 1522 budget, or an interlocal agreement for the purpose of calculating tax increment.
- 1523 (10) "Governing body" means:

- 1524 (a) for an agency, the community reinvestment agency board;
1525 (b) for a municipality, the municipal legislative body;
1526 (c) for a county, the county legislative body;
1527 (d) for a regional economic development authority, the regional economic development
1528 authority's board;
1529 (e) for a public infrastructure district, the public infrastructure district's board of trustees;
1530 and
1531 (f) for a special district, the special district's board of trustees.
- 1532 (11)(a) "Local entity" means a political subdivision of the state that:
1533 (i) for purposes of Part 2, Pre-increment Disclosure and Reporting, seeks to use tax
1534 increment; and
1535 (ii) for purposes of Part 3, Tax Increment Receipt Reporting, receives or is authorized
1536 to receive tax increment for an approved project area.
- 1537 (b) "Local entity" includes an agency.
- 1538 (12) "Maximum tax increment cap" means the total amount of revenue a local entity seeks
1539 to generate through the use of tax increment.
- 1540 (13) "Post-designation parcel" means:
1541 (a) except as provided in Subsection (13)(b), the same as that term is defined in Section
1542 11-58-601; or
1543 (b) for a project area created by the Military Installation Development Authority, a
1544 parcel within the project area.
- 1545 (14) "Program manager" means the same as that term is defined in Section 59-2-1601.
- 1546 (15) "Project area" means an area created and designated to receive tax increment according
1547 to the terms of an adopted project area plan, project area budget, or interlocal agreement.
- 1548 (16) "Project area budget" means a multi-year projection of annual or cumulative revenue
1549 and expenses and other fiscal matters pertaining to a project area that includes:
1550 (a) the start and end date for tax increment collection;
1551 (b) the number of years remaining that that the local entity collects tax increment from
1552 the project area;
1553 (c) the amount of tax increment the local entity is authorized to receive from the project
1554 area, cumulatively and from each taxing entity, including:
1555 (i) the total dollar amount;
1556 (ii) the percentage of the total amount of tax increment generated within the project
1557 area; and

- 1558 (iii) the remaining amount of tax increment the local entity is authorized to receive
1559 from the project area, cumulatively and from each taxing entity; and
- 1560 (d) the amount of tax increment the local entity:
1561 (i) is authorized to use to pay for the local entity's administrative costs; and
1562 (ii) uses to pay for the local entity's administrative costs.
- 1563 (17) "Project area plan" means a written plan that, after the plan's effective date, guides and
1564 controls the development within a project area.
- 1565 (18)(a) "Property tax increment" means the amount of revenue a project area generates
1566 from property tax that exceeds the amount of revenue from the property tax that was
1567 generated in the project area:
1568 (i) in the year before the project area is created; or
1569 (ii) for a post-designation parcel, the 12 months before the trigger date.
- 1570 (b) "Property tax increment" includes:
1571 (i) enhanced property tax revenue;
1572 (ii) property tax allocation;
1573 (iii) property tax augmentation;
1574 (iv) property tax differential;
1575 (v) property tax increment; and
1576 (vi) tax increment revenue.
- 1577 (19) "Regional economic development authority" means:
1578 (a) the Utah Inland Port Authority created in Section 11-58-201;
1579 (b) the Point of the Mountain State Land Authority created in Section 11-59-201;
1580 (c) the Utah Fairpark Area Investment and Restoration District created in Section
1581 11-70-201; or
1582 (d) the Military Installation Development Authority created in Section 63H-1-201.
- 1583 (20) "Sales and use tax increment" means the amount of revenue a project area generates
1584 from sales and use tax that exceeds the amount of revenue from the sales and use tax
1585 that was generated in the project area for the established base year.
- 1586 (21) "STATS" means the Statewide Tax Administration and Technology Solutions
1587 program, created in Section 59-1-1902.
- 1588 (22) "Tax increment" means property tax increment and sales and use tax increment.
- 1589 (23) "Taxing entity" means a government entity that:
1590 (a) imposes a tax on property located within a project area; or
1591 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act,

1592 within a project area.

1593 (24) "Trigger date" means:

1594 (a) except as provided in Subsections (24)(b) and (c), the same as that term is defined in
 1595 Section 11-58-601;

1596 (b) for a project area created by the Military Installation Development Authority, the day
 1597 on which the authority receives the first property tax allocation from the parcel; or

1598 (c) for a project area created by the Utah Fairpark Area Investment and Restoration
 1599 District, the same as the term "transition date" is defined in Section 11-70-101.

1600 Section 27. Section **59-35-201** is enacted to read:

1601 **Part 2. Pre-increment Disclosure and Reporting**

1602 **59-35-201 (Effective 05/06/26). Advance disclosure for use of tax increment.**

1603 (1) Beginning July 1, 2026, a local entity seeking to use tax increment shall, before
 1604 beginning the process to trigger, collect, or use tax increment:

1605 (a) conduct an authorization meeting; and

1606 (b) submit the disclosure described in Subsection (3).

1607 (2) An authorization meeting may be part of another public meeting of the local entity's
 1608 governing body if the disclosure and agenda for the public meeting clearly describe the
 1609 authorization meeting portion of the public meeting.

1610 (3) Before triggering, collecting, or using tax increment, a local entity shall submit a
 1611 disclosure to the program manager that includes:

1612 (a) a copy of the notice for and the minutes from the local entity's authorization meeting;

1613 (b) the public good to be addressed through the use of tax increment, including a
 1614 description of each project the local entity intends to pursue with the use of tax
 1615 increment;

1616 (c) the type of tax increment sought for use;

1617 (d) the maximum tax increment cap the local entity seeks to collect and use:

1618 (i) in total; and

1619 (ii) for property tax increment and sales and use tax increment, if the local entity
 1620 seeks to use more than one type of tax increment;

1621 (e) a cost analysis reflecting the administrative costs imposed on the commission and the
 1622 county to administer the collection, calculation, and distribution of the proposed tax
 1623 increment;

1624 (f) a but-for analysis of each project the local entity intends to pursue with the use of tax
 1625 increment; and

1626 (g) an explanation of how the benefit to residents or taxpayers near the project area is
 1627 proportionate to the benefit to any party benefiting from the local entity's use of tax
 1628 increment, as described in Section 59-35-202.

1629 (4) A local entity shall comply with the requirements of this part every time the local entity
 1630 seeks to begin the process to trigger, collect, or use tax increment.

1631 Section 28. Section **59-35-202** is enacted to read:

1632 **59-35-202 (Effective 05/06/26). Analyzing proportionate benefit.**

1633 In analyzing the proportionate benefit to residents or taxpayers near the project area, a
 1634 local entity shall prepare an estimate, in present value by using an approximated discount rate
 1635 of the following:

1636 (1) the amount of revenue that will be allocated to any party in the form of tax increment, or
 1637 bond financing secured by tax increment, each year over the collection time period or 40
 1638 years, whichever is greater; and

1639 (2) the amount of revenue expected to be received by each taxing entity each year over 40
 1640 years.

1641 Section 29. Section **59-35-203** is enacted to read:

1642 **59-35-203 (Effective 05/06/26). Review of disclosure.**

1643 (1) A local entity that submits the required information under Section 59-35-201 may begin
 1644 the process to trigger, collect, or use tax increment according to:

1645 (a) the statutory requirements governing the local entity; and

1646 (b) this section.

1647 (2)(a) Except as provided in Subsection (2)(b), a local entity described in Subsection (1):

1648 (i) shall notify, within 30 calendar days, all taxing entities that will be affected by a
 1649 planned tax increment area:

1650 (A) for which the local entity has submitted the information required under
 1651 Section 59-35-201; and

1652 (B) that the local entity intends to begin the process to trigger, collect, or use tax
 1653 increment;

1654 (ii) shall notify the collecting agencies no later than December 31 the year before the
 1655 local entity intends to begin receiving property tax increment; and

1656 (iii) shall notify the commission no later than 180 days before the beginning of the
 1657 fiscal quarter during which the local entity intends to begin receiving sales and use
 1658 tax increment.

1659 (b) If the local entity is required to comply with a different notification time period than

- 1660 the time periods described in Subsection (2)(a), the public entity shall comply with
1661 the notification period that provides the greater amount of time for notification.
- 1662 (3)(a) If a local entity does not complete the process to trigger, collect, and use tax
1663 increment within five years after the day on which the local entity submits the
1664 information required by Section 59-35-201, the local entity shall:
- 1665 (i) hold a new authorization meeting, with updated information if applicable; and
1666 (ii) submit the information required by Section 59-35-201.
- 1667 (b) A local entity described in Subsection (3)(a) may proceed with the process to trigger,
1668 collect, and use tax increment if the public entity does not receive a timely request for
1669 additional information from the program manager to fulfill the requirements of
1670 Subsection 59-35-201(3).
- 1671 (c) A local entity that receives a request from the program manager under Subsection
1672 (3)(a)(ii):
- 1673 (i) shall respond to the request; and
1674 (ii) may not trigger, collect, and use tax increment until the program manager reviews
1675 the local entity's response and makes the determination described in Subsection
1676 (3)(d).
- 1677 (d) The program manager shall evaluate any additional information received in
1678 accordance with Subsection (3)(c) and determine whether the local entity's disclosure
1679 includes all the information described in Section 59-35-201.
- 1680 (4)(a) A local entity that receives more tax increment than projected is required to use
1681 the additional or excess revenue to defease any bond the local entity issued or
1682 accelerate repayment of any debts the local entity incurred if the bond or debt does
1683 not have any penalty or prohibition on defeasance of the bond or acceleration of the
1684 debt repayment.
- 1685 (b) A local entity may not use tax increment for any purpose other than the purpose
1686 described in the disclosure.
- 1687 (c)(i) A local entity is responsible for monitoring the local entity's receipt of tax
1688 increment and notifying taxing entities and distributing entities when the local
1689 entity is approaching, has met, or has exceeded the maximum tax increment cap.
- 1690 (ii) A local entity that receives more than the maximum tax increment cap:
- 1691 (A) shall immediately inform the county auditor, the county assessor, and the
1692 commission;
- 1693 (B) shall be responsible for ensuring the excess tax increment is returned to the

1694 appropriate taxing entities; and
 1695 (C) may request assistance from the county and the commission in fulfilling the
 1696 duty described in Subsection (4)(c)(ii)(B).

1697 (5) At the end of a collection time period, or upon receipt of the maximum tax increment
 1698 cap stated in a disclosure, the local entity may not receive tax increment.

1699 (6)(a) If the program manager determines that a local entity's disclosure includes all the
 1700 information described in Section 59-35-201, a local entity may proceed with the
 1701 progress to trigger, collect, and use tax increment only as described in the disclosure.

1702 (b) The local entity shall comply with the requirements of this part for any additional or
 1703 subsequent use of tax increment.

1704 Section 30. Section **59-35-204** is enacted to read:

1705 **59-35-204 (Effective 05/06/26). Transparency.**

1706 The program manager shall coordinate with the collecting entities to recommend
 1707 processes for the responsible and transparent receipt of property tax increment, sales and use
 1708 tax increment, and tax increment, including by implementing processes to ensure a local entity
 1709 stops receiving tax increment once the local entity receives the maximum tax increment cap
 1710 stated in the local entity's disclosure under Section 59-35-201.

1711 Section 31. Section **59-35-301** is enacted to read:

1712 **Part 3. Tax Increment Receipt Reporting**

1713 **59-35-301 (Effective 05/06/26). Local entity reporting requirements.**

1714 (1) On or before January 1, 2027, a local entity shall submit to the program manager for
 1715 each project area:

1716 (a) the project area plan;

1717 (b) the project area budget;

1718 (c) applicable interlocal agreements; and

1719 (d) a map of each project area.

1720 (2) A new project area created after January 1, 2027, shall submit the information described
 1721 in Subsection (1) before January 1 of the year after which the project is created.

1722 (3) On January 1, 2028, and on each January 1 thereafter, a local entity shall submit to the
 1723 program manager a summary of the progress of each project area.

1724 (4) The program manager shall establish the manner in which a local entity shall submit the
 1725 information described in Subsections (1) through (3).

1726 (5) Annually, the program manager shall collect, with input from the county assessors and
 1727 local entities:

- 1728 (a) an assessment of the change in the project area's value, including:
1729 (i) the taxable value from the established base year;
1730 (ii) the estimated current assessed value; and
1731 (iii) the percentage change between the base taxable value and the estimated current
1732 assessed value;
- 1733 (b)(i) if the local entity has received tax increment from a project area, the amount of
1734 tax increment by calendar year, including:
- 1735 (A) a comparison of the actual tax increment received for each year to the
1736 forecasted tax increment for each year when the local entity created the project
1737 area;
- 1738 (B) the local entity's historical receipts and expenditures of tax increment for each
1739 project area budget;
- 1740 (C) a list of each taxing entity that imposes a tax within the project area;
1741 (D) a description of the benefits that each taxing entity receives from the project
1742 area; and
- 1743 (E) the percentage of additional value that each taxing entity provides to the
1744 project area; or
- 1745 (ii) if the local entity has not yet received tax increment from an approved project
1746 area:
- 1747 (A) the year in which the local entity expects to begin receiving tax increment for
1748 the project area;
- 1749 (B) a list of each taxing entity that imposes a tax within the project area;
1750 (C) a description of the benefits that each taxing entity is expected to receive from
1751 the project area; and
- 1752 (D) the percentage of additional value that each taxing entity provides to the
1753 project area;
- 1754 (c) the total amount of tax increment a local entity may receive from the project area
1755 cumulatively and from each taxing entity;
- 1756 (d) the total amount of tax increment paid to each taxing entity;
- 1757 (e) a local entity's outstanding principal on bonds or loans for project area costs;
1758 (f) a description of current and anticipated project area development, including:
- 1759 (i) any significant infrastructure development, site development, participation
1760 agreements, or vertical construction within the project area; and
- 1761 (ii) other details of local entity action and development within the project area,

- 1762 including:
- 1763 (A) the total acreage developed after the local entity established the project area;
- 1764 (B) the total undeveloped acreage the local entity expects to develop before the
- 1765 project area is dissolved;
- 1766 (C) the percentage of residential development, if applicable; and
- 1767 (D) the total number of housing units authorized, if applicable;
- 1768 (g) a summary of the portions of the project area plan and the budget that include:
- 1769 (i) the number of years remaining that the local entity may collect tax increment from
- 1770 the project area;
- 1771 (ii) the estimated amount of tax increment that the local entity is authorized to receive
- 1772 from the project area for the current calendar year; and
- 1773 (iii) the estimated amount of tax increment to be paid to the local entity for the next
- 1774 calendar year; and
- 1775 (h) a description of how the receipt of tax increment during the previous year furthered
- 1776 the goals, policies, and purposes of the project area.
- 1777 (6) The provisions of this section apply regardless of when the project area is created.
- 1778 (7) Any information a local entity submits in accordance with this section is for
- 1779 informational purposes only.
- 1780 Section 32. Section **59-35-302** is enacted to read:
- 1781 **59-35-302 (Effective 05/06/26). Program manager report to Legislature, county**
- 1782 **auditor, county treasurer -- Auditing.**
- 1783 (1) At or before the October interim meeting of the Political Subdivisions Interim
- 1784 Committee, the program manager shall present:
- 1785 (a) annually, a written report of the information in the database that includes:
- 1786 (i) a list of local entities and agencies that failed to comply with the reporting
- 1787 requirements of Section 59-35-301 during the preceding reporting period;
- 1788 (ii) a statewide summary of:
- 1789 (A) the number of project areas receiving tax increment; and
- 1790 (B) the total acres included in project areas receiving tax increment;
- 1791 (iii) for each county, a summary of:
- 1792 (A) the number of project areas receiving tax increment;
- 1793 (B) the total acres included in project areas;
- 1794 (C) the total acres included in project areas compared to the total taxable acres in
- 1795 the county;

- 1796 (D) the percentage of property tax for all taxing entities within the county that is
 1797 allocated as tax increment;
- 1798 (E) the total amount of tax increment projected in all project area budgets;
- 1799 (F) the estimated tax increment from project area budgets that has not yet been
 1800 received;
- 1801 (G) a description of any project area that is approved but has not received tax
 1802 increment; and
- 1803 (H) project areas dissolved during the previous year;
- 1804 (iv) information about the benefits that project areas provide to each county and the
 1805 state, which shall include information relating to two or more of the following:
- 1806 (A) the average percentage change in assessed value for each county within
 1807 project areas during the reporting period;
- 1808 (B) the percentage change in assessed value within a county, excluding project
 1809 areas, during the reporting period;
- 1810 (C) a comparison of the growth rate between project areas and areas of the county
 1811 that are not within a project area;
- 1812 (D) public infrastructure paid for with tax increment;
- 1813 (E) publicly accessible parks, trails, plazas, or other public amenities paid for with
 1814 tax increment;
- 1815 (F) affordable housing units tax increment creates, preserves, or supports; and
- 1816 (G) new jobs created with tax increment; and
- 1817 (v) any recommendation for legislation; and
- 1818 (b) every three years, beginning in 2030, a copy of the results of the independent audit
 1819 described in Subsection (3).
- 1820 (2)(a) If the program manager does not receive, on or before April 1 of the year the
 1821 information is due, the information that a local entity is required to provide under
 1822 Section 59-35-301, the program manager shall:
- 1823 (i) refer the noncompliant local entity to the state auditor for review; and
- 1824 (ii) post a notice on the STATS website identifying the noncompliant local entity and
 1825 describing the local entity's noncompliance.
- 1826 (b) If, for two consecutive years, the program manager does not receive information a
 1827 local entity is required to provide under Section 59-35-301:
- 1828 (i) the program manager shall notify, no later than April 1 of the second consecutive
 1829 year, the county auditor and the county treasurer of the county in which the

1830 noncompliant local entity is located of the local entity's noncompliance; and
 1831 (ii) upon receiving the notice described in Subsection (2)(b)(i), the county treasurer
 1832 shall withhold from the local entity 20% of the amount of tax increment the local
 1833 entity is entitled to receive.

1834 (c)(i) Subject to Subsection (2)(c)(ii), the county treasurer may not withhold funds as
 1835 described in Subsection (2)(b)(ii) if the disbursement of tax increment is necessary
 1836 to meet debt service obligations.

1837 (ii) The local entity shall submit to the county treasurer evidence of the debt service
 1838 obligation and the need for tax increment to serve the debt.

1839 (d) If, after having funds withheld under Subsection (2)(b)(ii), a local entity complies
 1840 with Section 59-35-301:

1841 (i) the program manager shall notify the county auditor and the county treasurer that
 1842 the local entity complied with Section 59-35-301; and

1843 (ii) the county treasurer shall disburse the withheld funds to the local entity.

1844 (3) Every three years, beginning in 2030, the program manager shall obtain an independent
 1845 audit of the database and the information reported to the Political Subdivisions Interim
 1846 Committee in accordance with Subsection (1).

1847 (4)(a) The database, reporting, and auditing requirements of this part are a supplement to
 1848 the state auditor's authority to audit local entities.

1849 (b) The program manager is not subject to audit by the state auditor for any reason
 1850 beyond the audit of the program manager's receipt of government funds to administer
 1851 STATS.

1852 Section 33. Section **63H-1-501** is amended to read:

1853 **63H-1-501 (Effective 05/06/26). Authority receipt and use of property tax**
 1854 **allocation -- Contractual annual payment -- Distribution of property tax allocation.**

1855 (1)(a) The authority may:

1856 (i) subject to Subsection (1)(b):

1857 (A) receive up to 75% of the property tax allocation for up to 25 years, as
 1858 provided in this part; and

1859 (B) after the time period described in Subsection (1)(a)(i)(A) expires, receive up
 1860 to 75% of the property tax allocation for up to 15 years, if the board determines
 1861 the additional years will produce significant benefit; and

1862 (ii) use the property tax allocation before, during, and after the period described in
 1863 Subsection (1)(a)(i).

- 1864 (b) With respect to a parcel located within a project area, the 25-year period described in
1865 Subsection (1)(a)(i)(A) begins on the day on which the authority receives the first
1866 property tax allocation from that parcel.
- 1867 (2)(a) For purposes of Subsection (1)(b), the authority may designate an improved
1868 portion of a parcel in a project area as a separate parcel.
- 1869 (b) An authority designation of an improved portion of a parcel as a separate parcel
1870 under Subsection (2)(a) is for purposes of Subsection (1)(b) only and does not
1871 constitute a subdivision for any other purpose.
- 1872 (c) A county recorder shall assign a separate tax identification number to the improved
1873 portion of a parcel designated by the authority as a separate parcel under Subsection
1874 (2)(a).
- 1875 (3) Improvements on a parcel within a project area become subject to property tax on
1876 January 1 immediately following the day on which the authority or an entity designated
1877 by the authority issues a certificate of occupancy with respect to those improvements.
- 1878 (4)(a) If the authority or an entity designated by the authority has not issued a certificate
1879 of occupancy for a private parcel within a project area, the private parcel owner shall
1880 make an annual payment to the authority:
- 1881 (i) that is equal to 1.2% of the taxable value of the parcel above the base taxable
1882 value of the parcel; and
- 1883 (ii) until the parcel becomes subject to the property tax described in Subsection (3).
- 1884 (b) The authority may use the revenue from payments described in Subsection (4)(a) for
1885 any purpose described in Subsection 63H-1-502(1).
- 1886 (c) The authority may submit for recording to the office of the recorder of the county in
1887 which a private parcel described in Subsection (4)(a) is located:
- 1888 (i) a copy of an agreement between the authority and the private parcel owner that
1889 memorializes the payment obligation under Subsection (4)(a); or
- 1890 (ii) a notice that describes the payment obligation under Subsection (4)(a).
- 1891 (d) An owner of a private parcel described in Subsection (4)(a) may not be required to
1892 make a payment that exceeds or is in addition to the payment described in Subsection
1893 (4)(a)(i) until the private parcel becomes subject to the property tax described in
1894 Subsection (3).
- 1895 (e) Upon the transfer of title of a private parcel described in Subsection (4)(a), the
1896 amount of the annual payment required under Subsection (4)(a) shall be:
- 1897 (i) treated the same as a property tax; and

- 1898 (ii) prorated between the previous owner and the owner who acquires title from the
1899 previous owner.
- 1900 (f) A person who fails to pay or is delinquent in paying an annual payment described in
1901 Subsection (4)(a) is subject to the same penalties and interest as the failure or
1902 delinquent payment of a property tax in accordance with Title 59, Chapter 2, Property
1903 Tax Act.
- 1904 (g) A county treasurer shall:
- 1905 (i) include the annual payment described in Subsection (4)(a) on a county property
1906 tax notice in accordance with Section 59-2-1317; and
- 1907 (ii) collect the annual payment as part of the property tax collection.
- 1908 (h) A county auditor shall include the annual payment described in Subsection (4)(a) on
1909 the notice of property valuation in accordance with Subsection 59-2-919.1(1).
- 1910 (5) Each county that collects property tax on property within a project area shall pay and
1911 distribute to the authority the property tax allocation and dedicated tax collections that
1912 the authority is entitled to collect under this title, in the manner and at the time provided
1913 in Section 59-2-1365.
- 1914 (6)(a) The board shall determine by resolution when the entire project area or an
1915 individual parcel within a project area is subject to property tax allocation.
- 1916 (b) The board shall amend the project area budget to reflect whether a parcel within a
1917 project area is subject to property tax allocation.
- 1918 (7) The following property owned by the authority is not subject to any property tax under
1919 Title 59, Chapter 2, Property Tax Act, or any privilege tax under Title 59, Chapter 4,
1920 Privilege Tax, regardless of whether the authority enters into a long-term operating
1921 agreement with a privately owned entity under which the privately owned entity agrees
1922 to operate the property:
- 1923 (a) a hotel;
- 1924 (b) a hotel condominium unit in a condominium project, as defined in Section 57-8-3;
1925 and
- 1926 (c) a commercial condominium unit in a condominium project, as defined in Section
1927 57-8-3.
- 1928 (8) If the authority receives tax increment, the authority shall comply with the reporting
1929 requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.
1930 Section 34. Section **63I-1-259** is amended to read:
1931 **63I-1-259 (Effective 05/06/26) (Applies beginning 01/01/26). Repeal dates: Title**

- 1932 **59.**
- 1933 (1) Subsection 59-1-403(4)(aa), regarding a requirement for the State Tax Commission to
- 1934 inform the Department of Workforce Services whether an individual claimed a federal
- 1935 earned income tax credit, is repealed July 1, 2029.
- 1936 [~~(2) Section 59-2-1603, Allocation of money in the Property Tax Valuation Fund -- Use of~~
- 1937 ~~funds, is repealed July 1, 2030.~~]
- 1938 [~~(3)~~ (2) Section 59-5-304, Tax credit for mining exploration, is repealed July 1, 2037.
- 1939 [~~(4)~~ (3) Section 59-7-618.1, Tax credit related to alternative fuel heavy duty vehicles, is
- 1940 repealed July 1, 2029.
- 1941 [~~(5)~~ (4) Section 59-9-102.5, Offset for occupational health and safety related donations, is
- 1942 repealed December 31, 2030.
- 1943 [~~(6)~~ (5) Section 59-10-1033.1, Tax credit related to alternative fuel heavy duty vehicles, is
- 1944 repealed July 1, 2029.
- 1945 [~~(7)~~ (6) Subsection 59-28-103(5), regarding a tax rate on certain transactions that take place
- 1946 within a county of the first class, is repealed July 1, 2047.
- 1947 Section 35. Section **63N-3-602** is amended to read:
- 1948 **63N-3-602 (Effective 05/06/26). Definitions.**
- 1949 As used in this part:
- 1950 (1) "Affordable housing" means housing occupied or reserved for occupancy by households
- 1951 with a gross household income:
- 1952 (a) equal to or less than 80% of the county median gross income for households of the
- 1953 same size, in certain circumstances as provided in this part; or
- 1954 (b) equal to or less than 60% of the county median gross income for households of the
- 1955 same size, in certain circumstances as provided in this part.
- 1956 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 1957 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
- 1958 roll last equalized during the base year.
- 1959 (4) "Base year" means, for each property tax increment collection period triggered within a
- 1960 proposed housing and transit reinvestment zone or convention center reinvestment zone
- 1961 project area, the calendar year prior to the calendar year the property tax increment
- 1962 begins to be collected for the parcels that are in a project that is triggered for that
- 1963 collection period.
- 1964 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and
- 1965 efficient service that may include dedicated lanes, busways, traffic signal priority,

- 1966 off-board fare collection, elevated platforms, and enhanced stations.
- 1967 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed
- 1968 station, stop, or terminal that is specifically identified as needed in phase one of a
- 1969 metropolitan planning organization's adopted long-range transportation plan and in
- 1970 phase one of the relevant public transit district's adopted long-range transit plan:
- 1971 (a) along an existing bus rapid transit line; or
- 1972 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 1973 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.
- 1974 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a
- 1975 large public transit district.
- 1976 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public
- 1977 transit district.
- 1978 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed
- 1979 station, stop, or terminal, which has been specifically identified as needed in phase one
- 1980 of a metropolitan planning organization's adopted long-range transportation plan and in
- 1981 phase one of the relevant public transit district's adopted long-range transit plan:
- 1982 (a) along an existing commuter rail line;
- 1983 (b) along an extension to an existing commuter rail line or new commuter rail line;
- 1984 (c) along a fixed guideway extension from an existing commuter rail line; or
- 1985 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an
- 1986 existing commuter rail station.
- 1987 (10) "Convention center" means a convention center owned by a county of the first class
- 1988 within a city of the first class.
- 1989 (11) "Convention center revitalization project" means a project within a city of the first
- 1990 class within a county of the first class for the revitalization, activation, and
- 1991 modernization of a convention center and the surrounding area, including projects
- 1992 meeting the objectives described in Section 63N-3-603.1.
- 1993 (12) "Convention center reinvestment zone" means a convention center reinvestment zone
- 1994 created under this part.
- 1995 (13)(a) "Developable area" means the portion of land within a housing and transit
- 1996 reinvestment zone available for development and construction of business and
- 1997 residential uses.
- 1998 (b) "Developable area" does not include portions of land within a housing and transit
- 1999 reinvestment zone that are allocated to:

- 2000 (i) parks;
- 2001 (ii) recreation facilities;
- 2002 (iii) open space;
- 2003 (iv) trails;
- 2004 (v) publicly-owned roadway facilities; or
- 2005 (vi) other public facilities.
- 2006 (14) "Dwelling unit" means one or more rooms arranged for the use of one or more
- 2007 individuals living together, as a single housekeeping unit normally having cooking,
- 2008 living, sanitary, and sleeping facilities.
- 2009 (15) "Eligible municipality" means a city that:
- 2010 (a)(i) is the county seat of a county of the first class; or
- 2011 (ii) a city of the first class located in a county of the first class; and
- 2012 (b) has a convention center within the boundary of the city.
- 2013 (16) "Enhanced development" means the construction of mixed uses including housing,
- 2014 commercial uses, and related facilities.
- 2015 (17) "Enhanced development costs" means extra costs associated with structured parking
- 2016 costs, vertical construction costs, horizontal construction costs, life safety costs,
- 2017 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
- 2018 height of buildings or enhanced development.
- 2019 (18) "First home investment zone" means the same as that term is defined in Section
- 2020 63N-3-1601.
- 2021 (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 2022 (20) "Horizontal construction costs" means the additional costs associated with earthwork,
- 2023 over excavation, utility work, transportation infrastructure, and landscaping to achieve
- 2024 enhanced development in the housing and transit reinvestment zone.
- 2025 (21) "Housing and transit reinvestment zone" means a housing and transit reinvestment
- 2026 zone created pursuant to this part.
- 2027 (22) "Housing and transit reinvestment zone committee" means a housing and transit
- 2028 reinvestment zone committee created pursuant to Section 63N-3-605.
- 2029 (23) "Large public transit district" means the same as that term is defined in Section
- 2030 17B-2a-802.
- 2031 (24) "Light rail" means a passenger rail public transit system with right-of-way and fixed
- 2032 rails:
- 2033 (a) dedicated to exclusive use by light-rail public transit vehicles;

- 2034 (b) that may cross streets at grade; and
- 2035 (c) that may share parts of surface streets.
- 2036 (25) "Light rail station" means an existing station, stop, or terminal or a proposed station,
- 2037 stop, or terminal, which has been specifically identified as needed in phase one of a
- 2038 metropolitan planning organization's adopted long-range transportation plan and in
- 2039 phase one of the relevant public transit district's adopted long-range plan:
- 2040 (a) along an existing light rail line; or
- 2041 (b) along an extension to an existing light rail line or new light rail line.
- 2042 (26) "Metropolitan planning organization" means the same as that term is defined in
- 2043 Section 72-1-208.5.
- 2044 (27) "Mixed use development" means development with a mix of:
- 2045 (a) multi-family residential use; and
- 2046 (b) at least one additional land use, which shall be a significant part of the overall
- 2047 development.
- 2048 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 2049 (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 2050 (30) "Participation agreement" means the same as that term is defined in Section 17C-1-102,
- 2051 except that the agency may not provide and the person may not receive a direct subsidy.
- 2052 (31) "Project" means a housing and transit reinvestment zone or convention center
- 2053 reinvestment zone created under this part.
- 2054 (32)(a) "Property tax increment" means the difference between:
- 2055 (i) the amount of property tax revenue generated each tax year by a taxing entity from
- 2056 the area within a housing and transit reinvestment zone or convention center
- 2057 reinvestment zone designated in the applicable reinvestment zone proposal as the
- 2058 area from which tax increment is to be collected, using the current assessed value
- 2059 and each taxing entity's current certified tax rate as defined in Section 59-2-924;
- 2060 and
- 2061 (ii) the amount of property tax revenue that would be generated from that same area
- 2062 using the base taxable value and each taxing entity's current certified tax rate as
- 2063 defined in Section 59-2-924.
- 2064 (b) "Property tax increment" does not include property tax revenue from:
- 2065 (i) a multicounty assessing and collecting levy described in [~~Subsection 59-2-1602(2)~~]
- 2066 Section 59-2-1602;
- 2067 (ii) a county additional property tax described in [~~Subsection 59-2-1602(4)~~] Section

- 2068 59-2-1602; or
- 2069 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 2070 (33) "Public transit county" means a county that has created a small public transit district.
- 2071 (34) "Public transit hub" means a public transit depot or station where four or more routes
- 2072 serving separate parts of the county-created transit district stop to transfer riders between
- 2073 routes.
- 2074 (35) "Sales and use tax base year" means:
- 2075 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by
- 2076 the first year pertaining to the tax imposed in Section 59-12-103 after the sales and
- 2077 use tax boundary for a housing and transit reinvestment zone is established; or
- 2078 (b) for a convention center reinvestment zone, a sales and use tax year determined by the
- 2079 year specified in the approved proposal for a convention center reinvestment zone,
- 2080 pertaining to the taxes:
- 2081 (i) imposed under Section 59-12-103;
- 2082 (ii) imposed by a city of the first class in a county of the first class under Title 59,
- 2083 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 2084 (iii) imposed by a city of the first class in a county of the first class under Section
- 2085 59-12-402.1;
- 2086 (iv) imposed by a county of the first class under Section 59-12-1102; and
- 2087 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local
- 2088 Option Sales and Use Taxes for Transportation Act.
- 2089 (36) "Sales and use tax boundary" means:
- 2090 (a) for a housing and transit reinvestment zone, a boundary created as described in
- 2091 Section 63N-3-604, based on state sales and use tax collection boundaries that
- 2092 correspond as closely as reasonably practicable to the housing and transit
- 2093 reinvestment zone boundary; or
- 2094 (b) for a convention center reinvestment zone, a boundary created as described in
- 2095 Section 63N-3-604.1, based on state sales and use tax collection boundaries that
- 2096 correspond as closely as reasonably practicable to the convention center reinvestment
- 2097 zone boundary.
- 2098 (37) "Sales and use tax increment" means:
- 2099 (a) for a housing and transit reinvestment zone, the difference between:
- 2100 (i) the amount of state sales and use tax revenue generated each year following the
- 2101 sales and use tax base year by the sales and use tax from the area within a housing

- 2102 and transit reinvestment zone designated in the housing and transit reinvestment
 2103 zone proposal as the area from which sales and use tax increment is to be
 2104 collected; and
- 2105 (ii) the amount of state sales and use tax revenue that was generated from that same
 2106 area during the sales and use tax base year; or
- 2107 (b) for a convention center reinvestment zone, the difference between:
- 2108 (i) the amount of sales and use tax revenue generated each year following the sales
 2109 and use tax base year by the sales and use tax from the area within a convention
 2110 center reinvestment zone designated in the convention center reinvestment zone
 2111 proposal as the area from which sales and use tax increment is to be collected; and
- 2112 (ii) the amount of sales and use tax revenue that was generated from that same area
 2113 during the sales and use tax base year.
- 2114 (38) "Sales and use tax revenue" means:
- 2115 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax
 2116 imposed under Section 59-12-103; or
- 2117 (b) for a convention center reinvestment zone, revenue that is generated from:
- 2118 (i) the sales and use taxes imposed under Section 59-12-103; and
- 2119 (ii) the sales and use taxes:
- 2120 (A) imposed by a city of the first class in a county of the first class under Title 59,
 2121 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 2122 (B) imposed by a city of the first class in a county of the first class under Section
 2123 59-12-402.1;
- 2124 (C) imposed by a county of the first class under Section 59-12-1102; and
- 2125 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22,
 2126 Local Option Sales and Use Taxes for Transportation Act.
- 2127 (39) "Small public transit district" means the same as that term is defined in Section
 2128 17B-2a-802.
- 2129 (40) "Tax Commission" means the State Tax Commission created in Section 59-1-201.
- 2130 (41) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 2131 (42) "Vertical construction costs" means the additional costs associated with construction
 2132 above four stories and structured parking to achieve enhanced development in the
 2133 housing and transit reinvestment zone.
- 2134 Section 36. Section **63N-3-603.1** is amended to read:
- 2135 **63N-3-603.1 (Effective 05/06/26). Applicability, requirements, and limitations on**

2136 **a convention center reinvestment zone.**

- 2137 (1) A convention center reinvestment zone proposal created under this part shall
2138 demonstrate how the proposal addresses the following objectives:
- 2139 (a) redevelopment of a convention center and the surrounding area's infrastructure and
2140 assets;
 - 2141 (b) activation of unrealized economic opportunities related to the convention center and
2142 surrounding infrastructure and assets;
 - 2143 (c) modernization of infrastructure and design of the convention center and surrounding
2144 area and related public spaces;
 - 2145 (d) encouragement of transformative development and investment, including parking
2146 improvements;
 - 2147 (e) promotion of economic development and employment opportunities;
 - 2148 (f) improvement of the aesthetic, functionality, and walkability of the convention center
2149 and surrounding area;
 - 2150 (g) enhancement of tourism opportunities; and
 - 2151 (h) creation of outdoor event space to accommodate events or festivals open to the
2152 public.
- 2153 (2) A convention center reinvestment zone in a capital city proposal created under this part
2154 shall also demonstrate how the proposal addresses the following objectives:
- 2155 (a) redevelopment of a convention center and surrounding infrastructure and assets that
2156 directly serve the convention center, including parking facilities;
 - 2157 (b) modernization of infrastructure and design of the convention center; and
 - 2158 (c) improvement of the aesthetic, functionality, and walkability of the convention center.
- 2159 (3) The Governor's Office of Economic Opportunity shall propose a convention center
2160 reinvestment zone to accomplish the objectives described in Subsections (1) and (2).
- 2161 (4)(a)(i) A convention center reinvestment zone proposal may propose the capture of
2162 100% of the property tax increment and 100% of the sales and use tax increment
2163 described in Subsection 63N-3-602(38)(b)(ii) for a period of 30 years.
- 2164 (ii) For a convention center reinvestment zone in a capital city, in addition to the
2165 proposed capture of property tax increment and sales and use tax increment
2166 described in Subsection (4)(a)(i), the convention center reinvestment zone may
2167 propose the capture of 50% of the sales and use tax increment described in
2168 Subsection 63N-3-602(38)(b)(i).
- 2169 (b) The convention center reinvestment zone proposal shall include the respective start

- 2170 date and base year date from which to calculate:
- 2171 (i) the 30-year period of property tax increment; and
- 2172 (ii) the 30-year period of the sales and use tax increment.
- 2173 (c) The convention center reinvestment zone proposal may not stagger the collection
- 2174 periods for the parcels within the convention center reinvestment zone boundary and
- 2175 the parcels within the convention center reinvestment zone boundary shall have the
- 2176 same 30-year collection period.
- 2177 (d) The convention center reinvestment zone proposal start date for the 30-year period
- 2178 described in this Subsection (4), shall be no sooner than January 1 of the year of the
- 2179 identified tax collection year.
- 2180 (e)(i) For a convention center reinvestment zone in a capital city, revenue from the
- 2181 property tax increment and sales and use tax increment shall be distributed
- 2182 directly to a convention center public infrastructure district in a capital city created
- 2183 as required in Subsection 63N-3-607(8)(b); and
- 2184 (ii) For a convention center reinvestment zone in a city other than a capital city,
- 2185 revenue from the property tax increment and sales and use tax increment may be
- 2186 distributed directly to the municipality or public infrastructure district as described
- 2187 in the convention center reinvestment zone proposal.
- 2188 (5) The Governor's Office of Economic Opportunity may only propose a convention center
- 2189 reinvestment zone:
- 2190 (a) within the boundary of the eligible municipality;
- 2191 (b) consisting of a total area:
- 2192 (i) not to exceed 50 acres; or
- 2193 (ii) if greater than 50 acres, approved by the relevant eligible municipality;
- 2194 (c) consisting only of contiguous parcels; and
- 2195 (d) for a convention center reinvestment zone in a capital city, in an area that includes
- 2196 any portion of an existing convention center and any city block that is bordered by an
- 2197 existing convention center.
- 2198 (6)(a) For a convention center reinvestment zone in a capital city, the Governor's Office
- 2199 of Economic Opportunity shall propose a convention center reinvestment zone on or
- 2200 before April 15, 2025.
- 2201 (b) For a convention center reinvestment zone that is not in a capital city, the Governor's
- 2202 Office of Economic Opportunity shall propose a convention center reinvestment zone
- 2203 within 60 days after receiving a petition from the relevant city.

2204 (7) A convention center reinvestment zone does not count toward the maximum of eight
 2205 housing and transit reinvestment zones in a given county as provided in Subsection
 2206 63N-3-603(7)(a).

2207 (8) A municipality or public infrastructure district that receives tax increment shall comply
 2208 with the requirements described in Title 59, Chapter 35, Tax Increment Financing
 2209 Reporting.

2210 Section 37. Section **63N-3-607** is amended to read:

2211 **63N-3-607 (Effective 05/06/26). Payment, use, and administration of revenue**
 2212 **from a housing and transit reinvestment zone.**

2213 (1) In accordance with this part:

2214 (a) a municipality or public transit county may receive and use property tax increment
 2215 and housing and transit reinvestment zone funds;

2216 (b)(i) a public infrastructure district shall use the funds from a convention center
 2217 reinvestment zone in a capital city within or for the benefit of a convention center
 2218 reinvestment zone in a capital city; and

2219 (ii) funds from a convention center reinvestment zone in a capital city may be used
 2220 outside of the capital city convention center reinvestment zone if the use meets the
 2221 objectives described in Section 63N-3-603.1 and is determined by the board of the
 2222 public infrastructure district to be a direct benefit to the convention center
 2223 reinvestment zone in a capital city; and

2224 (c) a municipality or a public infrastructure district may receive and use property tax
 2225 increment and convention center reinvestment zone funds for a convention center
 2226 reinvestment zone that is not within a capital city.

2227 (2)(a) Except as provided in Subsection (3), a county that collects property tax on
 2228 property located within a housing and transit reinvestment zone shall, in accordance
 2229 with Section 59-2-1365, distribute to the municipality or public transit county any
 2230 property tax increment the municipality or public transit county is authorized to
 2231 receive up to the maximum approved by the housing and transit reinvestment zone
 2232 committee.

2233 (b) Property tax increment distributed to a municipality or public transit county in
 2234 accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality
 2235 or public transit county.

2236 (c)(i) Property tax increment paid to the municipality or public transit county are
 2237 housing and transit reinvestment zone funds and shall be administered by an

- 2238 agency created by the municipality or public transit county within which the
2239 housing and transit reinvestment zone is located.
- 2240 (ii) Before an agency may receive housing and transit reinvestment zone funds from
2241 the municipality or public transit county, the municipality or public transit county
2242 and the agency shall enter into an interlocal agreement with terms that:
- 2243 (A) are consistent with the approval of the housing and transit reinvestment zone
2244 committee; and
- 2245 (B) meet the requirements of Section 63N-3-603 or, for a convention center
2246 reinvestment zone, the requirements of Section 63N-3-603.1.
- 2247 (3)(a) A county that collects property tax on property located within a convention center
2248 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the
2249 relevant public infrastructure district created by the eligible municipality any
2250 property tax increment the public infrastructure district is authorized to receive up to
2251 the amounts approved by the housing and transit reinvestment zone committee.
- 2252 (b) Property tax increment distributed to a public infrastructure district in accordance
2253 with Subsection (3)(a) is not revenue of the taxing entity or municipality.
- 2254 (c) Property tax increment paid to the public infrastructure district are convention center
2255 reinvestment zone funds and shall be administered by the public infrastructure district
2256 within which the convention center reinvestment zone is located.
- 2257 (4)(a)(i) A municipality or public transit county and agency shall use housing and
2258 transit reinvestment zone funds within, or for the direct benefit of, the housing and
2259 transit reinvestment zone.
- 2260 (ii) A public infrastructure district shall use convention center reinvestment zone
2261 funds within, or for the benefit of, the convention center reinvestment zone.
- 2262 (b) If any housing and transit reinvestment zone funds will be used outside of the
2263 housing and transit reinvestment zone, there ~~[must]~~ shall be a finding in the approved
2264 proposal for a housing and transit reinvestment zone that the use of the housing and
2265 transit reinvestment zone funds outside of the housing and transit reinvestment zone
2266 will directly benefit the housing and transit reinvestment zone.
- 2267 (5)(a) A municipality or public transit county shall use housing and transit reinvestment
2268 zone funds to achieve the purposes described in Subsections 63N-3-603(1) and (2),
2269 by paying all or part of the costs of any of the following:
- 2270 (i) income targeted housing costs;
- 2271 (ii) structured parking within the housing and transit reinvestment zone;

- 2272 (iii) enhanced development costs;
- 2273 (iv) horizontal construction costs;
- 2274 (v) vertical construction costs;
- 2275 (vi) property acquisition costs within the housing and transit reinvestment zone;
- 2276 (vii) the costs of the municipality or public transit county to create and administer the
- 2277 housing and transit reinvestment zone, which may not exceed 2% of the total
- 2278 housing and transit reinvestment zone funds, plus the costs to complete the gap
- 2279 analysis described in Subsection 63N-3-604(2); or
- 2280 (viii) subject to Subsection (5)(b), costs for the construction or expansion of child
- 2281 care facilities within the boundary of the housing and transit reinvestment zone.
- 2282 (b) A municipality or public transit county may not use more than 1% of the total
- 2283 housing and transit reinvestment zone funds to pay costs described in Subsection
- 2284 (5)(a)(viii).
- 2285 (c) A public infrastructure district shall use convention center reinvestment zone funds
- 2286 to achieve the purposes described in Section 63N-3-603.1.
- 2287 (6) Housing and transit reinvestment zone funds may be paid to a participant, if the agency
- 2288 and participant enter into a participation agreement that requires the participant to utilize
- 2289 the housing and transit reinvestment zone funds as allowed in this section.
- 2290 (7)(a) Housing and transit reinvestment zone funds may be used to pay all of the costs of
- 2291 bonds issued by the municipality or public transit county in accordance with Title
- 2292 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the
- 2293 bonds including interest.
- 2294 (b) Convention center reinvestment zone funds may be used to pay all of the costs of
- 2295 debt incurred by the public infrastructure district, including the cost to issue and
- 2296 repay the debt including interest.
- 2297 (8)(a) A municipality or public transit county may create one or more public
- 2298 infrastructure districts within the housing and transit reinvestment zone under Title
- 2299 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing
- 2300 and transit reinvestment zone funds to guarantee the payment of public infrastructure
- 2301 bonds issued by a public infrastructure district.
- 2302 (b) An eligible municipality that is a capital city shall create one or more public
- 2303 infrastructure districts within the convention center reinvestment zone under Title
- 2304 17D, Chapter 4, Public Infrastructure District Act, and the convention center
- 2305 reinvestment zone funds may be used to pay all or any portion of debt incurred by the

2306 public infrastructure district, including the cost to issue and repay the debt including
2307 interest.

2308 (9) A municipality, public transit county, or public infrastructure district that receives
2309 property tax increment shall comply with the requirements described in Title 59,
2310 Chapter 35, Tax Increment Financing Reporting.

2311 Section 38. Section **63N-3-609** is amended to read:

2312 **63N-3-609 (Effective 05/06/26). Property tax increment protections.**

2313 (1) Upon petition by a participating taxing entity or on the initiative of the housing and
2314 transit reinvestment zone committee creating a housing and transit reinvestment zone or
2315 convention center reinvestment zone, a housing and transit reinvestment zone or
2316 convention center reinvestment zone may suspend or terminate the collection of
2317 property tax increment in a housing and transit reinvestment zone or convention center
2318 reinvestment zone if the housing and transit reinvestment zone committee determines,
2319 by clear and convincing evidence, presented in a public meeting of the housing and
2320 transit reinvestment zone committee, that:

2321 (a) a substantial portion of the property tax increment collected in the housing and transit
2322 reinvestment zone or convention center reinvestment zone has not or will not be used
2323 for the purposes provided in Section 63N-3-607; and

2324 (b)(i) the housing and transit reinvestment zone or convention center reinvestment
2325 zone and related public infrastructure district has no indebtedness secured by
2326 funds provided for in this chapter; or

2327 (ii) the housing and transit reinvestment zone or convention center reinvestment zone
2328 and related public infrastructure district has no binding financial obligations
2329 secured by this chapter.

2330 (2) A housing and transit reinvestment zone or convention center reinvestment zone may
2331 not collect property tax increment in excess of the property tax increment projections or
2332 limitations set forth in the housing and transit reinvestment zone or convention center
2333 reinvestment zone proposal and disclosed in accordance with Title 59, Chapter 35, Part
2334 2, Pre-increment Disclosure and Reporting.

2335 (3) The agency administering the property tax increment collected in a housing and transit
2336 reinvestment zone under Subsection 63N-3-607(2)(c) or the public infrastructure district
2337 administering the property tax increment collected in a convention center reinvestment
2338 zone under Subsection 63N-3-607(3)(c), shall have standing in a court with proper
2339 jurisdiction to enforce provisions of the housing and transit reinvestment zone or

2340 convention center reinvestment zone proposal, participation agreements, and other
 2341 agreements for the use of the property tax increment collected.

2342 (4) The agency administering property tax increment from a housing and transit
 2343 reinvestment zone under Subsection 63N-3-607(2)(c) or the public infrastructure district
 2344 administering the property tax increment collected in a convention center reinvestment
 2345 zone under Subsection 63N-3-607(3)(c) which is collecting property tax increment shall
 2346 follow the [reporting] requirements described in [~~Section 17C-1-603~~] Title 59, Chapter
 2347 35, Tax Increment Financing Reporting, and the audit requirements described in
 2348 Sections 17C-1-604 and 17C-1-605.

2349 (5) For each housing and transit reinvestment zone or convention center reinvestment zone
 2350 collecting tax increment within a county, the county auditor shall follow the reporting
 2351 requirement found in Section 17C-1-606.

2352 Section 39. Section **63N-3-1601** is amended to read:

2353 **63N-3-1601 (Effective 05/06/26). Definitions.**

2354 (1) "Affordable housing" means:

2355 (a) for homes that are not owner occupied, housing occupied or reserved for occupancy
 2356 by households with a gross household income equal to or less than 80% of the county
 2357 median gross income for households of the same size; or

2358 (b)(i) for homes that are owner occupied, housing that is priced at 80% of the county
 2359 median home price; or

2360 (ii) for homes that are owner occupied, housing that is priced at 80% of the zip code
 2361 median home price if:

2362 (A) the proposal described in Section 63N-3-1603 demonstrates that a deviation
 2363 from the county median home price will achieve the objectives described in
 2364 Subsection 63N-3-1602(1); and

2365 (B) the zip code median home price is based upon county property tax assessment
 2366 data.

2367 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

2368 (3) "Base taxable value" means the same as that term is defined in Section 63N-3-602.

2369 (4) "Base year" means, for each tax increment collection period triggered within a proposed
 2370 first home investment zone area, the calendar year prior to the calendar year the tax
 2371 increment begins to be collected for those parcels triggered for that collection period.

2372 (5)(a) "Developable area" means the portion of land within a first home investment zone
 2373 available for development and construction of business and residential uses.

- 2374 (b) "Developable area" does not include portions of land within a first home investment
2375 zone that are allocated to:
- 2376 (i) parks;
 - 2377 (ii) recreation facilities;
 - 2378 (iii) open spaces;
 - 2379 (iv) trails;
 - 2380 (v) parking;
 - 2381 (vi) roadway facilities; or
 - 2382 (vii) other public facilities.
- 2383 (6) "Dwelling unit" means the same as that term is defined in Section 63N-3-602.
- 2384 (7) "Extraterritorial home" means a dwelling unit that is included as part of the first home
2385 investment zone proposal that:
- 2386 (a) is located within the municipality proposing the first home investment zone but
2387 outside the boundary of the first home investment zone;
 - 2388 (b) is part of a development with a density of at least six units per acre;
 - 2389 (c) is not located within an existing housing and transit reinvestment zone or an area that
2390 could be included in a housing and transit reinvestment zone;
 - 2391 (d) has not been issued a building permit by the municipality as of the date of the
2392 approval of the first home investment zone; and
 - 2393 (e) is required to be owner occupied for no less than 25 years.
- 2394 (8) "First home investment zone" means a first home investment zone created in accordance
2395 with this part.
- 2396 (9) "Home" means a dwelling unit.
- 2397 (10) "Housing and transit reinvestment zone" means the same as that term is defined in
2398 Section 63N-3-602.
- 2399 (11) "Housing and transit reinvestment zone committee" means the housing and transit
2400 reinvestment zone committee described in Section 63N-3-605.
- 2401 (12) "Metropolitan planning organization" means the same as that term is defined in
2402 Section 72-1-208.5.
- 2403 (13) "Mixed use development" means the same as that term is defined in Section [
2404 ~~63N-3-603~~] 63N-3-602.
- 2405 (14) "Moderate income housing plan" means the same as that term is defined in Section
2406 11-41-102.
- 2407 (15) "Municipality" means the same as that term is defined in Section 10-1-104.

- 2408 (16) "Owner occupied" means private real property that is:
2409 (a) used for a single-family residential purpose; and
2410 (b) required to be occupied by the owner of the real property for no less than 25 years.
- 2411 (17) "Project area" means the same as that term is defined in Section 17C-1-102.
- 2412 (18)(a) "Project improvements" means site improvements and facilities that are:
2413 (i) planned and designed to provide service for development resulting from a
2414 development activity;
2415 (ii) necessary for the use and convenience of the occupants or users of development
2416 resulting from a development activity; and
2417 (iii) not identified or reimbursed as a system improvement.
- 2418 (b) "Project improvements" does not mean system improvements.
- 2419 (19) "State Tax Commission" means the State Tax Commission created in Section 59-1-201.
- 2420 (20)(a) "System improvements" means existing and future public facilities that are
2421 designed to provide services to service areas within the community at large.
2422 (b) "System improvements" does not mean project improvements.
- 2423 (21)(a) "Tax increment" means the difference between:
2424 (i) the amount of property tax revenue generated each tax year by a taxing entity from
2425 the area within a first home investment zone designated in the first home
2426 investment zone proposal as the area from which tax increment is to be collected,
2427 using the current assessed value and each taxing entity's current certified tax rate
2428 as defined in Section 59-2-924; and
2429 (ii) the amount of property tax revenue that would be generated from that same area
2430 using the base taxable value and each taxing entity's current certified tax rate as
2431 defined in Section 59-2-924.
- 2432 (b) "Tax increment" does not include property tax revenue from[:] a multicounty
2433 assessing and collecting levy or a county additional property tax described in Section
2434 59-2-1602.
2435 [~~(i) a multicounty assessing and collecting levy described in Subsection~~
2436 ~~59-2-1602(2); or~~]
2437 [~~(ii) a county additional property tax described in Subsection 59-2-1602(4).~~]
- 2438 (22) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 2439 (23) "Unencumbered annual community reinvestment agency revenue" means tax
2440 increment revenue received by the agency for purposes identified in Title 17C, Limited
2441 Purpose Local Government Entities - Community Reinvestment Agency Act, that:

- 2442 (a) have not been designated or restricted for future qualified uses as approved by the
 2443 agency board related to a specific project area; and
- 2444 (b) do not have a date certain by which the tax increment [~~revenues~~] revenue will be used.
 2445 Section 40. Section **63N-3-1606** is amended to read:
- 2446 **63N-3-1606 (Effective 05/06/26). Payment, use, and administration of tax**
 2447 **increment from a first home investment zone.**
- 2448 (1) A municipality may receive and use tax increment and first home investment zone funds
 2449 in accordance with this part.
- 2450 (2)(a) A county that collects property tax on property located within a first home
 2451 investment zone shall, in accordance with Section 59-2-1365, distribute to the
 2452 municipality any tax increment the municipality is authorized to receive up to the
 2453 maximum approved by the housing and transit reinvestment zone committee.
- 2454 (b)(i) Except as provided in Subsection (2)(b)(ii), tax increment paid to the
 2455 municipality are first home investment zone funds and shall be administered by
 2456 the municipality within which the first home investment zone is located.
- 2457 (ii) A municipality may contract with an agency, county, or a housing authority to
 2458 administer tax increment and the first home investment zone, ensure compliance
 2459 with first home investment zone requirements, and administer deed restrictions.
- 2460 (iii) Before an agency may receive first home investment zone funds from the
 2461 municipality, the municipality and the agency shall enter into an interlocal
 2462 agreement with terms that:
- 2463 (A) are consistent with the approval of the housing and transit reinvestment zone
 2464 committee; and
- 2465 (B) meet the requirements of Section 63N-3-1502.
- 2466 (3)(a) A municipality and the agency shall use first home investment zone funds for the
 2467 benefit of the first home investment zone and related extraterritorial housing.
- 2468 (b) If any first home investment zone funds will be used outside of the first home
 2469 investment zone there [~~must~~] shall be a finding in the approved proposal for a first
 2470 home investment zone that the use of the first home investment zone funds outside of
 2471 the first home investment zone will directly benefit the first home investment zone or
 2472 related extraterritorial homes.
- 2473 (4) In accordance with Subsection 63N-3-1502(4)(e), a municipality shall use the first home
 2474 investment zone funds to achieve the purposes described in Subsections 63N-3-1502(1)
 2475 and (2), by paying all or part of the costs associated with the first home investment zone

- 2476 and extraterritorial homes, including:
- 2477 (a) project improvements;
- 2478 (b) system improvements; and
- 2479 (c) the costs of the municipality to create and administer the first home investment zone,
- 2480 which may not exceed 2% of the total first home investment zone funds, plus the
- 2481 costs to complete the gap analysis described in Subsection 63N-3-1603(2).
- 2482 (5) First home investment zone funds may be paid to a participant, if the agency and
- 2483 participant enter into a participation agreement which requires the participant to utilize
- 2484 the first home investment zone funds as allowed in this section.
- 2485 (6) First home investment zone funds may be used to pay all of the costs of bonds issued by
- 2486 the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,
- 2487 including the cost to issue and repay the bonds including interest.
- 2488 (7) A municipality may create one or more public infrastructure districts within the city
- 2489 under Title 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the
- 2490 first home investment zone funds to guarantee the payment of public infrastructure
- 2491 bonds issued by a public infrastructure district.
- 2492 (8) A municipality, agency, or public infrastructure district that receives tax increment shall
- 2493 comply with the requirements described in Title 59, Chapter 35, Tax Increment
- 2494 Financing Reporting.
- 2495 Section 41. Section **63N-3-1608** is amended to read:
- 2496 **63N-3-1608 (Effective 05/06/26). Tax increment protections.**
- 2497 (1) Upon petition by a participating taxing entity or on the initiative of the housing and
- 2498 transit reinvestment zone committee creating a first home investment zone, a first home
- 2499 investment zone may suspend or terminate the collection of tax increment in a first home
- 2500 investment zone if the housing and transit reinvestment zone committee determines, by
- 2501 clear and convincing evidence, presented in a public meeting of the housing and transit
- 2502 reinvestment zone committee, that:
- 2503 (a) a substantial portion of the tax increment collected in the first home investment zone
- 2504 has not or will not be used for the purposes provided in Section 63N-3-1606; and
- 2505 (b)(i) the first home investment zone has no indebtedness; or
- 2506 (ii) the first home investment zone has no binding financial obligations.
- 2507 (2) A first home investment zone may not collect tax increment in excess of the tax
- 2508 increment projections or limitations set forth in the first home investment zone proposal
- 2509 and disclosed in accordance with Title 59, Chapter 35, Part 2, Pre-increment Disclosure

2510 and Reporting.

2511 (3) The agency administering the tax increment collected in a first home investment zone
2512 under Subsection 63N-3-1606(2), shall have standing in a court with proper jurisdiction
2513 to enforce provisions of the first home investment zone proposal, participation
2514 agreements, and other agreements for the use of the tax increment collected.

2515 (4) The agency administering tax increment from a first home investment zone under
2516 Subsection 63N-3-1606(2) shall follow the [~~reporting~~]requirements described in [
2517 ~~Section 17C-1-603~~] Title 59, Chapter 35, Tax Increment Financing Reporting, and the
2518 audit requirements described in Sections 17C-1-604 and 17C-1-605.

2519 (5) For each first home investment zone collecting tax increment within a county, the
2520 county auditor shall follow the reporting requirement found in Section 17C-1-606.

2521 Section 42. Section **63N-3-1701** is amended to read:

2522 **63N-3-1701 (Effective 05/06/26). Definitions.**

2523 As used in this part:

2524 (1) "Base taxable value" means the taxable value of land within a qualified development
2525 zone as shown upon the assessment roll last equalized during the property tax base year.

2526 (2) "Committee" means a major sporting event venue zone committee described in Section
2527 63N-3-1706.

2528 (3) "Creating entity" means a municipality or a county.

2529 (4) "Impacted primary area" means the land outside a major sporting event venue zone but
2530 within one mile of the boundary of the major sporting event venue zone.

2531 (5)(a) "Major sporting event venue" means a venue that has been or is proposed to be
2532 used for the Olympic Games, as confirmed by the Salt Lake City-Utah Committee for
2533 the Games, a site, arena, or facility along with supporting or adjacent structures [~~so~~
2534 ~~long as~~] if the expected expenditures to construct, demolish, reconstruct, modify,
2535 upgrade, or expand the site, arena, or facility exceeds \$100,000,000.

2536 (b) "Major sporting event venue" includes structures where an international competition
2537 or professional athletic event is not taking place directly but where media, athletes,
2538 spectators, organizers, and officials associated with the international competition or
2539 professional athletic event are hosted in direct connection with the international
2540 competition or professional athletic event taking place at a location described in
2541 Subsection (5)(a).

2542 (6) "Major sporting event venue zone" means the land, as described in a proposal to create a
2543 major sporting event venue zone or a proposal to amend a major sporting event venue

2544 zone, or as approved by a committee for a major sporting event venue zone, upon which
2545 there are one or more major sporting event venues.

2546 (7) "Major sporting event venue zone revenue" means all the revenue captured by a creating
2547 entity for an area described in a major sporting event venue zone and if applicable the
2548 secondary project area, including:

2549 (a) property tax increment;

2550 (b) if applicable, local sales and use tax increment;

2551 (c) if applicable, accommodations tax;

2552 (d) if applicable, transient room tax; and

2553 (e) if applicable, resort communities sales and use tax and additional resort communities
2554 sales and use tax.

2555 (8) "Property tax base year" means, for each property tax increment collection period trigger
2556 ed within a qualified development zone or a proposed qualified development zone, the
2557 calendar year before the calendar year in which the property tax increment begins to be
2558 collected for the parcels triggered for that collection period.

2559 (9)(a) "Property tax increment" means the difference between:

2560 (i) the amount of property tax revenue generated each tax year by a taxing entity
2561 within a qualified development zone, or proposed qualified development zone,
2562 from which property tax increment is to be collected, using the current assessed
2563 value and each taxing entity's current certified tax rate as defined in Section
2564 59-2-924; and

2565 (ii) the amount of property tax revenue that would be generated from the area
2566 described in Subsection (9)(a)(i) using the base taxable value and each taxing
2567 entity's current certified tax rate as defined in Section 59-2-924.

2568 (b) "Property tax increment" does not include property tax revenue from~~[:]~~ a
2569 multicounty assessing and collecting levy or a county additional property tax
2570 described in Section 59-2-1602.

2571 ~~[(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
2572 ~~or]~~

2573 ~~[(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~

2574 (10) "Proposal" means a document, physical or electronic, developed by a creating entity:

2575 (a) outlining the need for a major sporting event venue zone;

2576 (b) describing the impacted primary area of a proposed major sporting event venue zone;

2577 (c) describing the proposed secondary project area of a proposed major sporting event

- 2578 venue zone, if any; and
- 2579 (d) submitted to a major sporting event venue zone committee.
- 2580 (11) "Qualified development zone" means the property within a major sporting event venue
- 2581 zone, and, if applicable, the secondary project area, as approved by the committee as
- 2582 described in this part.
- 2583 (12) "Sales and use tax base year" means a sales and use tax year determined by the first
- 2584 year pertaining to the tax imposed in Section 59-12-103 after the sales and use tax
- 2585 boundary for a major sporting event venue zone is established.
- 2586 (13)(a) "Sales and use tax boundary" means a boundary established as described in
- 2587 Sections 63N-3-1707 and 63N-3-1710, based on sales and use tax collection that
- 2588 corresponds as closely as reasonably practicable to the boundary of the major
- 2589 sporting event venue zone.
- 2590 (b) "Sales and use tax boundary" does not include land described in a secondary project
- 2591 area.
- 2592 (14) "Sales and use tax increment" means the difference between:
- 2593 (a) the amount of local sales and use tax revenue generated each year following the sales
- 2594 and use tax base year by the local sales and use tax from the area within a sales and
- 2595 use tax boundary from which local sales and use tax increment is to be collected; and
- 2596 (b) the amount of local sales and use tax revenue that was generated from within the
- 2597 sales and use tax boundary during the sales and use tax base year.
- 2598 (15)(a) "Secondary project area" means land, as described in a proposal to create a major
- 2599 sporting event venue zone or a proposal to amend a major sporting event venue zone,
- 2600 or as approved by a committee for a major sporting event venue zone:
- 2601 (i) located in the same jurisdiction as the creating entity for the major sporting event
- 2602 venue zone;
- 2603 (ii) located no more than two miles from the boundary of the major sporting event
- 2604 venue zone;
- 2605 (iii) connected to a major sporting event venue zone by a transportation system; and
- 2606 (iv) not exceeding 50 acres.
- 2607 (b) "Secondary project area" may include:
- 2608 (i) land that is not contiguous to the major sporting event venue zone, if the land
- 2609 designated in the secondary project area is the only or primary point of transit by
- 2610 which an individual may begin to access the major sporting event venue zone; and
- 2611 (ii) the land on which a connecting transportation system sits if the transportation

2612 system requires infrastructure that is permanently affixed to the land.

2613 (16) "Transportation system" means:

2614 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including
2615 connected structures;

2616 (b) an airport or aerial transit infrastructure;

2617 (c) a public transit facility; or

2618 (d) any other modes or form of conveyance used by the public.

2619 Section 43. Section **63N-3-1708** is amended to read:

2620 **63N-3-1708 (Effective 05/06/26). Major sporting event venue zone boundaries --**
2621 **Reporting requirements.**

2622 (1) After a major sporting event venue zone is approved by the committee, as described in
2623 Section 63N-3-1706, the committee shall provide notice to the State Tax Commission,
2624 no later than 90 days after the day on which the committee approves the proposal:

2625 (a) of the creation of the major sporting event venue zone, including the information
2626 described in Subsection (2);

2627 (b) if the committee approves the creating entity to receive local sales and use tax
2628 increment, the information described in Subsection (3); and

2629 (c) any information to the State Tax Commission required by the State Tax Commission.

2630 (2) The notice described in Subsection (1)(a) shall include:

2631 (a) a statement that the major sporting event venue zone will be established under this
2632 part;

2633 (b) the approval date and effective date of the major sporting event venue zone;

2634 (c) the boundary of the qualified development zone;

2635 (d) the sales and use tax base year, if applicable; and

2636 (e) the sales and use tax boundary, if applicable.

2637 (3) After the effective date of a major sporting event venue zone, as described in Section
2638 63N-3-1707, the creating entity shall provide a written report, no later than August 1, on
2639 the creating entity's activities to implement the objectives of the major sporting event
2640 venue zone to the executive director.

2641 (4) If the creating entity receives property tax increment or sales and use tax increment, the
2642 creating entity shall comply with the requirements described in Title 59, Chapter 35, Tax
2643 Increment Financing Reporting.

2644 [(4)] (5)(a) The executive director shall annually provide a written report, no later than
2645 October 1, summarizing all reports received by the executive director under

2646 Subsection (3), to the:

2647 (i) Revenue and Taxation Interim Committee;

2648 (ii) Political Subdivisions Interim Committee; and

2649 (iii) Economic Development and Workforce Services Interim Committee.

2650 (b) The executive director shall include with the written report described in Subsection

2651 (4)(a) any recommendations to the Legislature for statutory changes to this chapter or

2652 Title 11, Chapter 71, Major Sporting Event Venue Zones.

2653 Section 44. **Repealer.**

2654 This bill repeals:

2655 Section **59-2-1603, Allocation of money in the Property Tax Valuation Fund -- Use of**

2656 **funds.**

2657 Section 45. **Effective Date.**

2658 (1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.

2659 (2) The actions affecting Section 59-2-919.1 (Effective 07/01/26) take effect on July 1,

2660 2026.

2661 Section 46. **Retrospective operation.**

2662 The actions affecting the following sections have retrospective operation to January 1,

2663 2026:

2664 (1) Section 59-2-306.5;

2665 (2) Section 59-2-307;

2666 (3) Section 59-2-308;

2667 (4) Section 59-2-704;

2668 (5) Section 59-2-919.1 (Superseded 07/01/26);

2669 (6) Section 59-2-924.2;

2670 (7) Section 59-2-1601;

2671 (8) Section 59-2-1602;

2672 (9) Section 59-2-1603;

2673 (10) Section 59-2-1605;

2674 (11) Section 59-2-1606;

2675 (12) Section 59-2-2001;

2676 (13) Section 59-2-2002; and

2677 (14) Section 63I-2-259.