

Property Tax Adjustments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Chris H. Wilson

House Sponsor:

LONG TITLE**General Description:**

This bill modifies property tax provisions.

Highlighted Provisions:

This bill:

- requires residential property owners to apply to the county to receive a residential exemption if the property was ineligible for the residential exemption in the prior year, an ownership interest in the property changes, or the county has reason to believe the property no longer qualifies for the residential exemption;
- clarifies burden of proof requirements in appeals involving property assessed by the State Tax Commission;
- modifies the content and publication of the advertisement required for taxing entities to impose a judgment levy;
- clarifies the requirements for taxing entities to impose judgment levies and increase property taxes through truth in taxation;
- modifies the time frame in which the State Tax Commission is required to certify a taxing entity's compliance with truth in taxation requirements; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

This bill provides retrospective operation.

Utah Code Sections Affected:**AMENDS:**

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

59-2-109 (Effective 01/01/27), as repealed and reenacted by Laws of Utah 2024, Chapter

263

59-2-918.5 (Effective 05/06/26) (Applies beginning 01/01/26), as last amended by Laws of Utah 2024, Chapter 246

59-2-919 (Effective 05/06/26) (Applies beginning 01/01/26), as last amended by Laws of Utah 2025, First Special Session, Chapter 17

59-2-1330 (Effective 05/06/26) (Applies beginning 01/01/26), as last amended by Laws of Utah 2025, Chapter 172

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

Section 1. Section 59-2-103.5 is amended to read:

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

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

- (a) the residential property was ineligible for the residential exemption during the calendar year immediately preceding the calendar year for which the owner is seeking to have the residential exemption applied to the value of the residential property;
- (b) an ownership interest in the residential property changes; or
- (c) the county board of equalization determines that there is reason to believe that the residential property no longer qualifies for the residential exemption.

(2)(a) The application described in Subsection (1):

- (i) shall be on a form the commission provides by rule and makes available to the counties;
- (ii) shall be signed by the owner of the residential property; and
- (iii) may not request the sales price of the residential property.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing the contents of the form described in Subsection (2)(a).

(c) For purposes of the application described in Subsection (1), a county may not request information from an owner of a residential property beyond the information in the

form provided by the commission under this Subsection (2).

(3)(a) [~~Regardless of whether a county legislative body adopts an ordinance described in Subsection (1), before~~] Before a county may apply a residential exemption to the value of part-year residential property, an owner of the property shall:

(i) subject to Subsection (6), file the application described in Subsection (2)(a) with the county board of equalization; and

(ii) include as part of the application described in Subsection (2)(a) a statement that certifies:

(A) the date the part-year residential property became residential property;

(B) that the part-year residential property will be used as residential property for 183 or more consecutive calendar days during the calendar year for which the owner seeks to obtain the residential exemption; and

(C) that the owner, or a member of the owner's household, may not claim a residential exemption for any property for the calendar year for which the owner seeks to obtain the residential exemption, other than the part-year residential property, or as allowed under Section 59-2-103 with respect to the primary residence or household furnishings, furniture, and equipment of the owner's tenant.

(b) If an owner files an application under this Subsection (3) on or after May 1 of the calendar year for which the owner seeks to obtain the residential exemption, the county board of equalization may require the owner to pay an application fee not to exceed \$50.

(4) Before a county allows residential property described in Subsection 59-2-102(35)(b)(ii) a residential exemption authorized under Section 59-2-103, an owner of the residential property shall file with the county assessor a written declaration that:

(a) states under penalty of perjury that, to the best of each owner's knowledge, upon completion of construction or occupancy of the residential property, the residential property will be used for residential purposes as a primary residence;

(b) is signed by each owner of the residential property; and

(c) is on a form approved by the commission.

(5)(a) Before a county allows residential property described in Subsection 59-2-103(6)(b) a residential exemption authorized under Section 59-2-103, an owner of the residential property shall file with the county assessor a written declaration that:

(i) states under penalty of perjury that, to the best of each owner's knowledge, the

- 99 residential property will be used for residential purposes as a primary residence of
100 a tenant;
- 101 (ii) is signed by each owner of the residential property; and
102 (iii) is on a form approved by the commission.
- 103 (b)(i)(A) In addition to the declaration, a county assessor may request from an
104 owner a current lease agreement signed by the tenant.
- 105 (B) If the lease agreement is insufficient for a county assessor to make a
106 determination about eligibility for a residential exemption, a county assessor
107 may request a copy of the real estate insurance policy for the property.
- 108 (C) If the real estate insurance policy is insufficient for a county assessor to make
109 a determination about eligibility for a residential exemption, a county assessor
110 may request a copy of a filing from the most recent federal tax return showing
111 that the owner had profit or loss from the residential property as a rental.
- 112 (ii) A county assessor may not request information from an owner's tenant.
- 113 (6)(a) Except as provided in Subsection (6)(b), the county board of equalization may not
114 accept from a property owner an application to receive a residential exemption
115 authorized under Section 59-2-103 for the property owner's primary residence that is
116 filed after the later of:
- 117 (i) September 15 of the calendar year for which the property owner seeks to receive
118 the residential exemption; or
119 (ii) the last day of a 45-day period beginning on the day on which the county auditor
120 provides the notice under Section 59-2-919.1.
- 121 (b)(i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
122 the commission may make rules providing for circumstances under which the
123 county board of equalization is required to accept a property owner's application
124 for a residential exemption authorized under Section 59-2-103 that is filed after
125 the time period described in Subsection (6)(a).
- 126 (ii) The commission shall report to the Revenue and Taxation Interim Committee on
127 any rules promulgated under this Subsection (6)(b).
- 128 (7) Except as provided in Subsection (8), if a property owner no longer qualifies to receive
129 a residential exemption authorized under Section 59-2-103 for the property owner's
130 primary residence, the property owner shall:
- 131 (a) file a written statement with the county board of equalization of the county in which
132 the property is located:

- (i) on a form provided by the county board of equalization; and
- (ii) notifying the county board of equalization that the property owner no longer qualifies to receive a residential exemption authorized under Section 59-2-103 for the property owner's primary residence; and
- (b) declare on the property owner's individual income tax return under Chapter 10, Individual Income Tax Act, for the taxable year for which the property owner no longer qualifies to receive a residential exemption authorized under Section 59-2-103 for the property owner's primary residence, that the property owner no longer qualifies to receive a residential exemption authorized under Section 59-2-103 for the property owner's primary residence.
- (8) A property owner is not required to file a written statement or make the declaration described in Subsection (7) if the property owner:
- (a) changes primary residences;
- (b) qualified to receive a residential exemption authorized under Section 59-2-103 for the residence that was the property owner's former primary residence; and
- (c) qualifies to receive a residential exemption authorized under Section 59-2-103 for the residence that is the property owner's current primary residence.
- (9) Subsections (2) through (8) do not apply to qualifying exempt primary residential rental personal property.
- (10)(a) ~~[Subject to Subsection (11), for]~~ For the first calendar year in which a property owner qualifies to receive a residential exemption under Section 59-2-103, a county assessor may require the property owner to file a signed statement described in Section 59-2-306.
- (b) ~~[Subject to Subsection (11) and notwithstanding]~~ Notwithstanding Section 59-2-306, for a calendar year after the calendar year described in Subsection (10)(a) in which a property owner qualifies for an exemption authorized under Section 59-2-1115 for qualifying exempt primary residential rental personal property, a signed statement described in Section 59-2-306 with respect to the qualifying exempt primary residential rental personal property may only require the property owner to certify, under penalty of perjury, that the property owner qualifies for the exemption authorized under Section 59-2-1115.
- ~~[(11)(a) After an ownership interest in residential property changes, the county assessor shall:]~~
- ~~[(i) notify the owner of the residential property that the owner is required to submit a~~

167 written declaration described in Subsection (11)(d) within 90 days after the day on
168 which the county assessor mails the notice under this Subsection (11)(a); and]
169 [(ii) provide the owner of the residential property with the form described in
170 Subsection (11)(e) to make the written declaration described in Subsection (11)(d).]
171 [(b) A county assessor is not required to provide a notice to an owner of residential
172 property under Subsection (11)(a) if the situs address of the residential property is the
173 same as any one of the following:]
174 [(i) the mailing address of the residential property owner or the tenant of the
175 residential property;]
176 [(ii) the address listed on the:]
177 [(A) residential property owner's driver license; or]
178 [(B) tenant of the residential property's driver license; or]
179 [(iii) the address listed on the:]
180 [(A) residential property owner's voter registration; or]
181 [(B) tenant of the residential property's voter registration.]
182 [(c) A county assessor is not required to provide a notice to an owner of residential
183 property under Subsection (11)(a) if:]
184 [(i) the owner is using a post office box or rural route box located in the county where
185 the residential property is located; and]
186 [(ii) the residential property is located in a county of the fourth, fifth, or sixth class.]
187 [(d) An owner of residential property that receives a notice described in Subsection
188 (11)(a) shall submit a written declaration to the county assessor under penalty of
189 perjury certifying the information contained in the form described in Subsection
190 (11)(e).]
191 [(e) The written declaration required by Subsection (11)(d) shall be:]
192 [(i) signed by the owner of the residential property; and]
193 [(ii) in substantially the following form:
194 "Residential Property Declaration
195 This form must be submitted to the County Assessor's office where your new
196 residential property is located within 90 days of receipt. Failure to do so will result in the
197 county assessor taking action that could result in the withdrawal of the primary residential
198 exemption from your residential property.
199 Residential Property Owner Information
200 Name(s): _____

Home Phone: _____

Work Phone: _____

Mailing Address: _____

Residential Property Information

Physical Address: _____

Certification

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

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

Yes No

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

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

Yes No

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

Signature

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

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

_____(Owner printed name)]

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

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

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

- 235 and]
- 236 [(B) notify the claimant of the redetermination and the county's reason for the
- 237 redetermination.]
- 238 [(ii) The redetermination provided in Subsection (11)(g)(i)(A) is final unless:]
- 239 [(A) except as provided in Subsection (11)(g)(iii), the property owner appeals the
- 240 redetermination to the board of equalization in accordance with Subsection
- 241 59-2-1004(2); or]
- 242 [(B) the county determines that the property is eligible to receive a primary
- 243 residential exemption as part-year residential property.]
- 244 [(iii) The board of equalization may not accept an appeal that is filed after the later of:]
- 245 [(A) September 15 of the current calendar year; or]
- 246 [(B) the last day of the 45-day period beginning on the day on which the county
- 247 auditor provides the notice under Section 59-2-919.1.]
- 248 [(h)(i) If a residential property owner fails to file a written declaration required by
- 249 Subsection (11)(d), the county assessor shall mail to the owner of the residential
- 250 property a notice that:]
- 251 [(A) the property owner failed to file a written declaration as required by
- 252 Subsection (11)(d); and]
- 253 [(B) the property owner will no longer qualify to receive the residential exemption
- 254 authorized under Section 59-2-103 for the property that is the subject of the
- 255 written declaration if the property owner does not file the written declaration
- 256 required by Subsection (11)(d) within 30 days after the day on which the
- 257 county assessor mails the notice under this Subsection (11)(h)(i).]
- 258 [(ii) If a property owner fails to file a written declaration required by Subsection
- 259 (11)(d) after receiving the notice described in Subsection (11)(h)(i), the property
- 260 owner no longer qualifies to receive the residential exemption authorized under
- 261 Section 59-2-103 in the calendar year for the property that is the subject of the
- 262 written declaration unless:]
- 263 [(A) except as provided in Subsection (11)(h)(iii), the property owner appeals the
- 264 redetermination to the board of equalization in accordance with Subsection
- 265 59-2-1004(2); or]
- 266 [(B) the county determines that the property is eligible to receive a primary
- 267 residential exemption as part-year residential property.]
- 268 [(iii) The board of equalization may not accept an appeal that is filed after the later of:]

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

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

272 ~~[(iv) A property owner that is disqualified to receive the residential exemption under~~
 273 ~~Subsection (11)(h)(ii) may file an application described in Subsection (1) to~~
 274 ~~determine whether the owner is eligible to receive the residential exemption.]~~

275 ~~[(i) The requirements of this Subsection (11) do not apply to a county assessor in a~~
 276 ~~county that adopts and enforces an ordinance described in Subsection (1).]~~

277 Section 2. Section **59-2-109** is amended to read:

278 **59-2-109 (Effective 01/01/27). Burden of proof.**

279 (1)(a) For an appeal to the commission involving the valuation or equalization of ~~[real]~~
 280 property assessed under Part 2, Assessment of Property, the party carrying the burden
 281 of proof shall demonstrate:

282 ~~[(a)]~~ (i) substantial error in the original assessed value; and

283 ~~[(b)]~~ (ii) a sound evidentiary basis to support the value the party requests.

284 (b) The party carrying the burden of proof does not have to show substantial error as
 285 required by Subsection (1)(a)(i) if the party is requesting the original assessed value
 286 in an appeal to the commission.

287 (2)(a) For an appeal to the county board of equalization or the commission involving the
 288 valuation or equalization of real property assessed under Part 3, County Assessment,
 289 the party carrying the burden of proof shall demonstrate:

290 (i) except as provided in Subsection (2)(b), substantial error in:

291 (A) the original assessed value in an appeal to the county board of equalization; or

292 (B) the value set by the county board of equalization in an appeal to the
 293 commission; and

294 (ii) a sound evidentiary basis to support the value the party requests.

295 (b) The party carrying the burden of proof does not have to show substantial error as
 296 required by Subsection (2)(a)(i) if the party is requesting:

297 (i) the original assessed value in an appeal to the county board of equalization; or

298 (ii) the value set by the county board of equalization in an appeal to the commission.

299 (3) For property assessed under Part 2, Assessment of Property, the commission has the
 300 burden of proof, if the commission is a party to the appeal that asserts that the fair
 301 market value of the assessed property is greater than the original assessed value for that
 302 calendar year.

- (4) For property assessed under Part 3, County Assessment, the following shall carry the burden of proof before a county board of equalization or the commission:
- (a) the county assessor or the county board of equalization that is a party to the appeal has the burden of proof to support the value the county assessor or the county board of equalization requests; and
 - (b) the taxpayer that is a party to the appeal has the burden of proof to support the value the taxpayer requests.

(5) A preponderance of the evidence suffices to sustain the burden for all parties.

Section 3. Section **59-2-918.5** is amended to read:

59-2-918.5 (Effective 05/06/26) (Applies beginning 01/01/26). Hearings on judgment levies -- Advertisement.

- (1) A taxing entity may not impose a judgment levy unless [it] the taxing entity first advertises [its] the taxing entity's intention to do so and holds a public hearing in accordance with the requirements of this section.
- (2)(a) The advertisement required by this section may be combined with the advertisement described in Section 59-2-919.
- (b) The advertisement required by this section shall be [at least 1/8 of a page in size and shall meet the type, placement, and frequency requirements established under Section 59-2-919.] published:
- (i) electronically in accordance with Section 45-1-101;
 - (ii) as a class A notice under Section 63G-30-102; and
 - (iii) for at least 14 days before the day on which the taxing entity conducts the public hearing required under this section.
- (c)(i) For taxing entities operating under a July 1 through June 30 fiscal year, the public hearing required under this section shall be held 10 or more days after notice is provided to property owners pursuant to Section 59-2-919.1.
- (ii) For taxing entities operating under a January 1 through December 31 fiscal year:
- (A) for an eligible judgment issued on or after March 1 but on or before September 15, the public hearing required under this section shall be held at the same time as the hearing at which the annual budget is adopted; or
 - (B) for an eligible judgment issued on or after September 16 but on or before the last day of February, the public hearing required under this section shall be held 10 or more days after notice is provided to property owners pursuant to Section 59-2-919.1.

- (3) The advertisement required by this section shall specify:
- (a) the date, time, and location of the public hearing at which the judgment levy will be considered~~[and shall set forth the total amount of the eligible judgment and]~~ ;
 - (b) the amount of the judgment levy;
 - (c) the term of the judgment levy; and
 - (d) the tax impact on an average residential and business property located within the taxing entity that results from the judgment levy.
- (4) If a final decision regarding the judgment levy is not made at the public hearing required under this section, the taxing entity shall announce at the public hearing the scheduled time and place for consideration and adoption of the judgment levy.
- (5)(a) The ~~[date, time, and place of a]~~ [public hearing required under this section] information described in Subsections (3)(a) through (c) regarding a judgment levy shall be included on the notice provided to property owners pursuant to Section 59-2-919.1.
- (b) The requirements of Subsections 59-2-919(8)(b)(i) and (c) through (f) apply to a public hearing required under this section.
- Section 4. Section **59-2-919** is amended to read:
- 59-2-919 (Effective 05/06/26) (Applies beginning 01/01/26). Notice and public hearing requirements for certain tax increases -- Exceptions -- Audit.**
- (1) As used in this section:
- (a) "Additional ad valorem tax revenue" means ad valorem property tax revenue generated by the portion of the tax rate that exceeds the taxing entity's certified tax rate.
 - (b) "Ad valorem tax revenue" means ad valorem property tax revenue not including revenue from:
 - (i) eligible new growth; or
 - (ii) personal property that is:
 - (A) assessed by a county assessor in accordance with Part 3, County Assessment; and
 - (B) semiconductor manufacturing equipment.
 - (c) "Base year" means a taxing entity's fiscal year that immediately precedes the fiscal year in which the taxing entity first adopted a budget below last year's property tax budgeted revenue.
 - (d) "Base year budgeted revenue" means the property tax budgeted revenue, excluding

- 371 eligible new growth, for the base year.
- 372 (e) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year
373 that begins on January 1 and ends on December 31.
- 374 (f) "County executive calendar year taxing entity" means a calendar year taxing entity
375 that operates under the county executive-council form of government described in
376 Section 17-62-203.
- 377 (g) "Current calendar year" means the calendar year immediately preceding the calendar
378 year for which a calendar year taxing entity seeks to levy a tax rate that exceeds the
379 calendar year taxing entity's certified tax rate.
- 380 (h) "Eligible new growth" means the same as that term is defined in Section 59-2-924.
- 381 (i) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that
382 begins on July 1 and ends on June 30.
- 383 (j) "Meeting" means the same as that term is defined in Section 52-4-103.
- 384 (k) "Last year's property tax budgeted revenue" does not include:
385 (i) revenue received by a taxing entity from a debt service levy voted on by the public;
386 (ii) revenue generated by the combined basic rate as defined in Section 53F-2-301; or
387 (iii) revenue generated by the charter school levy described in Section 53F-2-703.
- 388 (l) "Truth-in-taxation exemption period" means a six-year period that begins with the
389 base year.
- 390 (2) Except as provided in Subsection (11), a taxing entity may not levy a tax rate that
391 exceeds the taxing entity's certified tax rate unless the taxing entity meets:
392 (a) the requirements of this section that apply to the taxing entity; and
393 (b) all other requirements as may be required by law.
- 394 (3)(a) Subject to Subsection (3)(b) and except as provided in Subsection (5), a calendar
395 year taxing entity may levy a tax rate that exceeds the calendar year taxing entity's
396 certified tax rate if the calendar year taxing entity:
397 (i) 14 or more days before the date of the regular general election or municipal
398 general election held in the current calendar year, states at a public meeting:
399 (A) that the calendar year taxing entity intends to levy a tax rate that exceeds the
400 calendar year taxing entity's certified tax rate;
401 (B) the dollar amount of and purpose for additional ad valorem tax revenue that
402 would be generated by the proposed increase in the certified tax rate; and
403 (C) the approximate percentage increase in ad valorem tax revenue for the taxing
404 entity based on the proposed increase described in Subsection (3)(a)(i)(B);

- 405 (ii) provides notice for the public meeting described in Subsection (3)(a)(i) in
406 accordance with Title 52, Chapter 4, Open and Public Meetings Act, including
407 providing a separate item on the meeting agenda that notifies the public that the
408 calendar year taxing entity intends to make the statement described in Subsection
409 (3)(a)(i);
- 410 (iii) meets the advertisement requirements of Subsections (6) and (7) before the
411 calendar year taxing entity conducts the public hearing required by Subsection
412 (3)(a)(v);
- 413 (iv) provides notice by mail:
- 414 (A) seven or more days before the regular general election or municipal general
415 election held in the current calendar year; and
- 416 (B) as provided in Subsection (3)(c); and
- 417 (v) conducts a public hearing that is held[:]
- 418 ~~[(A)] in accordance with Subsections (8) and (9)[; and] .~~
419 ~~[(B) in conjunction with the public hearing required by Section 17-63-304 or~~
420 ~~17B-1-610.]~~
- 421 (b)(i) For a county executive calendar year taxing entity, the statement described in
422 Subsection (3)(a)(i) shall be made by the:
- 423 (A) county council;
- 424 (B) county executive; or
- 425 (C) both the county council and county executive.
- 426 (ii) If the county council makes the statement described in Subsection (3)(a)(i) or the
427 county council states a dollar amount of additional ad valorem tax revenue that is
428 greater than the amount of additional ad valorem tax revenue previously stated by
429 the county executive in accordance with Subsection (3)(a)(i), the county executive
430 calendar year taxing entity shall:
- 431 (A) make the statement described in Subsection (3)(a)(i) 14 or more days before
432 the county executive calendar year taxing entity conducts the public hearing
433 under Subsection (3)(a)(v); and
- 434 (B) provide the notice required by Subsection (3)(a)(iv) 14 or more days before
435 the county executive calendar year taxing entity conducts the public hearing
436 required by Subsection (3)(a)(v).
- 437 (c) The notice described in Subsection (3)(a)(iv):
- 438 (i) shall be mailed to each owner of property:

- 439 (A) within the calendar year taxing entity; and
440 (B) listed on the assessment roll;
- 441 (ii) shall be printed on a separate form that:
- 442 (A) is developed by the commission;
- 443 (B) states at the top of the form, in bold upper-case type no smaller than 18 point
444 "NOTICE OF PROPOSED TAX INCREASE"; and
- 445 (C) may be mailed with the notice required by Section 59-2-1317;
- 446 (iii) shall contain for each property described in Subsection (3)(c)(i):
- 447 (A) the value of the property for the current calendar year;
- 448 (B) the tax on the property for the current calendar year; and
- 449 (C) subject to Subsection (3)(d), for the calendar year for which the calendar year
450 taxing entity seeks to levy a tax rate that exceeds the calendar year taxing
451 entity's certified tax rate, the estimated tax on the property;
- 452 (iv) shall contain the following statement:
- 453 "[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar
454 year]. This notice contains estimates of the tax on your property and the proposed tax increase
455 on your property as a result of this tax increase. These estimates are calculated on the basis of
456 [insert previous applicable calendar year] data. The actual tax on your property and proposed
457 tax increase on your property may vary from this estimate.";
- 458 (v) shall state the dollar amount of additional ad valorem tax revenue that would be
459 generated each year by the proposed increase in the certified tax rate;
- 460 (vi) shall include a brief statement of the primary purpose for the proposed tax
461 increase, including the taxing entity's intended use of additional ad valorem tax
462 revenue described in Subsection (3)(c)(v);
- 463 (vii) shall state the date, time, and place of the public hearing described in Subsection
464 (3)(a)(v);
- 465 (viii) shall state the [~~Internet~~] internet address for the taxing entity's public website;
- 466 (ix) may contain other information approved by the commission; and
- 467 (x) if sent in calendar year 2024, 2025, or 2026, shall contain:
- 468 (A) notice that the taxpayer may request electronic notice as described in
469 Subsection 17-71-302(1)(m); and
- 470 (B) instructions describing how to elect to receive a notice as described in
471 Subsection 17-71-302(1)(m).
- 472 (d) For purposes of Subsection (3)(c)(iii)(C), a calendar year taxing entity shall calculate

the estimated tax on property on the basis of:

(i) data for the current calendar year; and

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

(4) Except as provided in Subsection (5), a fiscal year taxing entity may levy a tax rate that exceeds the fiscal year taxing entity's certified tax rate if the fiscal year taxing entity:

(a) provides notice by meeting the advertisement requirements of Subsections (6) and (7) before the fiscal year taxing entity conducts the public meeting at which the fiscal year taxing entity's annual budget is adopted; and

(b) conducts a public hearing in accordance with Subsections (8) and (9) before the fiscal year taxing entity's annual budget is adopted.

(5)(a) A taxing entity is not required to meet the notice or public hearing requirements of Subsection (3) or (4) if the taxing entity is expressly exempted by law from complying with the requirements of this section.

(b) A taxing entity is not required to meet the notice requirements of Subsection (3) or (4) if:

(i) Section 53F-8-301 allows the taxing entity to levy a tax rate that exceeds that certified tax rate without having to comply with the notice provisions of this section; or

(ii) the taxing entity:

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

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

(6)(a) Before holding the public hearing described in Subsection (3)(a)(v) or (4)(b), a taxing entity proposing a tax rate increase under this section shall publish an advertisement regarding the proposed tax increase:

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

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

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

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

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

"NOTICE OF PROPOSED TAX INCREASE

(NAME OF TAXING ENTITY)

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

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

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

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

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

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

PUBLIC HEARING

Date/Time: (date) (time)

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

~~[Virtual Meeting Link: (Internet address for remote participation and live streaming options)]~~

To obtain more information regarding the tax increase, citizens may contact the (name of the taxing entity) at (phone number of taxing entity) or visit (~~[Internet]~~ internet address for the taxing entity's public website). Instructions for virtual participation in the public hearing will be available at (internet address for the taxing entity's public website) no later than 24 hours before the public hearing is scheduled to begin."

(7) The commission:

(a) shall adopt rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, governing the joint use of one advertisement described in Subsection (6) by two or more taxing entities; and

(b) subject to Section 45-1-101, may authorize a taxing entity's use of a commission-approved direct notice to each taxpayer if:

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

- 59-2-919.1; and
- (ii) the taxing entity petitions the commission for the use of a commission-approved direct notice.
- (8)(a)(i) On or before June 1, a fiscal year taxing entity shall notify the commission and the county auditor of the date, time, and place of the public hearing described in Subsection (4)(b).
- (ii) On or before October 1 of the current calendar year, a calendar year taxing entity shall notify the commission and the county auditor of the date, time, and place of the public hearing described in Subsection (3)(a)(v).
- (b)(i) A public hearing described in Subsection (3)(a)(v) or (4)(b) shall be:
- (A) open to the public;
- (B) held at a meeting of the taxing entity with no items on the agenda other than discussion and action on the taxing entity's intent to levy a tax rate that exceeds the taxing entity's certified tax rate, the taxing entity's budget, a special district's or special service district's fee implementation or increase, or a combination of these items; and
- (C) available for individuals to ~~[attend or]~~ participate either in person or ~~[remotely through electronic means]~~ virtually, subject to Subsection (8)(g).
- (ii) The governing body of a taxing entity conducting a public hearing described in Subsection (3)(a)(v) or (4)(b) shall:
- (A) state the dollar amount of additional ad valorem tax revenue that would be generated each year by the proposed increase in the certified tax rate;
- (B) explain the reasons for the proposed tax increase, including the taxing entity's intended use of additional ad valorem tax revenue described in Subsection (8)(b)(ii)(A);
- (C) if the county auditor compiles the list required by Section 59-2-919.2, ~~[present the list at the public hearing and]~~ make the list available ~~[on]~~ from the main page of the taxing entity's public website for a period that begins at least 14 days before the date on which the public hearing is held and ends on or after the date on which the commission certifies the taxing entity's certified tax rate; and
- (D) provide an interested party desiring to be heard an opportunity to present oral testimony within reasonable time limits and without unreasonable restriction on the number of individuals allowed to make public comment.

- 575 (c)(i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a
576 public hearing described in Subsection (3)(a)(v) or (4)(b) at the same time as the
577 public hearing of another overlapping taxing entity in the same county.
- 578 (ii) The taxing entities in which the power to set tax levies is vested in the same
579 governing board or authority may consolidate the public hearings described in
580 Subsection (3)(a)(v) or (4)(b) into one public hearing.
- 581 (d) The county auditor shall resolve any conflict in public hearing dates and times after
582 consultation with each affected taxing entity.
- 583 (e)[(†)] A taxing entity shall hold a public hearing described in Subsection (3)(a)(v) or
584 (4)(b) beginning at or after 6 p.m.
- 585 [~~(ii) If a taxing entity holds a public meeting for the purpose of addressing general~~
586 ~~business of the taxing entity on the same date as a public hearing described in~~
587 ~~Subsection (3)(a)(v) or (4)(b), the public meeting addressing general business~~
588 ~~items shall conclude before the beginning of the public hearing described in~~
589 ~~Subsection (3)(a)(v) or (4)(b).]~~
- 590 (f)(i) Except as provided in Subsection (8)(f)(ii), a taxing entity may not hold the
591 public hearing described in Subsection (3)(a)(v) or (4)(b) on the same date as:
592 (A) a public meeting for the purpose of addressing general business of the taxing
593 entity; or
594 (B) another public hearing of the taxing entity.
- 595 (ii) A taxing entity may hold the following hearings on the same date as a public
596 hearing described in Subsection (3)(a)(v) or (4)(b):
597 (A) a budget hearing;
598 (B) if the taxing entity is a special district or a special service district, a fee
599 hearing described in Section 17B-1-643;
600 (C) if the taxing entity is a town, an enterprise fund hearing described in Section
601 10-5-107.5; or
602 (D) if the taxing entity is a city, an enterprise fund hearing described in Section
603 10-6-135.5.
- 604 (g) For purposes of facilitating virtual participation in a public hearing described in
605 Subsection (3)(a)(v) or (4)(b), at least 24 hours before the public hearing is scheduled
606 to begin, a taxing entity shall:
607 (i) post instructions on the taxing entity's public website as to how individuals can
608 connect to and participate virtually in the public hearing; and

(ii) ensure that individuals participating in the public hearing virtually have the ability to:

(A) access the public hearing electronically through video and audio connection;

(B) provide oral testimony through video, audio, or both video and audio connection; and

(C) submit written comments electronically for inclusion in the public record, both before and during the public hearing.

(h) The county in which a taxing entity is located shall, at the request of the taxing entity, provide assistance to the taxing entity to meet the requirements of Subsection (8)(g).

(9)(a) If a taxing entity does not make a final decision on budgeting additional ad valorem tax revenue at a public hearing described in Subsection (3)(a)(v) or (4)(b), the taxing entity shall:

(i) announce at that public hearing the scheduled time and place of the next public meeting at which the taxing entity will consider budgeting the additional ad valorem tax revenue; and

(ii) if the taxing entity is a fiscal year taxing entity, hold the public meeting described in Subsection (9)(a)(i) before September 1.

(b) A calendar year taxing entity may not adopt a final budget that budgets an amount of additional ad valorem tax revenue that exceeds the largest amount of additional ad valorem tax revenue stated at a public meeting under Subsection (3)(a)(i).

(c) A public hearing on levying a tax rate that exceeds a fiscal year taxing entity's certified tax rate may coincide with a public hearing on the fiscal year taxing entity's proposed annual budget.

(10)(a) A county auditor may conduct an audit to verify a taxing entity's compliance with ~~[Subsection (8)]~~ this section.

(b) If the county auditor, after completing an audit, finds that a taxing entity has failed to meet the requirements of ~~[Subsection (8)]~~ this section, the county auditor shall prepare and submit a report of the auditor's findings to the commission.

~~[(c) The commission may not certify a tax rate that exceeds a taxing entity's certified tax rate if, on or before September 15 of the year in which the taxing entity is required to hold the public hearing described in Subsection (3)(a)(v) or (4)(b), the commission determines that the taxing entity has failed to meet the requirements of Subsection (8).]~~

(11) For a fiscal year within a truth-in-taxation exemption period, a taxing entity may adopt

a budget that is equal to or less than the base year budgeted revenue without complying with this section.

(12)(a) Subject to Subsection (12)(b), a taxing entity subject to this section shall provide to the commission all evidence of compliance with the requirements of this section within seven days from the date on which the taxing entity adopts a final budget.

(b) A taxing entity shall furnish to the commission any information the commission requires to certify the taxing entity's compliance with the requirements of this section.

(c) The commission may not certify a tax rate that exceeds a taxing entity's certified tax rate if, within 30 days from the date on which the taxing entity provides to the commission evidence of compliance under Subsection (12)(a), the commission determines that the taxing entity has failed to meet the requirements of this section.

Section 5. Section **59-2-1330** is amended to read:

59-2-1330 (Effective 05/06/26) (Applies beginning 01/01/26). Payment of property taxes -- Payments to taxpayer by state or taxing entity -- Refund of penalties paid by taxpayer -- Refund of interest paid by taxpayer -- Payment of interest to taxpayer -- Judgment levy -- Objections to assessments by the commission -- Time periods for making payments to taxpayer.

(1) Unless otherwise specifically provided by statute, property taxes shall be paid directly to the county treasurer:

(a) on the date that the property taxes are due; and

(b) as provided in this chapter.

(2)(a) The county treasurer shall apply a payment that is insufficient to cover both a tax or tax notice charge that is deferred in accordance with Chapter 2a, Part 7, Discretionary Deferral, Chapter 2a, Part 8, Nondiscretionary Deferral for Property with Qualifying Increase, or Chapter 2a, Part 9, Nondiscretionary Deferral for Elderly Property Owners, and a current year property tax or tax notice charge to the current tax year property tax or tax notice charge first.

(b) The county treasurer shall send notice to the property owner:

(i) that the payment was insufficient;

(ii) that the county applied the payment to the tax or tax notice charges for the current tax year; and

(iii) of the amount of tax and tax notice charge that is outstanding.

(3) A taxpayer shall receive payment as provided in this section if a reduction in the amount of any tax levied against any property for which the taxpayer paid a tax or any portion of

a tax under this chapter for a calendar year is required by a final and unappealable judgment or order described in Subsection (4) issued by:

- (a) a county board of equalization;
- (b) the commission; or
- (c) a court of competent jurisdiction.

(4)(a) For purposes of Subsection (3), the state or any taxing entity that has received property taxes or any portion of property taxes from a taxpayer described in Subsection (2) shall pay the taxpayer if:

(i) the taxes the taxpayer paid in accordance with Subsection (3) are collected by an authorized officer of the:

- (A) county; or
- (B) state; and

(ii) the taxpayer obtains a final and unappealable judgment or order:

(A) from a county board of equalization, the commission, or a court of competent jurisdiction;

(B) against:

- (I) the taxing entity or an authorized officer of the taxing entity; or
- (II) the state or an authorized officer of the state; and

(C) ordering a reduction in the amount of any tax levied against any property for which a taxpayer paid a tax or any portion of a tax under this chapter for the calendar year.

(b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined in accordance with Subsections (5) through (8).

(5) For purposes of Subsections (3) and (4), the amount the state shall pay to a taxpayer is equal to the sum of:

(a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference between:

- (i) the tax the taxpayer paid to the state in accordance with Subsection (3); and
- (ii) the amount of the taxpayer's tax liability to the state after the reduction in the amount of tax levied against the property in accordance with the final and unappealable judgment or order described in Subsection (4);

(b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference between:

- (i) any penalties the taxpayer paid to the state in accordance with Section 59-2-1331;

- 711 and
- 712 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance
- 713 with Section 59-2-1331 after the reduction in the amount of tax levied against the
- 714 property in accordance with the final and unappealable judgment or order
- 715 described in Subsection (4);
- 716 (c) as provided in Subsection (7)(a), interest the taxpayer paid in accordance with
- 717 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and
- 718 (d) as provided in Subsection (7)(b), interest on the sum of the amounts described in
- 719 Subsections (5)(a), (5)(b), and (5)(c).
- 720 (6) For purposes of Subsections (3) and (4), the amount a taxing entity shall pay to a
- 721 taxpayer is equal to the sum of:
- 722 (a) if the difference described in this Subsection (6)(a) is greater than \$0, the difference
- 723 between:
- 724 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (3);
- 725 and
- 726 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in
- 727 the amount of tax levied against the property in accordance with the final and
- 728 unappealable judgment or order described in Subsection (4);
- 729 (b) if the difference described in this Subsection (6)(b) is greater than \$0, the difference
- 730 between:
- 731 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section
- 732 59-2-1331; and
- 733 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in
- 734 accordance with Section 59-2-1331 after the reduction in the amount of tax levied
- 735 against the property in accordance with the final and unappealable judgment or
- 736 order described in Subsection (4);
- 737 (c) as provided in Subsection (7)(a), interest the taxpayer paid in accordance with
- 738 Section 59-2-1331 on the amounts described in Subsections (6)(a) and (6)(b); and
- 739 (d) as provided in Subsection (7)(b), interest on the sum of the amounts described in
- 740 Subsections (6)(a), (6)(b), and (6)(c).
- 741 (7) Except as provided in Subsection (8):
- 742 (a) interest shall be refunded to a taxpayer on the amount described in Subsection (5)(c)
- 743 or (6)(c) in an amount equal to the amount of interest the taxpayer paid in accordance
- 744 with Section 59-2-1331; and

(b) interest shall be paid to a taxpayer on the amount described in Subsection (5)(d) or (6)(d):

(i) beginning on the later of:

(A) the day on which the taxpayer paid the tax in accordance with Subsection (3);

or

(B) January 1 of the calendar year immediately following the calendar year for which the tax was due;

(ii) ending on the day on which the state or a taxing entity pays to the taxpayer the amount required by Subsection (5) or (6); and

(iii) at the interest rate earned by the state treasurer on public funds transferred to the Public Treasurers' Investment Fund as defined in Section 51-7-3.

(8)(a) The state may not pay or refund interest to a taxpayer under Subsection (7) on any tax the taxpayer paid in accordance with Subsection (3) that exceeds the amount of tax levied by the state for that calendar year as stated on the notice required by Section 59-2-1317.

(b) A taxing entity may not pay or refund interest to a taxpayer under Subsection (7) on any tax the taxpayer paid in accordance with Subsection (3) that exceeds the amount of tax levied by the taxing entity for that calendar year as stated on the notice required by Section 59-2-1317.

(9)(a) Each taxing entity may levy a tax to pay the taxing entity's share of the final and unappealable judgment or order described in Subsection (4) if:

(i) the final and unappealable judgment or order is issued no later than 15 days prior to the date the certified tax rate is set under Section 59-2-924;

(ii) the following information is included on the notice under Section 59-2-919.1:

(A) the date, time, and location of the public hearing at which the judgment levy will be considered;

~~[(A)]~~ (B) the amount of the judgment levy; and

~~[(B)]~~ (C) the term of the judgment levy; ~~[and]~~

(iii) the taxing entity complies with the requirements of Section 59-2-918.5; and

~~[(iii)]~~ (iv) the final and unappealable judgment or order is an eligible judgment, as defined in Section 59-2-102.

(b) The levy under Subsection (9)(a) is in addition to, and exempt from, the maximum levy established for the taxing entity.

(c) A taxing entity may divide a judgment levy under this Subsection (9) and impose the

779 judgment levy in more than one subsequent tax year.

780 (10)(a) A taxpayer that objects to the assessment of property assessed by the
781 commission shall pay, on or before the property tax due date established under
782 Subsection 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the
783 notice required by Section 59-2-1317 if:

784 (i) the taxpayer has applied to the commission for a hearing in accordance with
785 Section 59-2-1007 on the objection to the assessment; and

786 (ii) the commission has not issued a written decision on the objection to the
787 assessment in accordance with Section 59-2-1007.

788 (b) A taxpayer that pays the full amount of taxes due under Subsection (10)(a) is not
789 required to pay penalties or interest on an assessment described in Subsection (10)(a)
790 unless:

791 (i) a final and unappealable judgment or order establishing that the property
792 described in Subsection (10)(a) has a value greater than the value stated on the
793 notice required by Section 59-2-1317 is issued by:

794 (A) the commission; or

795 (B) a court of competent jurisdiction; and

796 (ii) the taxpayer fails to pay the additional tax liability resulting from the final and
797 unappealable judgment or order described in Subsection (10)(b)(i) within a 45-day
798 period after the county bills the taxpayer for the additional tax liability.

799 (11)(a) Except as provided in Subsection (11)(b), a payment that is required by this
800 section shall be paid to a taxpayer:

801 (i) within 120 days after the day on which the final and unappealable judgment or
802 order is issued in accordance with Subsection (4); or

803 (ii) if a judgment levy is imposed in accordance with Subsection (9):

804 (A) if the payment to the taxpayer required by this section is \$15,000 or more, no
805 later than December 31 of the first year in which the judgment levy is imposed;
806 and

807 (B) if the payment to the taxpayer required by this section is less than \$15,000,
808 within 120 days after the date the final and unappealable judgment or order is
809 issued in accordance with Subsection (4).

810 (b) A taxpayer may enter into an agreement:

811 (i) that establishes a time period other than a time period described in Subsection

812 (11)(a) for making a payment to the taxpayer that is required by this section; and

813 (ii) with:

814 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or

815 (B) an authorized officer of the state for a tax imposed by the state.

816 Section 6. **Effective Date.**

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

818 (2) The actions affecting the following sections take effect on January 1, 2027:

819 (a) Section 59-2-103.5 (Effective 01/01/27); and

820 (b) Section 59-2-109 (Effective 01/01/27).

821 Section 7. **Retrospective operation.**

822 (1) Except as provided in Subsection (2), this bill has retrospective operation for a taxable
823 year beginning on or after January 1, 2026.

824 (2) The following sections have no retrospective operation:

825 (a) Section 59-2-103.5 (Effective 01/01/27); and

826 (b) Section 59-2-109 (Effective 01/01/27).