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Utah Property Tax

Revenue and Taxation Interim

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Utah Property Tax: Roadmap

1. Constitutional basis
2. Scope of tax – who? what? how much?
3. Truth-in-taxation



1. Utah Constitutional Principles

“So that each person and corporation pays a tax in proportion to the fair market value of his, her, or its tangible property . . .

all tangible property in the State that is not exempt . . .

shall be assessed at a uniform and equal rate

in proportion to its fair market value; and

taxed at a uniform and equal rate.”

Source: Utah Constitution, Article XIII, Sec. 2



1. Property tax: What is **not** taxed?

Selected required exemptions

- Property owned by governments
- Property owned by nonprofits, if used exclusively for religious, charitable, or educational purposes
- Farm equipment, machinery
- Certain water rights

Selected discretionary exemptions

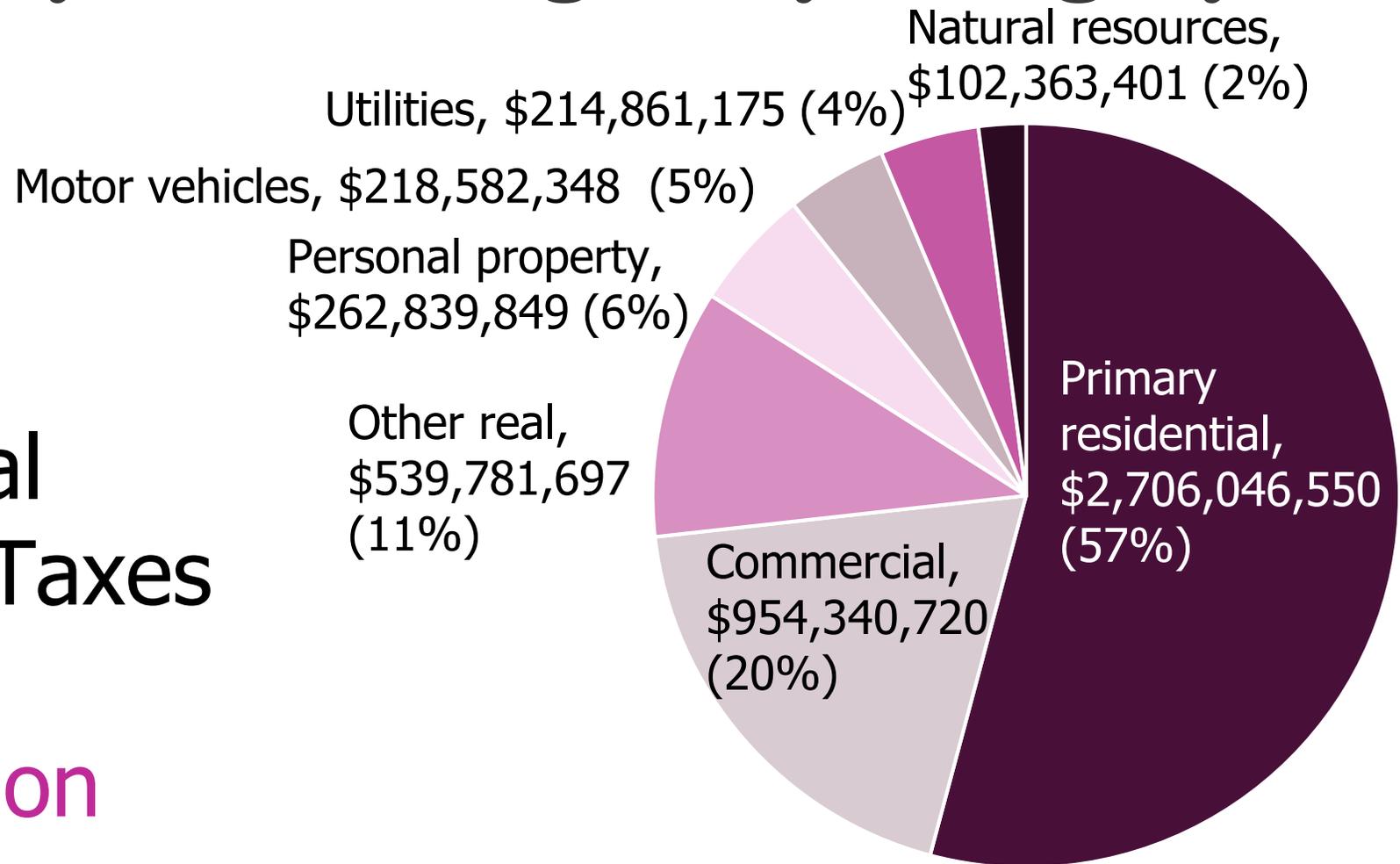
- Inventory, business personal property that generates inconsequential revenue
- Property owned by military members, veterans, indigent
- Household furnishings
- 45% of the fair market value of residential property
- Portion of land used for agriculture

Source: Utah Constitution, Article XIII, Sections 2, 3



2. Property tax: Charges, by category

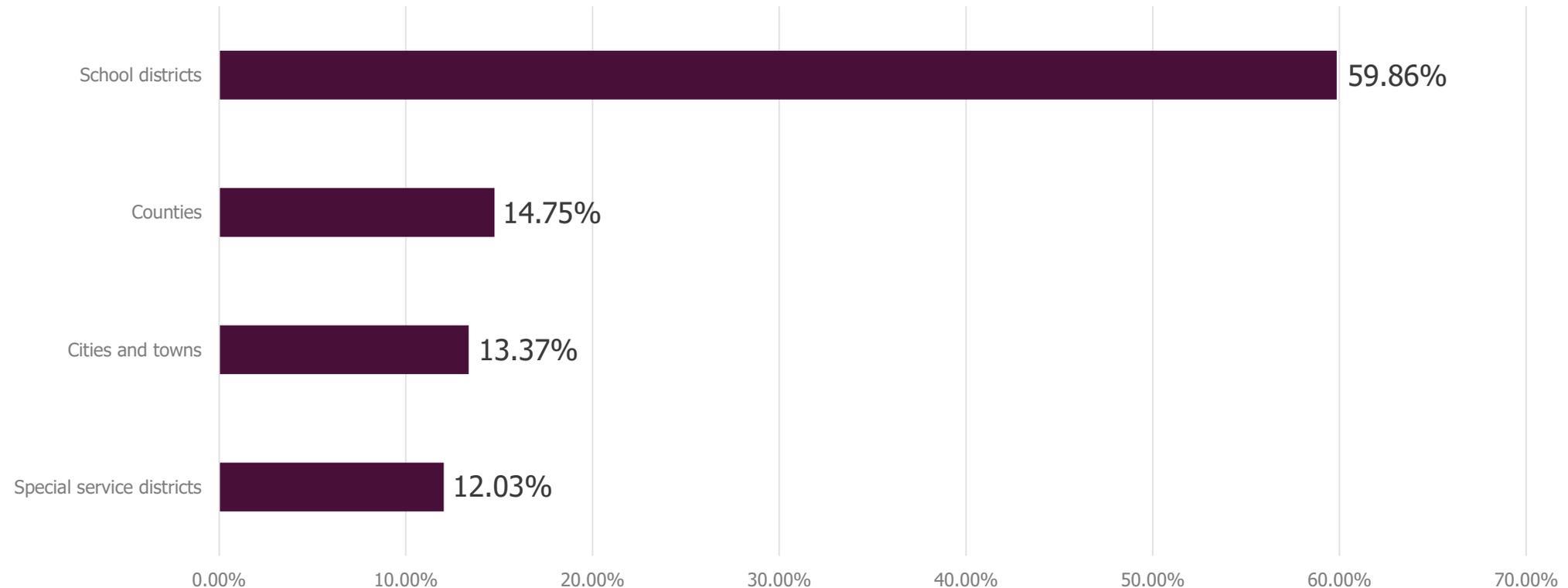
2022 Total
Property Taxes
Charged:
\$4.99 billion



Source: *Property Tax Division* [2022 Annual Statistical Report](#)



2. Property Tax: Who imposes the tax?



Based on 2022 property tax revenue



3. Property Tax: Rates

Truth in Taxation laws: Principle 1



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Last Year's Budgeted Revenue determines rate to generate This Year's Revenue

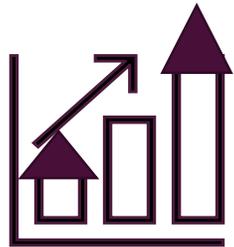


3. Property Tax: Rates

Truth in Taxation laws: Principle 2

“Certified” tax rate

- Last year’s budgeted revenue/adjusted taxable value



rate goes DOWN



rate goes UP

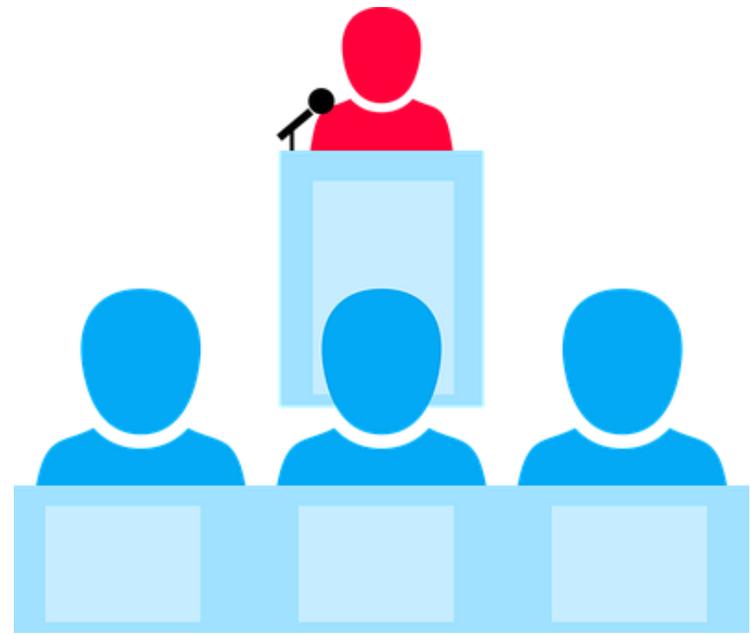
3. Property Tax: Rates

Truth in Taxation laws: Principle 3

Public Hearing



THEN



Questions?

Don't hesitate to reach out to OLRGC Rev &
Tax Team for assistance



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