

Fiscal Note

H.B. 301

Short Title: School District Property Tax Revisions

Sponsor: Newbold, M.

2011 General Session, State of Utah

State Government (UCA 36-12-13(2)(b))

Enactment of this bill likely will not materially impact the state budget.

Local Governments (UCA 36-12-13(2)(c))

This bill combines school property tax rates and changes the maximum limits on potential tax rates. The maximum allowable increase to school districts is \$471.2 million in FY 2013. For school districts opting to raise property tax revenue, they are required to go through truth-in-taxation.

Direct Expenditures by Utah Residents and Businesses (UCA 36-12-13(2)(d))

School districts may opt to increase property tax rates. Assuming all school districts assess the highest allowable rates, the maximum allowable property tax increase on individuals and businesses is \$471.2 million in FY 2013; for an individual owning a \$250,000 home, the maximum allowable increase is \$329 and for a business owner with a property assessed at \$1,000,000, the maximum allowable increase is \$2,395. For individuals and businesses to see a tax increase, school districts are required to go through truth-in-taxation.