

**Effective 5/4/2022**

**Superseded 2/27/2023**

**59-2-924.2 Adjustments to the calculation of a taxing entity's certified tax rate.**

- (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated in accordance with Section 59-2-924.
- (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax rate to offset the increased revenues.
- (3)
  - (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:
    - (i) decreased on a one-time basis by the amount of the estimated sales and use tax revenue to be distributed to the county under Subsection 59-12-1102(3); and
    - (ii) increased by the amount necessary to offset the county's reduction in revenue from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in the certified tax rate under Subsection (3)(a)(i).
  - (b) The commission shall determine estimates of sales and use tax distributions for purposes of Subsection (3)(a).
- (4) Beginning January 1, 1998, if a municipality has imposed an additional resort communities sales and use tax under Section 59-12-402, the municipality's certified tax rate shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of estimated revenue from the additional resort communities sales and use tax imposed under Section 59-12-402.
- (5)
  - (a) This Subsection (5) applies to each county that:
    - (i) establishes a countywide special service district under Title 17D, Chapter 1, Special Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and
    - (ii) levies a property tax on behalf of the special service district under Section 17D-1-105.
  - (b)
    - (i) The certified tax rate of each county to which this Subsection (5) applies shall be decreased by the amount necessary to reduce county revenues by the same amount of revenues that will be generated by the property tax imposed on behalf of the special service district.
    - (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the levy on behalf of the special service district under Section 17D-1-105.
- (6)
  - (a) As used in this Subsection (6):
    - (i) "Annexing county" means a county whose unincorporated area is included within a public safety district by annexation.
    - (ii) "Annexing municipality" means a municipality whose area is included within a public safety district by annexation.
    - (iii) "Equalized public safety protection tax rate" means the tax rate that results from:
      - (A) calculating, for each participating county and each participating municipality, the property tax revenue necessary:
        - (I) in the case of a fire district, to cover all of the costs associated with providing fire protection, paramedic, and emergency services:

- (Aa) for a participating county, in the unincorporated area of the county; and
- (Bb) for a participating municipality, in the municipality; or
- (II) in the case of a police district, to cover all the costs:
  - (Aa) associated with providing law enforcement service:
    - (Ii) for a participating county, in the unincorporated area of the county; and
    - (Iiii) for a participating municipality, in the municipality; and
  - (Bb) that the police district board designates as the costs to be funded by a property tax; and
- (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all participating counties and all participating municipalities and then dividing that sum by the aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:
  - (I) for participating counties, in the unincorporated area of all participating counties; and
  - (II) for participating municipalities, in all the participating municipalities.
- (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area Act:
  - (A) created to provide fire protection, paramedic, and emergency services; and
  - (B) in the creation of which an election was not required under Subsection 17B-1-214(3)(d).
- (v) "Participating county" means a county whose unincorporated area is included within a public safety district at the time of the creation of the public safety district.
- (vi) "Participating municipality" means a municipality whose area is included within a public safety district at the time of the creation of the public safety district.
- (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area Act, within a county of the first class:
  - (A) created to provide law enforcement service; and
  - (B) in the creation of which an election was not required under Subsection 17B-1-214(3)(d).
- (viii) "Public safety district" means a fire district or a police district.
- (ix) "Public safety service" means:
  - (A) in the case of a public safety district that is a fire district, fire protection, paramedic, and emergency services; and
  - (B) in the case of a public safety district that is a police district, law enforcement service.
- (b) In the first year following creation of a public safety district, the certified tax rate of each participating county and each participating municipality shall be decreased by the amount of the equalized public safety tax rate.
- (c) In the first budget year following annexation to a public safety district, the certified tax rate of each annexing county and each annexing municipality shall be decreased by an amount equal to the amount of revenue budgeted by the annexing county or annexing municipality:
  - (i) for public safety service; and
  - (ii) in:
    - (A) for a taxing entity operating under a January 1 through December 31 fiscal year, the prior calendar year; or
    - (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior fiscal year.
- (d) Each tax levied under this section by a public safety district shall be considered to be levied by:
  - (i) each participating county and each annexing county for purposes of the county's tax limitation under Section 59-2-908; and
  - (ii) each participating municipality and each annexing municipality for purposes of the municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a city.

- (e) The calculation of a public safety district's certified tax rate for the year of annexation shall be adjusted to include an amount of revenue equal to one half of the amount of revenue budgeted by the annexing entity for public safety service in the annexing entity's prior fiscal year if:
  - (i) the public safety district operates on a January 1 through December 31 fiscal year;
  - (ii) the public safety district approves an annexation of an entity operating on a July 1 through June 30 fiscal year; and
  - (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.
- (7)
  - (a) The base taxable value as defined in Section 17C-1-102 shall be reduced for any year to the extent necessary to provide a community reinvestment agency established under Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, with approximately the same amount of money the agency would have received without a reduction in the county's certified tax rate, calculated in accordance with Section 59-2-924, if:
    - (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);
    - (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the previous year; and
    - (iii) the decrease results in a reduction of the amount to be paid to the agency under Section 17C-1-403 or 17C-1-404.
  - (b) The base taxable value as defined in Section 17C-1-102 shall be increased in any year to the extent necessary to provide a community reinvestment agency with approximately the same amount of money as the agency would have received without an increase in the certified tax rate that year if:
    - (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due to a decrease in the certified tax rate under Subsection (2) or (3)(a); and
    - (ii) the certified tax rate of a city, school district, local district, or special service district increases independent of the adjustment to the taxable value of the base year.
  - (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the amount of money allocated and, when collected, paid each year to a community reinvestment agency established under Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, for the payment of bonds or other contract indebtedness, but not for administrative costs, may not be less than that amount would have been without a decrease in the certified tax rate under Subsection (2) or (3)(a).
- (8)
  - (a) For the calendar year beginning on January 1, 2014, the calculation of a county assessing and collecting levy shall be adjusted by the amount necessary to offset:
    - (i) any change in the certified tax rate that may result from amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3; and
    - (ii) the difference in the amount of revenue a taxing entity receives from or contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that may result from amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3.
  - (b) A taxing entity is not required to comply with the notice and public hearing requirements in Section 59-2-919 for an adjustment to the county assessing and collecting levy described in Subsection (8)(a).