

1 **LEVIES FOR THE ASSESSMENT AND**
2 **COLLECTION OF PROPERTY TAXES**

3 2006 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Howard A. Stephenson**

6 House Sponsor: David Clark

8 **LONG TITLE**

9 **General Description:**

10 This bill amends the Property Tax Act relating to the assessment and collection of
11 certain property taxes.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ amends the levy requirements for counties participating in the Property Tax
15 Valuation Agency Fund;
- 16 ▶ amends the multicounty assessing and collecting levy requirements and procedures;
- 17 ▶ requires a contributing county to levy sufficient property taxes to fund its county
18 budgets; and
- 19 ▶ makes technical changes.

20 **Monies Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 This bill has retrospective operation to January 1, 2006.

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **59-2-906.1**, as last amended by Chapter 195, Laws of Utah 2005

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

29 Section 1. Section **59-2-906.1** is amended to read:

30 **59-2-906.1. Property Tax Valuation Agency Fund -- Creation -- Statewide levy --**
31 **Additional county levy permitted.**

32 (1) (a) There is created the Property Tax Valuation Agency Fund, to be funded by a
33 multicounty assessing and collecting levy not to exceed .0002 as provided in Subsection (2).

34 (b) The multicounty assessing and collecting levy under Subsection (1)(a) shall be
35 imposed annually by each county in the state.

36 (c) The purpose of the multicounty assessing and collecting levy created under
37 Subsection (1)(a) and the disbursement formulas established in Section 59-2-906.2 is to
38 promote the:

39 (i) accurate valuation of property;

40 (ii) establishment and maintenance of uniform assessment levels within and among
41 counties; and

42 (iii) efficient administration of the property tax system, including the costs of
43 assessment, collection, and distribution of property taxes.

44 (d) Income derived from the investment of money in the fund created in this
45 Subsection (1) shall be deposited in and become part of the fund.

46 (2) (a) Subject to [~~Subsection~~] Subsections (2)(b), (5), and (6), in order to fund the
47 Property Tax Valuation Agency Fund, the Legislature shall authorize the amount of the
48 multicounty assessing and collecting levy.

49 (b) The multicounty assessing and collecting levy may not exceed the certified revenue
50 levy as defined in Section 59-2-102, unless:

51 (i) the Legislature authorizes a multicounty assessing and collecting levy that exceeds
52 the certified revenue levy; and

53 (ii) the state complies with the notice requirements of Section 59-2-926.

54 (3) (a) The multicounty assessing and collecting levy authorized by the Legislature
55 under Subsection (2) shall be separately stated on the tax notice as a multicounty assessing and
56 collecting levy.

57 (b) The multicounty assessing and collecting levy authorized by the Legislature under

58 Subsection (2) is:

59 (i) exempt from the redevelopment provisions of Sections 17B-4-1003 and
60 17B-4-1004;

61 (ii) in addition to and exempt from the maximum levies allowable under Section
62 59-2-908; and

63 (iii) exempt from the notice requirements of Sections 59-2-918 and 59-2-919.

64 (c) (i) Each county shall transmit quarterly to the state treasurer the portion of the .0002
65 multicounty assessing and collecting levy which is above the amount to which that county is
66 entitled to under Section 59-2-906.2.

67 (ii) The revenue transmitted under Subsection (3)(c)(i) shall be transmitted no later
68 than the tenth day of the month following the end of the quarter in which the revenue is
69 collected.

70 (iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth day
71 of the month following the end of the quarter in which the revenue is collected, the county shall
72 pay an interest penalty at the rate of 10% each year until the revenue is transmitted.

73 (iv) Each county that transmits to the state treasurer a portion of the .0002 multicounty
74 assessing and collecting levy in accordance with Subsection (3)(c) shall levy sufficient property
75 taxes to fund its county assessing and collecting budgets.

76 (d) The state treasurer shall deposit in the Property Tax Valuation Agency Fund the:

77 (i) revenue from the multicounty assessing and collecting levy;

78 (ii) interest accrued from that levy; and

79 (iii) penalties received under Subsection (3)(c)(iii).

80 (4) (a) A county may levy an additional property tax in accordance with this Subsection
81 (4).

82 [~~(4)(a)~~] (b) A county may not receive funds from the Property Tax Valuation Agency
83 Fund unless the county levies an additional property tax of at least .0003 per dollar of taxable
84 value of taxable property as reported by each county.

85 [~~(b)~~] (c) The levy described in Subsection (4)(a) shall be levied by the county and

86 stated on the tax notice as a county assessing and collecting levy.

87 ~~[(e)]~~ (d) The purpose of the levy established in this Subsection (4) is to promote the:

88 (i) accurate valuation of property;

89 (ii) establishment and maintenance of uniform assessment levels within and among
90 counties; and

91 (iii) efficient administration of the property tax system, including the costs of
92 assessment, collection, and distribution of property taxes.

93 ~~[(d)]~~ (e) A levy established in Subsection (4)(a) is:

94 (i) exempt from the redevelopment provisions of Sections 17B-4-1003 and
95 17B-4-1004;

96 (ii) in addition to and exempt from the maximum levies allowable under Section
97 59-2-908; and

98 ~~[(iii) for the calendar year beginning on January 1, 2005, and ending on December 31,
99 2005, exempt from the notice and hearing requirements of Sections 59-2-918 and 59-2-919;
100 and]~~

101 ~~[(iv)]~~ (iii) beginning on January 1, 2006, subject to the notice and hearing requirements
102 of Sections 59-2-918 and 59-2-919 if the levy is raised to a rate in excess of .0003.

103 (5) (a) As used in this Subsection (5) and Subsection (6), "receiving county" means a
104 county that receives a disbursement from the Property Tax Valuation Agency Fund in
105 accordance with Section 59-2-906.2.

106 (b) Subject to Subsection (7), for the calendar year beginning on January 1, 2006, the
107 amount of the multicounty assessing and collecting levy described in this section shall be set at
108 an amount that is equal to the difference between:

109 (i) the amount of revenue collected from the multicounty assessing and collecting levy
110 during the calendar year beginning on January 1, 2004; and

111 (ii) the amount of revenue budgeted:

112 (A) by each receiving county for the calendar year beginning on January 1, 2006; and

113 (B) for the county levy described in Subsection (4)(a).

114 (6) Subject to Subsection (7), for calendar years beginning on or after January 1, 2007,
115 the amount of the multicounty assessing and collecting levy described in this section shall be
116 reduced by an amount equal to the difference between:

117 (a) the amount of revenue budgeted:

118 (i) by each receiving county for that calendar year; and

119 (ii) for the county levy described in Subsection (4)(a); and

120 (b) the amount of revenue budgeted:

121 (i) by each receiving county for the calendar year immediately preceding the calendar
122 year described in Subsection (6)(a); and

123 (ii) for the county levy described in Subsection (4)(a).

124 (7) The amounts described in the calculations required by Subsections (5) and (6) are
125 exclusive of new growth.

126 Section 2. **Retrospective operation.**

127 This bill has retrospective operation to January 1, 2006.