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PERSONAL PROPERTY TAX AMENDMENTS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John Dougall

Senate Sponsor: Wayne L. Niederhauser

LONG TITLE

Committee Note:

The Revenue and Taxation Interim Committee recommended this bill.

General Description:

This bill amends the Property Tax Act and the chapter relating to the collection of certain personal property taxes and the calculation of the certified tax rate.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ amends the time period within which a county assessor or treasurer is required to deposit its collections of personal property tax revenue with the state treasurer or a qualified depository for the credit of the state;
- ▶ creates two depreciation schedules for certain classes of taxable tangible personal property;
- ▶ allows a person to elect to designate certain taxable tangible personal property as "expensed personal property" for valuation and taxing purposes;
- ▶ starting January 1, 2010, requires the Tax Commission to develop depreciation schedules for short life expensed personal property and long life expensed personal property;
- ▶ prohibits a county from requiring a person to itemize the person's expensed personal property;



- 28 ▶ amends the date within which a person is required to file a statement with the
- 29 county assessor's office listing the person's real and personal property;
- 30 ▶ eliminates the certified mailing requirement for a county assessor when the county
- 31 assessor notifies a personal property taxpayer that the personal property taxpayer's
- 32 signed statement is past due;
- 33 ▶ amends the formula for the calculation of the certified tax rate;
- 34 ▶ requires the portions of the certified tax rate calculation that relate to personal
- 35 property values to be based on the prior year's personal property values;
- 36 ▶ amends the exemption amount for certain personal property;
- 37 ▶ exempts certain personal property with a residual value of 15% or less from
- 38 taxation;
- 39 ▶ amends the time period within which a personal property tax or uniform fee is due;
- 40 and
- 41 ▶ makes technical changes.

42 Monies Appropriated in this Bill:

43 None

44 Other Special Clauses:

45 This bill takes effect on January 1, 2009.

46 Utah Code Sections Affected:

47 AMENDS:

- 48 **17-34-3**, as last amended by Laws of Utah 2005, First Special Session, Chapter 9
- 49 **17C-1-408**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 50 **53A-16-106**, as last amended by Laws of Utah 1994, Chapter 12
- 51 **53A-17a-133**, as last amended by Laws of Utah 2006, Chapter 26
- 52 **53A-19-102**, as last amended by Laws of Utah 2007, Chapter 92
- 53 **53A-19-105**, as last amended by Laws of Utah 2003, Chapter 122
- 54 **59-2-306**, as last amended by Laws of Utah 2000, Chapter 86
- 55 **59-2-307**, as last amended by Laws of Utah 2006, Chapter 39
- 56 **59-2-908**, as last amended by Laws of Utah 1995, Chapter 278
- 57 **59-2-913**, as last amended by Laws of Utah 2007, Chapter 107
- 58 **59-2-914**, as last amended by Laws of Utah 1995, Chapter 278

- 59 **59-2-918**, as last amended by Laws of Utah 2006, Chapters 26 and 104
- 60 **59-2-924**, as last amended by Laws of Utah 2007, Chapters 107, and 329
- 61 **59-2-1115**, as last amended by Laws of Utah 2007, Chapter 8
- 62 **59-2-1302**, as last amended by Laws of Utah 2007, Chapter 306
- 63 **59-2-1330**, as last amended by Laws of Utah 2002, Chapters 196 and 240

64 ENACTS:

- 65 **59-2-108**, Utah Code Annotated 1953
- 66 **59-2-924.2**, Utah Code Annotated 1953



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

69 Section 1. Section **17-34-3** is amended to read:

70 **17-34-3. Taxes or service charges.**

71 (1) (a) If a county furnishes the municipal-type services and functions described in
72 Section 17-34-1 to areas of the county outside the limits of incorporated cities or towns, the
73 entire cost of the services or functions so furnished shall be defrayed from funds that the county
74 has derived from:

- 75 (i) taxes that the county may lawfully levy or impose outside the limits of incorporated
- 76 towns or cities;
- 77 (ii) service charges or fees the county may impose upon the persons benefited in any
- 78 way by the services or functions; or
- 79 (iii) a combination of these sources.

80 (b) As the taxes or service charges or fees are levied and collected, they shall be placed
81 in a special revenue fund of the county and shall be disbursed only for the rendering of the
82 services or functions established in Section 17-34-1 within the unincorporated areas of the
83 county or as provided in Subsection 10-2-121(2).

84 (2) For the purpose of levying taxes, service charges, or fees provided in this section,
85 the county legislative body may establish a district or districts in the unincorporated areas of
86 the county.

87 (3) Nothing contained in this chapter may be construed to authorize counties to impose
88 or levy taxes not otherwise allowed by law.

89 ~~[(4) (a) A county required under Subsection 17-34-1(4) to provide advanced life~~

90 support and paramedic services to the unincorporated area of the county and that previously
 91 paid for those services through a countywide levy may increase its levy under Subsection
 92 (1)(a)(i) to generate in the unincorporated area of the county the same amount of revenue as the
 93 county loses from that area due to the required decrease in the countywide certified tax rate
 94 under Subsection 59-2-924(2)(k)(i).]

95 [~~(b) An increase in tax rate under Subsection (4)(a) is exempt from the notice and~~
 96 ~~hearing requirements of Sections 59-2-918 and 59-2-919.~~]

97 [(5)] (4) Notwithstanding any other provision of this chapter, a county providing fire,
 98 paramedic, and police protection services in a designated recreational area, as provided in
 99 Subsection 17-34-1(5), may fund those services from the county general fund with revenues
 100 derived from both inside and outside the limits of cities and towns, and the funding of those
 101 services is not limited to unincorporated area revenues.

102 Section 2. Section **17C-1-408** is amended to read:

103 **17C-1-408. Base taxable value to be adjusted to reflect other changes.**

104 (1) (a) (i) As used in this Subsection (1), "qualifying decrease" means:

105 (A) a decrease of more than 20% from the previous tax year's levy; or

106 (B) a cumulative decrease over a consecutive five-year period of more than 100% from
 107 the levy in effect at the beginning of the five-year period.

108 (ii) The year in which a qualifying decrease under Subsection (1)(a)(i)(B) occurs is the
 109 fifth year of the five-year period.

110 (b) If there is a qualifying decrease in the minimum basic school levy under Section
 111 59-2-902 that would result in a reduction of the amount of tax increment to be paid to an
 112 agency:

113 (i) the base taxable value of taxable property within the project area shall be reduced in
 114 the year of the qualifying decrease to the extent necessary, even if below zero, to provide the
 115 agency with approximately the same amount of tax increment that would have been paid to the
 116 agency each year had the qualifying decrease not occurred; and

117 (ii) the amount of tax increment paid to the agency each year for the payment of bonds
 118 and indebtedness may not be less than what would have been paid to the agency if there had
 119 been no qualifying decrease.

120 (2) (a) The amount of the base taxable value to be used in determining tax increment

121 shall be:

122 (i) increased or decreased by the amount of an increase or decrease that results from:

123 (A) a statute enacted by the Legislature or by the people through an initiative;

124 (B) a judicial decision;

125 (C) an order from the State Tax Commission to a county to adjust or factor its

126 assessment rate under Subsection 59-2-704(2);

127 (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or

128 Section 59-2-103; or

129 (E) an increase or decrease in the percentage of fair market value, as defined under

130 Section 59-2-102; and

131 (ii) reduced for any year to the extent necessary, even if below zero, to provide an

132 agency with approximately the same amount of money the agency would have received without

133 a reduction in the county's certified tax rate if:

134 (A) in that year there is a decrease in the county's certified tax rate under Subsection

135 ~~[59-2-924(2)(c) or (d)(i)]~~ 59-2-924.2(2) or (3)(a);

136 (B) the amount of the decrease is more than 20% of the county's certified tax rate of the

137 previous year; and

138 (C) the decrease would result in a reduction of the amount of tax increment to be paid

139 to the agency.

140 (b) Notwithstanding an increase or decrease under Subsection (2)(a), the amount of tax

141 increment paid to an agency each year for payment of bonds or other indebtedness may not be

142 less than would have been paid to the agency each year if there had been no increase or

143 decrease under Subsection (2)(a).

144 Section 3. Section **53A-16-106** is amended to read:

145 **53A-16-106. Annual certification of tax rate proposed by local school board --**

146 **Inclusion of school district budget -- Modified filing date.**

147 (1) Prior to June 22 of each year, each local school board shall certify to the county

148 legislative body in which the district is located, on forms prescribed by the State Tax

149 Commission, the proposed tax rate approved by the local school board.

150 (2) A copy of the district's budget, including items under Section 53A-19-101, and a

151 certified copy of the local school board's resolution which approved the budget and set the tax

152 rate for the subsequent school year beginning July 1 shall accompany the tax rate.

153 (3) If the tax rate approved by the board is in excess of the "certified tax rate" as
154 defined under Subsection 59-2-924~~(2)~~(3)(a), the date for filing the tax rate and budget
155 adopted by the board shall be that established under Section 59-2-919.

156 Section 4. Section **53A-17a-133** is amended to read:

157 **53A-17a-133. State-supported voted leeway program authorized -- Election**
158 **requirements -- State guarantee -- Reconsideration of the program.**

159 (1) An election to consider adoption or modification of a voted leeway program is
160 required if initiative petitions signed by 10% of the number of electors who voted at the last
161 preceding general election are presented to the local school board or by action of the board.

162 (2) (a) (i) To establish a voted leeway program, a majority of the electors of a district
163 voting at an election in the manner set forth in Section 53A-16-110 must vote in favor of a
164 special tax.

165 (ii) The tax rate may not exceed .002 per dollar of taxable value.

166 (b) The district may maintain a school program which exceeds the cost of the program
167 referred to in Section 53A-17a-145 with this voted leeway.

168 (c) In order to receive state support the first year, a district must receive voter approval
169 no later than December 1 of the year prior to implementation.

170 (3) (a) Under the voted leeway program, the state shall contribute an amount sufficient
171 to guarantee \$17.54 per weighted pupil unit for each .0001 of the first .0016 per dollar of
172 taxable value.

173 (b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar
174 of taxable value under Subsection (3)(a) shall apply to the board-approved leeway authorized
175 in Section 53A-17a-134, so that the guarantee shall apply up to a total of .002 per dollar of
176 taxable value if a school district levies a tax rate under both programs.

177 (c) (i) Beginning July 1, 2005, the \$17.54 guarantee under Subsections (3)(a) and (b)
178 shall be indexed each year to the value of the weighted pupil unit by making the value of the
179 guarantee equal to .008544 times the value of the prior year's weighted pupil unit.

180 (ii) The guarantee shall increase by .0005 times the value of the prior year's weighted
181 pupil unit for each succeeding year until the guarantee is equal to .010544 times the value of
182 the prior year's weighted pupil unit.

183 (d) (i) The amount of state guarantee money to which a school district would otherwise
184 be entitled to under this Subsection (3) may not be reduced for the sole reason that the district's
185 levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924
186 pursuant to changes in property valuation.

187 (ii) Subsection (3)(d)(i) applies for a period of two years following any such change in
188 the certified tax rate.

189 (4) (a) An election to modify an existing voted leeway program is not a reconsideration
190 of the existing program unless the proposition submitted to the electors expressly so states.

191 (b) A majority vote opposing a modification does not deprive the district of authority to
192 continue an existing program.

193 (c) If adoption of a leeway program is contingent upon an offset reducing other local
194 school board levies, the board must allow the electors, in an election, to consider modifying or
195 discontinuing the program prior to a subsequent increase in other levies that would increase the
196 total local school board levy.

197 (d) Nothing contained in this section terminates, without an election, the authority of a
198 school district to continue an existing voted leeway program previously authorized by the
199 voters.

200 (5) Notwithstanding Section 59-2-918, a school district may budget an increased
201 amount of ad valorem property tax revenue derived from a voted leeway imposed under this
202 section in addition to revenue from new growth as defined in Subsection 59-2-924~~(2)~~(4),
203 without having to comply with the advertisement requirements of Section 59-2-918, if the
204 voted leeway is approved:

205 (a) in accordance with Section 53A-16-110 on or after January 1, 2003; and

206 (b) within the four-year period immediately preceding the year in which the school
207 district seeks to budget an increased amount of ad valorem property tax revenue derived from
208 the voted leeway.

209 (6) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this
210 section that exceeds the certified tax rate without having to comply with the advertisement
211 requirements of Section 59-2-919 if:

212 (a) the levy exceeds the certified tax rate as the result of a school district budgeting an
213 increased amount of ad valorem property tax revenue derived from a voted leeway imposed

214 under this section; and

215 (b) if the voted leeway was approved:

216 (i) in accordance with Section 53A-16-110 on or after January 1, 2003; and

217 (ii) within the four-year period immediately preceding the year in which the school
218 district seeks to budget an increased amount of ad valorem property tax revenue derived from
219 the voted leeway.

220 Section 5. Section **53A-19-102** is amended to read:

221 **53A-19-102. Local school boards budget procedures.**

222 (1) Prior to June 22 of each year, each local school board shall adopt a budget and
223 make appropriations for the next fiscal year. If the tax rate in the proposed budget exceeds the
224 certified tax rate defined in [~~Subsection~~] Section 59-2-924[(2)], the board shall comply with
225 Sections 59-2-918 and 59-2-919 in adopting the budget, except as provided by Section
226 53A-17a-133.

227 (2) Prior to the adoption of a budget containing a tax rate which does not exceed the
228 certified tax rate, the board shall hold a public hearing, as defined in Section 10-9a-103, on the
229 proposed budget. In addition to complying with Title 52, Chapter 4, Open and Public Meetings
230 Act, in regards to the hearing, the board shall do the following:

231 (a) publish the required newspaper notice at least ten days prior to the hearing; and

232 (b) file a copy of the proposed budget with the board's business administrator for public
233 inspection at least ten days prior to the hearing.

234 (3) The board shall file a copy of the adopted budget with the state auditor and the
235 State Board of Education.

236 Section 6. Section **53A-19-105** is amended to read:

237 **53A-19-105. School district interfund transfers.**

238 (1) A school district shall spend revenues only within the fund for which they were
239 originally authorized, levied, collected, or appropriated.

240 (2) Except as otherwise provided in this section, school district interfund transfers of
241 residual equity are prohibited.

242 (3) The State Board of Education may authorize school district interfund transfers of
243 residual equity when a district states its intent to create a new fund or expand, contract, or
244 liquidate an existing fund.

245 (4) The State Board of Education may also authorize school district interfund transfers
246 of residual equity for a financially distressed district if the board determines the following:

247 (a) the district has a significant deficit in its maintenance and operations fund caused
248 by circumstances not subject to the administrative decisions of the district;

249 (b) the deficit cannot be reasonably reduced under Section 53A-19-104; and

250 (c) without the transfer, the school district will not be capable of meeting statewide
251 educational standards adopted by the State Board of Education.

252 (5) The board shall develop standards for defining and aiding financially distressed
253 school districts under this section in accordance with Title 63, Chapter 46a, Utah
254 Administrative Rulemaking Act.

255 (6) (a) All debt service levies not subject to certified tax rate hearings shall be recorded
256 and reported in the debt service fund.

257 (b) Debt service levies under Subsection 59-2-924~~[(2)(a)(v)(C)](3)(e)(iii)~~ that are not
258 subject to the certified tax rate hearing requirements of Sections 59-2-918 and 59-2-919 may
259 not be used for any purpose other than retiring general obligation debt.

260 (c) Amounts from these levies remaining in the debt service fund at the end of a fiscal
261 year shall be used in subsequent years for general obligation debt retirement.

262 (d) Any amounts left in the debt service fund after all general obligation debt has been
263 retired may be transferred to the capital projects fund upon completion of the budgetary hearing
264 process required under Section 53A-19-102.

265 Section 7. Section **59-2-108** is enacted to read:

266 **59-2-108. Depreciation schedule for certain taxable tangible personal property.**

267 (1) As used in this section:

268 (a) (i) "Acquisition cost" means all costs required to put an item of tangible personal
269 property into service; and

270 (ii) includes:

271 (A) the purchase price for a new or used item;

272 (B) the cost of freight and shipping;

273 (C) the cost of installation, engineering, erection, or assembly; and

274 (D) sales and use taxes.

275 (b) "Expensed personal property" means an item of taxable tangible personal property

276 that:

277 (i) has an acquisition cost of \$5,000 or less; and

278 (ii) a person elects to have assessed according to a schedule described in Subsection (4)

279 or (5).

280 (c) (i) "Item of taxable tangible personal property" does not include taxable tangible
281 personal property permanently attached to real property as defined in Section 59-12-102.

282 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
283 the commission may make rules defining the term "item of taxable tangible personal property."

284 (d) (i) "Long life expensed personal property" means expensed personal property that is
285 the same type as the following personal property:

286 (A) computer integrated machinery;

287 (B) long life trade fixtures;

288 (C) medical and dental equipment;

289 (D) machinery and equipment;

290 (E) heavy equipment; or

291 (F) long life property.

292 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
293 the commission may make rules defining the following terms:

294 (A) "computer integrated machinery";

295 (B) "long life trade fixtures";

296 (C) "medical and dental equipment";

297 (D) "machinery equipment";

298 (E) "heavy equipment"; and

299 (F) "long life property."

300 (e) (i) "Short life expensed personal property" means expensed personal property that is
301 the same type as the following personal property:

302 (A) short life property;

303 (B) short life trade fixtures; or

304 (C) computer hardware.

305 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
306 the commission may make rules defining the following terms:

- 307 (A) "short life property":
308 (B) "short life trade fixtures"; and
309 (C) "computer hardware."
310 (f) "Taxable tangible personal property" means tangible personal property that is
311 subject to taxation under this chapter.
- 312 (2) (a) A person may elect to designate taxable tangible personal property as expensed
313 personal property.
- 314 (b) A county shall not require a person to:
315 (i) itemize expensed personal property on the signed statement described in Section
316 59-2-306; and
317 (ii) track expensed personal property.
- 318 (c) If a taxpayer's expensed personal property is audited in accordance with Subsection
319 59-2-306(3), a taxpayer shall provide proof of the acquisition price of the expensed personal
320 property.
- 321 (3) (a) An election to designate taxable tangible personal property as expensed personal
322 property under this section may not be revoked.
- 323 (b) Except as provided in Subsection (3)(d), if an item of taxable tangible personal
324 property is designated as expensed personal property, the person must pay taxes according to
325 the taxable value determined by the schedule:
326 (i) for an item of short life expensed personal property, for a term designated by a
327 schedule described in Subsection (4); and
328 (ii) for an item of long life expensed personal property, for a term designated by the
329 schedule described in Subsection (5).
- 330 (c) If a person sells or otherwise disposes of an item of expensed personal property
331 prior to the time period described in Subsection (3)(b) or (d), the person shall continue to pay
332 taxes according to the schedule described in Subsection (4) or (5).
- 333 (d) If a person elects to designate an item of taxable tangible personal property
334 acquired before December 31, 2008, as expensed personal property at a time after the first year
335 after the item is acquired, the person must pay taxes according to the taxable value determined
336 by the schedule for a time period that equals:
337 (i) for an item of short life expensed personal property:

338 (A) the time period designated in Subsection (3)(b)(i); less
 339 (B) the time period beginning when the person acquired the item of expensed personal
 340 property and ending when the person designated the item as short life expensed personal
 341 property; and

342 (ii) for an item of long life expensed personal property:
 343 (A) the time period designated in Subsection (3)(b)(ii); less
 344 (B) the time period beginning when the person acquired the item of expensed personal
 345 property and ending when the person designated the item as long life expensed personal
 346 property.

347 (e) If a person elects to designate taxable tangible personal property as expensed
 348 personal property in accordance with Subsection (2)(a), the person may not appeal the values
 349 described in Subsection (4) or (5).

350 (4) (a) For the taxable year beginning on January 1, 2009 and ending on December 31,
 351 2009, the taxable value of short life expensed personal property is calculated by applying the
 352 percent good factor against the acquisition cost of the property as follows:

353 Short Life Expensed Personal Property Schedule

<u>Year of</u>	<u>Percent Good of</u>
<u>Acquisition</u>	<u>Acquisition Cost</u>
<u>2008</u>	<u>69%</u>
<u>2007</u>	<u>52%</u>
<u>2006</u>	<u>30%</u>
<u>2005</u>	<u>17%</u>
<u>2004</u>	<u>11%</u>

361 (b) For taxable years beginning on or after January 1, 2010, the taxable value of short
 362 life expensed personal property shall be assessed according to a schedule developed by the
 363 commission in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

364 (5) (a) For the taxable year beginning on January 1, 2009 and ending on December 31,
 365 2009, the taxable value of long life expensed personal property is calculated by applying the
 366 percent good factor against the acquisition cost of the property as follows:

367 Long Life Expensed Personal Property Schedule

<u>Year of</u>	<u>Percent Good of</u>
----------------	------------------------

	<u>Acquisition</u>	<u>Acquisition Cost</u>
369		
370	<u>2008</u>	<u>94%</u>
371	<u>2007</u>	<u>86%</u>
372	<u>2006</u>	<u>82%</u>
373	<u>2005</u>	<u>74%</u>
374	<u>2004</u>	<u>65%</u>
375	<u>2003</u>	<u>54%</u>
376	<u>2002</u>	<u>44%</u>
377	<u>2001</u>	<u>34%</u>
378	<u>2000</u>	<u>23%</u>
379	<u>1999</u>	<u>18%</u>
380	<u>1998</u>	<u>12%</u>

381 (b) For taxable years beginning on or after January 1, 2010, the taxable value of long
382 life expensed personal property shall be assessed according to a schedule developed by the
383 commission in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

384 Section 8. Section **59-2-306** is amended to read:

385 **59-2-306. Statements by taxpayers -- Power of assessors respecting statements.**

386 (1) The county assessor may request a signed statement from any person setting forth
387 all the real and personal property assessable by the assessor which is owned, possessed,
388 managed, or under the control of the person at 12 [~~o'clock~~] noon on January 1. [~~This~~
389 ~~statement~~]

390 (2) (a) Except as provided in Subsection (2)(b) or (c), a signed statement described in
391 Subsection (1) shall be filed on or before May 15 of the year the statement described in
392 Subsection (1) is requested by the county assessor.

393 (b) For a county of the first class, the signed statement described in Subsection (1) shall
394 be filed [~~within 30~~] on the later of:

395 (i) 60 days after requested by the assessor[~~;~~]; or

396 (ii) on or before May 15 of the year the statement described in Subsection (1) is
397 requested by the county assessor if, by resolution, the county legislative body of that county
398 adopts the deadline described in Subsection (2)(a).

399 (c) If a county assessor requests a signed statement described in Subsection (1) on or

400 after March 16, the person shall file the signed statement within 60 days after requested by the
401 assessor.

402 [~~2~~] (3) The signed statement shall include the following:

403 (a) all property belonging to, claimed by, or in the possession, control, or management
404 of the person, any firm of which the person is a member, or any corporation of which the
405 person is president, secretary, cashier, or managing agent;

406 (b) the county in which the property is located or in which it is taxable; and, if taxable
407 in the county in which the signed statement was made, also the city, town, school district, road
408 district, or other taxing district in which it is located or taxable; and

409 (c) all lands in parcels or subdivisions not exceeding 640 acres each, the sections and
410 fractional sections of all tracts of land containing more than 640 acres which have been
411 sectionized by the United States Government, and the improvements on those lands.

412 [~~3~~] (4) Every assessor may subpoena and examine any person in any county in
413 relation to any signed statement but may not require that person to appear in any county other
414 than the county in which the subpoena is served.

415 Section 9. Section **59-2-307** is amended to read:

416 **59-2-307. Refusal by taxpayer to file signed statement -- Penalty -- Assessor to**
417 **estimate value -- Reporting information to other counties.**

418 (1) (a) Each person who fails to file the signed statement required by Section 59-2-306,
419 fails to file the signed statement with respect to name and place of residence, or fails to appear
420 and testify when requested by the assessor, shall pay a penalty equal to 10% of the estimated
421 tax due, but not less than \$100 for each failure to file a signed and completed statement.

422 (b) Each penalty under Subsection (1)(a) shall be collected in the manner provided by
423 Sections 59-2-1302 and 59-2-1303, except as otherwise provided for in this section, or by a
424 judicial proceeding brought in the name of the assessor.

425 (c) All money recovered by any assessor under this section shall be paid into the county
426 treasury.

427 (2) (a) The penalty imposed by Subsection (1)(a) may not be waived or reduced by the
428 assessor, county, county Board of Equalization, or commission except pursuant to a procedure
429 for the review and approval of reductions and waivers adopted by county ordinance, or by
430 administrative rule adopted in accordance with Title 63, Chapter 46a, Utah Administrative

431 Rulemaking Act.

432 (b) The penalty under Subsection (1)(a) for failure to appear and testify when requested
433 by the assessor may not be imposed until 30 days after the [certified] postmark date of mailing
434 of a subsequent [certified] notice.

435 (3) (a) If [any] an owner neglects or refuses to file [the] a signed statement [~~within 30~~
436 ~~days of the date the first county request was sent~~] requested by an assessor of a county of the
437 first class as required under Section 59-2-306, the assessor [~~shall~~] of a county of the first class:

438 (i) shall make:

439 (A) a subsequent request by [certified] mail for the signed statement, informing the
440 owner of the consequences of not filing a signed statement; and

441 (B) a record of the failure to file and an estimate of the value of the property of the
442 owner based on known facts and circumstances; and

443 (ii) may impose a fee for the actual and necessary expenses of the [certified] mailing
444 under Subsection (3)(a)(i)(A).

445 (b) The value fixed by the assessor may not be reduced by the county board of
446 equalization or by the commission.

447 (4) If the signed statement discloses property in any other county, the assessor shall file
448 the signed statement and send a [certified] copy to the assessor of each county in which the
449 property is located.

450 Section 10. Section **59-2-908** is amended to read:

451 **59-2-908. Single aggregate limitation -- Maximum levy.**

452 (1) Except as provided in Subsection (2), each county shall have a single aggregate
453 limitation on the property tax levied for all purposes by the county. Except as provided in
454 Section 59-2-911, this limitation may not exceed the maximum set forth in this section. The
455 maximum is:

456 (a) .0032 per dollar of taxable value in all counties with a total taxable value of more
457 than \$100,000,000; and

458 (b) .0036 per dollar of taxable value in all counties with a total taxable value of less
459 than \$100,000,000.

460 (2) (a) Beginning January 1, 1995, a county may impose a tax rate in excess of the
461 limitation provided in Subsection (1) if the rate established under Subsection (1)(a) or (b)

462 generates revenues for the county in an amount that is less than the revenues that would be
463 generated by the county under the certified tax rate established in [~~Subsection~~] Section
464 59-2-924[(2)].

465 (b) A county meeting the requirements of Subsection (2)(a) may impose a tax rate that
466 does not exceed the certified tax rate established in [~~Subsection~~] Section 59-2-924[(2)].

467 Section 11. Section **59-2-913** is amended to read:

468 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**
469 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**
470 **establishing tax levies -- Format of statement.**

471 (1) As used in this section, "budgeted property tax revenues" does not include property
472 tax revenue received by a taxing entity from personal property that is:

- 473 (a) assessed by a county assessor in accordance with Part 3, County Assessment; and
- 474 (b) semiconductor manufacturing equipment.

475 (2) (a) The legislative body of each taxing entity shall file a statement as provided in
476 this section with the county auditor of the county in which the taxing entity is located.

477 (b) The auditor shall annually transmit the statement to the commission:

- 478 (i) before June 22; or
- 479 (ii) with the approval of the commission, on a subsequent date prior to the date
480 established under Section 59-2-1317 for mailing tax notices.

481 (c) The statement shall contain the amount and purpose of each levy fixed by the
482 legislative body of the taxing entity.

483 (3) For purposes of establishing the levy set for each of a taxing entity's applicable
484 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing
485 the budgeted property tax revenues, specified in a budget which has been adopted and
486 approved prior to setting the levy, by the amount calculated under Subsections
487 59-2-924[(2)(a)(iii)(B)(I) through (H)] (3)(c)(ii)(A) through (C).

488 (4) The format of the statement under this section shall:

- 489 (a) be determined by the commission; and
- 490 (b) cite any applicable statutory provisions that:
 - 491 (i) require a specific levy; or
 - 492 (ii) limit the property tax levy for any taxing entity.

493 (5) The commission may require certification that the information submitted on a
494 statement under this section is true and correct.

495 Section 12. Section **59-2-914** is amended to read:

496 **59-2-914. Excess levies -- Commission to recalculate levy -- Notice to implement**
497 **adjusted levies to county auditor.**

498 (1) If the commission determines that a levy established for a taxing entity set under
499 Section 59-2-913 is in excess of the maximum levy permitted by law, the commission shall:

- 500 (a) lower the levy so that it is set at the maximum level permitted by law;
- 501 (b) notify the taxing entity which set the excessive rate that the rate has been lowered;
- 502 and

503 (c) notify the county auditor of the county or counties in which the taxing entity is
504 located to implement the rate established by the commission.

505 (2) A levy set for a taxing entity by the commission under this section shall be the
506 official levy for that taxing entity unless:

- 507 (a) the taxing entity lowers the levy established by the commission; or
- 508 (b) the levy is subsequently modified by a court order.

509 (3) (a) Subject to the provisions of Subsections (1) and (2), beginning January 1, 1995,
510 a taxing entity may impose a tax rate in excess of the maximum levy permitted by law if the
511 rate established by the taxing entity for the current year generates revenues for the taxing entity
512 in an amount that is less than the revenues that would be generated by the taxing entity under
513 the certified tax rate established in [~~Subsection~~] Section 59-2-924[~~(2)~~].

514 (b) A taxing entity meeting the requirements of Subsection (3)(a) may impose a tax
515 rate that does not exceed the certified rate established in [~~Subsection~~] Section 59-2-924[~~(2)~~].

516 Section 13. Section **59-2-918** is amended to read:

517 **59-2-918. Advertisement of proposed tax increase -- Notice -- Contents.**

518 (1) (a) Except as provided in Subsection (1)(b), a taxing entity may not budget an
519 increased amount of ad valorem tax revenue exclusive of revenue from new growth as defined
520 in Subsection 59-2-924[~~(2)~~](4) unless it advertises its intention to do so at the same time that it
521 advertises its intention to fix its budget for the forthcoming fiscal year.

522 (b) (i) Notwithstanding Subsection (1)(a), a taxing entity is not required to meet the
523 advertisement or hearing requirements of this section if:

524 (A) the taxing entity:

525 (I) collected less than \$15,000 in ad valorem tax revenues for the previous fiscal year;

526 or

527 (II) is expressly exempted by law from complying with the requirements of this

528 section; or

529 (B) the increased amount of ad valorem tax revenue results from a tax rate increase that
530 is exempted under Subsection 59-2-919(1)(a)(ii)(B) from the advertisement and hearing
531 requirements of Section 59-2-919.

532 (ii) Notwithstanding Subsection (1)(a), a taxing entity is not required to meet the
533 advertisement requirements of this section if Section 53A-17a-133 allows the taxing entity to
534 budget an increased amount of ad valorem property tax revenue without having to comply with
535 the advertisement requirements of this section.

536 (2) (a) For taxing entities operating under a July 1 through June 30 fiscal year, the
537 advertisement required by this section may be combined with the advertisement required by
538 Section 59-2-919.

539 (b) For taxing entities operating under a January 1 through December 31 fiscal year,
540 the advertisement required by this section shall meet the size, type, placement, and frequency
541 requirements established under Section 59-2-919.

542 (3) The form of the advertisement required by this section shall meet the size, type,
543 placement, and frequency requirements established under Section 59-2-919 and shall be
544 substantially as follows:

545 "NOTICE OF PROPOSED TAX INCREASE

546 (NAME OF TAXING ENTITY)

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

548 ● If the proposed budget is approved, this would be an increase of _____% above
549 the (name of the taxing entity) property tax budgeted revenue for the prior year.

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

553 ● The (name of the taxing entity) tax on a (insert the value of a business having
554 the same value as the average value of a residence in the taxing entity) business

555 would increase from \$_____ to \$_____, which is \$_____ per year.

556 All concerned citizens are invited to a public hearing on the tax increase.

557 PUBLIC HEARING

558 Date/Time: (date) (time)

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

560 To obtain more information regarding the tax increase, citizens may contact the (name
561 of the taxing entity) at (phone number of taxing entity)."

562 (4) If a final decision regarding the budgeting of an increased amount of ad valorem tax
563 revenue is not made at the public hearing described in Subsection (3), the taxing entity shall
564 announce at the public hearing the scheduled time and place for consideration and adoption of
565 the proposed budget increase.

566 (5) (a) Each taxing entity operating under the January 1 through December 31 fiscal
567 year shall by March 1 notify the county of the date, time, and place of the public hearing at
568 which the budget for the following fiscal year will be considered.

569 (b) The county shall include the information described in Subsection (5)(a) with the tax
570 notice.

571 (6) A taxing entity shall hold a public hearing under this section beginning at or after 6
572 p.m.

573 Section 14. Section **59-2-924** is amended to read:

574 **59-2-924. Report of valuation of property to county auditor and commission --**
575 **Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified**
576 **tax rate -- Rulemaking authority -- Adoption of tentative budget.**

577 (1) ~~(a)~~ Before June 1 of each year, the county assessor of each county shall deliver to
578 the county auditor and the commission the following statements:

579 ~~(i)~~ (a) a statement containing the aggregate valuation of all taxable real property in
580 each taxing entity; and

581 ~~(ii)~~ (b) a statement containing the taxable value of ~~[any additional]~~ all personal
582 property ~~[estimated by the county assessor to be subject to taxation in the current year]~~ from
583 the prior year end values.

584 ~~(b)~~ (2) The county auditor shall, on or before June 8, transmit to the governing body
585 of each taxing entity:

586 ~~[(i)]~~ (a) the statements described in Subsections (1)(a)~~[(i)]~~ and ~~[(ii)]~~ (b);
 587 ~~[(ii)]~~ (b) an estimate of the revenue from personal property;
 588 ~~[(iii)]~~ (c) the certified tax rate; and
 589 ~~[(iv)]~~ (d) all forms necessary to submit a tax levy request.
 590 ~~[(2)]~~ (3) (a) ~~[(i)]~~ The "certified tax rate" means a tax rate that will provide the same ad
 591 valorem property tax revenues for a taxing entity as were budgeted by that taxing entity for the
 592 prior year.

593 ~~[(i)]~~ (b) For purposes of this Subsection ~~[(2), "ad"]~~ (3):
 594 (i) "Ad valorem property tax revenues" do not include:
 595 (A) collections from redemptions;
 596 (B) interest;
 597 (C) penalties; and
 598 (D) revenue received by a taxing entity from personal property that is:
 599 (I) assessed by a county assessor in accordance with Part 3, County Assessment; and
 600 (II) semiconductor manufacturing equipment.

601 (ii) "Aggregate taxable value of all property taxed" means:
 602 (A) the aggregate taxable value of all real property assessed by a county assessor in
 603 accordance with Part 3, County Assessment, for the current year;
 604 (B) the aggregate taxable year end value of all personal property assessed by a county
 605 assessor in accordance with Part 3, County Assessment, for the prior year; and
 606 (C) the aggregate taxable value of all real and personal property assessed by the
 607 commission in accordance with Part 2, Assessment of Property, for the current year.

608 ~~[(iii)-(A)]~~ (c) (i) Except as otherwise provided in this section, the certified tax rate shall
 609 be calculated by dividing the ad valorem property tax revenues budgeted for the prior year by
 610 the taxing entity by the amount calculated under Subsection ~~[(2)(a)(iii)(B)]~~ (3)(c)(i).

611 ~~[(B)]~~ (ii) For purposes of Subsection ~~[(2)(a)(iii)(A)]~~ (3)(c)(i), the legislative body of a
 612 taxing entity shall calculate an amount as follows:

613 ~~[(F)]~~ (A) calculate for the taxing entity the difference between:
 614 ~~[(Aa)]~~ (I) the aggregate taxable value of all property taxed; and
 615 ~~[(Bb)]~~ (II) any redevelopment adjustments for the current calendar year;
 616 ~~[(H)]~~ (B) after making the calculation required by Subsection ~~[(2)(a)(iii)(B)(F)]~~

617 (3)(c)(ii)(A), calculate an amount determined by increasing or decreasing the amount
 618 calculated under Subsection [~~(2)(a)(iii)(B)(F)~~] (3)(c)(ii)(A) by the average of the percentage net
 619 change in the value of taxable property for the equalization period for the three calendar years
 620 immediately preceding the current calendar year;

621 [~~(H)~~] (C) after making the calculation required by Subsection [~~(2)(a)(iii)(B)(H)~~]
 622 (3)(c)(ii)(B), calculate the product of:

623 [~~(Aa)~~] (I) the amount calculated under Subsection [~~(2)(a)(iii)(B)(H)~~] (3)(c)(ii)(B); and

624 [~~(Bb)~~] (II) the percentage of property taxes collected for the five calendar years
 625 immediately preceding the current calendar year; and

626 [~~(IV)~~] (D) after making the calculation required by Subsection [~~(2)(a)(iii)(B)(H)~~]

627 (3)(c)(ii)(C), calculate an amount determined by subtracting from the amount calculated under
 628 Subsection [~~(2)(a)(iii)(B)(H)~~] (3)(c)(ii)(C) any new growth as defined in this section:

629 [~~(Aa)~~] (I) within the taxing entity; and

630 [~~(Bb)~~] (II) for the following calendar year:

631 (Aa) for new growth from real property, the current calendar year[-]; and

632 (Bb) for new growth from personal property, the prior calendar year.

633 [~~(C)~~] (iii) For purposes of Subsection [~~(2)(a)(iii)(B)(F)~~] (3)(c)(ii)(A), the aggregate
 634 taxable value of all property taxed:

635 [~~(F)~~] (A) except as provided in Subsection [~~(2)(a)(iii)(C)(H)~~] (3)(c)(iii)(B), includes:

636 (I) the total taxable value of the real [~~and personal~~] property contained on the tax rolls
 637 of the taxing entity; and

638 (II) the total taxable year end value of the personal property contained on the prior
 639 year's tax rolls of the taxing entity;

640 [~~(H)~~] (B) does not include the total taxable value of personal property contained on the
 641 tax rolls of the taxing entity that is:

642 [~~(Aa)~~] (I) assessed by a county assessor in accordance with Part 3, County Assessment;
 643 and

644 [~~(Bb)~~] (II) semiconductor manufacturing equipment.

645 [~~(D)~~] (iv) For purposes of Subsection [~~(2)(a)(iii)(B)(H)~~] (3)(c)(ii)(B), for calendar years
 646 beginning on or after January 1, 2007, the value of taxable property does not include the value
 647 of personal property that is:

648 ~~[(F)]~~ (A) within the taxing entity assessed by a county assessor in accordance with Part
649 3, County Assessment; and

650 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

651 ~~[(E)]~~ (v) For purposes of Subsection ~~[(2)(a)(iii)(B)(H)(Bb)]~~ (3)(c)(ii)(C)(II), for
652 calendar years beginning on or after January 1, 2007, the percentage of property taxes collected
653 does not include property taxes collected from personal property that is:

654 ~~[(F)]~~ (A) within the taxing entity assessed by a county assessor in accordance with Part
655 3, County Assessment; and

656 ~~[(H)]~~ (B) semiconductor manufacturing equipment.

657 ~~[(F)]~~ (vi) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or
658 after January 1, 2009, the value of taxable property does not include the value of personal
659 property that is within the taxing entity assessed by a county assessor in accordance with Part 3,
660 County Assessment.

661 (vii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
662 the commission may prescribe rules for calculating redevelopment adjustments for a calendar
663 year.

664 ~~[(iv)(A)]~~ (d) (i) In accordance with Title 63, Chapter 46a, Utah Administrative
665 Rulemaking Act, the commission shall make rules determining the calculation of ad valorem
666 property tax revenues budgeted by a taxing entity.

667 ~~[(B)]~~ (ii) For purposes of Subsection ~~[(2)(a)(iv)(A)]~~ (3)(d)(i), ad valorem property tax
668 revenues budgeted by a taxing entity shall be calculated in the same manner as budgeted
669 property tax revenues are calculated for purposes of Section 59-2-913.

670 ~~[(v)]~~ (e) The certified tax rates for the taxing entities described in this Subsection
671 ~~[(2)(a)(v)]~~ (3)(e) shall be calculated as follows:

672 ~~[(A)]~~ (i) except as provided in Subsection ~~[(2)(a)(v)(B)]~~ (3)(e)(ii), for new taxing
673 entities the certified tax rate is zero;

674 ~~[(B)]~~ (ii) for each municipality incorporated on or after July 1, 1996, the certified tax
675 rate is:

676 ~~[(F)]~~ (A) in a county of the first, second, or third class, the levy imposed for
677 municipal-type services under Sections 17-34-1 and 17-36-9; and

678 ~~[(H)]~~ (B) in a county of the fourth, fifth, or sixth class, the levy imposed for general

679 county purposes and such other levies imposed solely for the municipal-type services identified
680 in Section 17-34-1 and Subsection 17-36-3(22); and

681 ~~[(C)]~~ (iii) for debt service voted on by the public, the certified tax rate shall be the
682 actual levy imposed by that section, except that the certified tax rates for the following levies
683 shall be calculated in accordance with Section 59-2-913 and this section:

684 ~~[(F)]~~ (A) school leeways provided for under Sections 11-2-7, 53A-16-110,
685 53A-17a-125, 53A-17a-127, 53A-17a-133, 53A-17a-134, 53A-17a-143, 53A-17a-145, and
686 53A-21-103; and

687 ~~[(H)]~~ (B) levies to pay for the costs of state legislative mandates or judicial or
688 administrative orders under Section 59-2-906.3.

689 ~~[(vi)-(A)]~~ (f) (i) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 shall
690 be established at that rate which is sufficient to generate only the revenue required to satisfy
691 one or more eligible judgments, as defined in Section 59-2-102.

692 ~~[(B)]~~ (ii) The ad valorem property tax revenue generated by the judgment levy shall not
693 be considered in establishing the taxing entity's aggregate certified tax rate.

694 ~~[(b)-(i)]~~ (4) (a) For the purpose of calculating the certified tax rate, the county auditor
695 shall use:

696 (i) the taxable value of real property on the assessment roll~~[-]; and~~
697 the taxable year end value of personal property on the prior year's assessment roll.

698 ~~[(ii)]~~ (b) For purposes of Subsection ~~[(2)(b)(i)]~~ (4)(a)(i), the taxable value of real
699 property on the assessment roll does not include~~[-(A)]~~ new growth as defined in Subsection
700 ~~[(2)(b)(iii); or]~~ (4)(c).

701 ~~[(B) the total taxable value of personal property contained on the tax rolls of the taxing~~
702 ~~entity that is:]~~

703 ~~[(F) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

704 ~~[(H) semiconductor manufacturing equipment.]~~

705 ~~[(iii)]~~ (c) "New growth" means:

706 ~~[(A)]~~ (i) the difference between the increase in taxable value of real property of the
707 taxing entity from the previous calendar year to the current year; plus

708 (ii) the difference between the increase in taxable year end value of personal property
709 of the taxing entity from the year prior to the previous calendar year to the previous calendar

710 year; minus

711 ~~[(B)]~~ (iii) the amount of an increase in taxable value described in Subsection

712 ~~[(2)(b)(v)]~~ (4)(e).

713 ~~[(iv)]~~ (d) For purposes of Subsection ~~[(2)(b)(iii)]~~ (4)(c)(ii), the taxable value of

714 personal property of the taxing entity does not include the taxable value of personal property

715 that is:

716 ~~[(A)]~~ (i) contained on the tax rolls of the taxing entity if that property is assessed by a
717 county assessor in accordance with Part 3, County Assessment; and

718 ~~[(B)]~~ (ii) semiconductor manufacturing equipment.

719 ~~[(v)]~~ (e) Subsection ~~[(2)(b)(iii)(B)]~~ (4)(c)(iii) applies to the following increases in
720 taxable value:

721 ~~[(A)]~~ (i) the amount of increase to locally assessed real property taxable values
722 resulting from factoring, reappraisal, or any other adjustments; or

723 ~~[(B)]~~ (ii) the amount of an increase in the taxable value of property assessed by the
724 commission under Section 59-2-201 resulting from a change in the method of apportioning the
725 taxable value prescribed by:

726 ~~[(I)]~~ (A) the Legislature;

727 ~~[(II)]~~ (B) a court;

728 ~~[(III)]~~ (C) the commission in an administrative rule; or

729 ~~[(IV)]~~ (D) the commission in an administrative order.

730 (f) For purposes of Subsection (4)(a)(ii), the taxable year end value of personal
731 property on the prior year's assessment roll does not include:

732 (i) new growth as defined in Subsection (4)(c); or

733 (ii) the total taxable year end value of personal property contained on the prior year's
734 tax rolls of the taxing entity that is:

735 (A) assessed by a county assessor in accordance with Part 3, County Assessment; and

736 (B) semiconductor manufacturing equipment.

737 ~~[(c) Beginning January 1, 1997, if a taxing entity receives increased revenues from~~
738 ~~uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,~~
739 ~~59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter~~
740 ~~12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax~~

741 ~~rate to offset the increased revenues.]~~

742 ~~[(d) (i) Beginning July 1, 1997, if a county has imposed a sales and use tax under~~
743 ~~Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:]~~

744 ~~[(A) decreased on a one-time basis by the amount of the estimated sales and use tax~~
745 ~~revenue to be distributed to the county under Subsection 59-12-1102(3); and]~~

746 ~~[(B) increased by the amount necessary to offset the county's reduction in revenue~~
747 ~~from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,~~
748 ~~59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection~~
749 ~~(2)(d)(i)(A).]~~

750 ~~[(ii) The commission shall determine estimates of sales and use tax distributions for~~
751 ~~purposes of Subsection (2)(d)(i).]~~

752 ~~[(e) Beginning January 1, 1998, if a municipality has imposed an additional resort~~
753 ~~communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be~~
754 ~~decreased on a one-time basis by the amount necessary to offset the first 12 months of~~
755 ~~estimated revenue from the additional resort communities sales and use tax imposed under~~
756 ~~Section 59-12-402.]~~

757 ~~[(f) (i) (A) For fiscal year 2000, the certified tax rate of each county required under~~
758 ~~Subsection 17-34-1(4)(a) to provide advanced life support and paramedic services to the~~
759 ~~unincorporated area of the county shall be decreased by the amount necessary to reduce~~
760 ~~revenues in that fiscal year by an amount equal to the difference between the amount the county~~
761 ~~budgeted in its 2000 fiscal year budget for advanced life support and paramedic services~~
762 ~~countywide and the amount the county spent during fiscal year 2000 for those services,~~
763 ~~excluding amounts spent from a municipal services fund for those services.]~~

764 ~~[(B) For fiscal year 2001, the certified tax rate of each county to which Subsection~~
765 ~~(2)(f)(i)(A) applies shall be decreased by the amount necessary to reduce revenues in that fiscal~~
766 ~~year by the amount that the county spent during fiscal year 2000 for advanced life support and~~
767 ~~paramedic services countywide, excluding amounts spent from a municipal services fund for~~
768 ~~those services.]~~

769 ~~[(ii) (A) A city or town located within a county of the first class to which Subsection~~
770 ~~(2)(f)(i) applies may increase its certified tax rate by the amount necessary to generate within~~
771 ~~the city or town the same amount of revenues as the county would collect from that city or~~

772 town if the decrease under Subsection (2)(f)(i) did not occur.]

773 [~~(B) An increase under Subsection (2)(f)(ii)(A), whether occurring in a single fiscal~~
774 ~~year or spread over multiple fiscal years, is not subject to the notice and hearing requirements~~
775 ~~of Sections 59-2-918 and 59-2-919;]~~

776 [~~(g) (i) The certified tax rate of each county required under Subsection 17-34-1(4)(b) to~~
777 ~~provide detective investigative services to the unincorporated area of the county shall be~~
778 ~~decreased;]~~

779 [~~(A) in fiscal year 2001 by the amount necessary to reduce revenues in that fiscal year~~
780 ~~by at least \$4,400,000; and]~~

781 [~~(B) in fiscal year 2002 by the amount necessary to reduce revenues in that fiscal year~~
782 ~~by an amount equal to the difference between \$9,258,412 and the amount of the reduction in~~
783 ~~revenues under Subsection (2)(g)(i)(A);]~~

784 [~~(ii) (A) (I) Beginning with municipal fiscal year 2002, a city or town located within a~~
785 ~~county to which Subsection (2)(g)(i) applies may increase its certified tax rate to generate~~
786 ~~within the city or town the same amount of revenue as the county would have collected during~~
787 ~~county fiscal year 2001 from within the city or town except for Subsection (2)(g)(i)(A);]~~

788 [~~(H) Beginning with municipal fiscal year 2003, a city or town located within a county~~
789 ~~to which Subsection (2)(g)(i) applies may increase its certified tax rate to generate within the~~
790 ~~city or town the same amount of revenue as the county would have collected during county~~
791 ~~fiscal year 2002 from within the city or town except for Subsection (2)(g)(i)(B);]~~

792 [~~(B) (I) Except as provided in Subsection (2)(g)(ii)(B)(H), an increase in the city or~~
793 ~~town's certified tax rate under Subsection (2)(g)(ii)(A), whether occurring in a single fiscal year~~
794 ~~or spread over multiple fiscal years, is subject to the notice and hearing requirements of~~
795 ~~Sections 59-2-918 and 59-2-919;]~~

796 [~~(H) For an increase under this Subsection (2)(g)(ii) that generates revenue that does~~
797 ~~not exceed the same amount of revenue as the county would have collected except for~~
798 ~~Subsection (2)(g)(i), the requirements of Sections 59-2-918 and 59-2-919 do not apply if the~~
799 ~~city or town;]~~

800 [~~(Aa) publishes a notice that meets the size, type, placement, and frequency~~
801 ~~requirements of Section 59-2-919, reflects that the increase is a shift of a tax from one imposed~~
802 ~~by the county to one imposed by the city or town, and explains how the revenues from the tax~~

803 ~~increase will be used; and]~~

804 ~~[(Bb) holds a public hearing on the tax shift that may be held in conjunction with the~~

805 ~~city or town's regular budget hearing.]~~

806 ~~[(h) (i) This Subsection (2)(h) applies to each county that:]~~

807 ~~[(A) establishes a countywide special service district under Title 17A, Chapter 2, Part~~

808 ~~13, Utah Special Service District Act, to provide jail service, as provided in Subsection~~

809 ~~17A-2-1304(1)(a)(x); and]~~

810 ~~[(B) levies a property tax on behalf of the special service district under Section~~

811 ~~17A-2-1322.]~~

812 ~~[(ii) (A) The certified tax rate of each county to which this Subsection (2)(h) applies~~

813 ~~shall be decreased by the amount necessary to reduce county revenues by the same amount of~~

814 ~~revenues that will be generated by the property tax imposed on behalf of the special service~~

815 ~~district.]~~

816 ~~[(B) Each decrease under Subsection (2)(h)(ii)(A) shall occur contemporaneously with~~

817 ~~the levy on behalf of the special service district under Section 17A-2-1322.]~~

818 ~~[(i) (i) As used in this Subsection (2)(i):]~~

819 ~~[(A) "Annexing county" means a county whose unincorporated area is included within~~

820 ~~a fire district by annexation.]~~

821 ~~[(B) "Annexing municipality" means a municipality whose area is included within a~~

822 ~~fire district by annexation.]~~

823 ~~[(C) "Equalized fire protection tax rate" means the tax rate that results from:]~~

824 ~~[(F) calculating, for each participating county and each participating municipality, the~~

825 ~~property tax revenue necessary to cover all of the costs associated with providing fire~~

826 ~~protection, paramedic, and emergency services:]~~

827 ~~[(Aa) for a participating county, in the unincorporated area of the county; and]~~

828 ~~[(Bb) for a participating municipality, in the municipality; and]~~

829 ~~[(H) adding all the amounts calculated under Subsection (2)(i)(i)(C)(F) for all~~

830 ~~participating counties and all participating municipalities and then dividing that sum by the~~

831 ~~aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:]~~

832 ~~[(Aa) for participating counties, in the unincorporated area of all participating counties;~~

833 ~~and]~~

834 ~~[(Bb) for participating municipalities, in all the participating municipalities.]~~
835 ~~[(D) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service~~
836 ~~Area Act, in the creation of which an election was not required under Subsection~~
837 ~~17B-1-214(3)(c).]~~
838 ~~[(E) "Fire protection tax rate" means:]~~
839 ~~[(f) for an annexing county, the property tax rate that, when applied to taxable property~~
840 ~~in the unincorporated area of the county, generates enough property tax revenue to cover all the~~
841 ~~costs associated with providing fire protection, paramedic, and emergency services in the~~
842 ~~unincorporated area of the county; and]~~
843 ~~[(H) for an annexing municipality, the property tax rate that generates enough property~~
844 ~~tax revenue in the municipality to cover all the costs associated with providing fire protection,~~
845 ~~paramedic, and emergency services in the municipality.]~~
846 ~~[(F) "Participating county" means a county whose unincorporated area is included~~
847 ~~within a fire district at the time of the creation of the fire district.]~~
848 ~~[(G) "Participating municipality" means a municipality whose area is included within a~~
849 ~~fire district at the time of the creation of the fire district.]~~
850 ~~[(ii) In the first year following creation of a fire district, the certified tax rate of each~~
851 ~~participating county and each participating municipality shall be decreased by the amount of~~
852 ~~the equalized fire protection tax rate.]~~
853 ~~[(iii) In the first year following annexation to a fire district, the certified tax rate of each~~
854 ~~annexing county and each annexing municipality shall be decreased by the fire protection tax~~
855 ~~rate.]~~
856 ~~[(iv) Each tax levied under this section by a fire district shall be considered to be levied~~
857 ~~by.]~~
858 ~~[(A) each participating county and each annexing county for purposes of the county's~~
859 ~~tax limitation under Section 59-2-908; and]~~
860 ~~[(B) each participating municipality and each annexing municipality for purposes of~~
861 ~~the municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a~~
862 ~~city.]~~
863 ~~[(j) For the calendar year beginning on January 1, 2007, the calculation of a taxing~~
864 ~~entity's certified tax rate shall be adjusted by the amount necessary to offset any change in the~~

865 certified tax rate that may result from excluding the following from the certified tax rate under
 866 Subsection (2)(a) enacted by the Legislature during the 2007 General Session:]

867 [~~(i) personal property tax revenue;~~]

868 [~~(A) received by a taxing entity;~~]

869 [~~(B) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

870 [~~(C) for personal property that is semiconductor manufacturing equipment; or]~~

871 [~~(ii) the taxable value of personal property;~~]

872 [~~(A) contained on the tax rolls of a taxing entity;~~]

873 [~~(B) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

874 [~~(C) that is semiconductor manufacturing equipment.]~~

875 [~~(3)~~] (5) (a) On or before June 22, each taxing entity shall annually adopt a tentative
 876 budget.

877 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county
 878 auditor of:

879 (i) its intent to exceed the certified tax rate; and

880 (ii) the amount by which it proposes to exceed the certified tax rate.

881 (c) The county auditor shall notify all property owners of any intent to exceed the
 882 certified tax rate in accordance with Subsection 59-2-919(2).

883 [~~(4)(a) The taxable value for the base year under Subsection 17C-1-102(6) shall be~~
 884 ~~reduced for any year to the extent necessary to provide a community development and renewal~~
 885 ~~agency established under Title 17C, Limited Purpose Local Government Entities - Community~~
 886 ~~Development and Renewal Agencies, with approximately the same amount of money the~~
 887 ~~agency would have received without a reduction in the county's certified tax rate if:]~~

888 [~~(i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or~~
 889 ~~(2)(d)(i);]~~

890 [~~(ii) the amount of the decrease is more than 20% of the county's certified tax rate of~~
 891 ~~the previous year; and]~~

892 [~~(iii) the decrease results in a reduction of the amount to be paid to the agency under~~
 893 ~~Section 17C-1-403 or 17C-1-404.]~~

894 [~~(b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any~~
 895 ~~year to the extent necessary to provide a community development and renewal agency with~~

896 approximately the same amount of money as the agency would have received without an
897 increase in the certified tax rate that year if:]

898 [(i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
899 a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i); and]

900 [(ii) The certified tax rate of a city, school district, local district, or special service
901 district increases independent of the adjustment to the taxable value of the base year.]

902 [(c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or
903 (2)(d)(i), the amount of money allocated and, when collected, paid each year to a community
904 development and renewal agency established under Title 17C, Limited Purpose Local
905 Government Entities - Community Development and Renewal Agencies, for the payment of
906 bonds or other contract indebtedness, but not for administrative costs, may not be less than that
907 amount would have been without a decrease in the certified tax rate under Subsection (2)(c) or
908 (2)(d)(i).]

909 Section 15. Section **59-2-924.2** is enacted to read:

910 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

911 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated
912 in accordance with Section 59-2-924.

913 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from
914 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
915 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
916 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
917 rate to offset the increased revenues.

918 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under
919 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

920 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
921 revenue to be distributed to the county under Subsection 59-12-1102(3); and

922 (ii) increased by the amount necessary to offset the county's reduction in revenue from
923 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
924 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
925 (3)(a)(i).

926 (b) The commission shall determine estimates of sales and use tax distributions for

927 purposes of Subsection (3)(a).

928 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
929 communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be
930 decreased on a one-time basis by the amount necessary to offset the first 12 months of
931 estimated revenue from the additional resort communities sales and use tax imposed under
932 Section 59-12-402.

933 (5) (a) This Subsection (5) applies to each county that:

934 (i) establishes a countywide special service district under Title 17A, Chapter 2, Part 13,
935 Utah Special Service District Act, to provide jail service, as provided in Subsection
936 17A-2-1304(1)(a)(x); and

937 (ii) levies a property tax on behalf of the special service district under Section
938 17A-2-1322.

939 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be
940 decreased by the amount necessary to reduce county revenues by the same amount of revenues
941 that will be generated by the property tax imposed on behalf of the special service district.

942 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
943 levy on behalf of the special service district under Section 17A-2-1322.

944 (6) (a) As used in this Subsection (6):

945 (i) "Annexing county" means a county whose unincorporated area is included within a
946 fire district by annexation.

947 (ii) "Annexing municipality" means a municipality whose area is included within a fire
948 district by annexation.

949 (iii) "Equalized fire protection tax rate" means the tax rate that results from:

950 (A) calculating, for each participating county and each participating municipality, the
951 property tax revenue necessary to cover all of the costs associated with providing fire
952 protection, paramedic, and emergency services:

953 (I) for a participating county, in the unincorporated area of the county; and

954 (II) for a participating municipality, in the municipality; and

955 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all
956 participating counties and all participating municipalities and then dividing that sum by the
957 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913;

958 (I) for participating counties, in the unincorporated area of all participating counties;
959 and

960 (II) for participating municipalities, in all the participating municipalities.

961 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
962 Area Act, in the creation of which an election was not required under Subsection
963 17B-1-214(3)(c).

964 (v) "Fire protection tax rate" means:

965 (A) for an annexing county, the property tax rate that, when applied to taxable property
966 in the unincorporated area of the county, generates enough property tax revenue to cover all the
967 costs associated with providing fire protection, paramedic, and emergency services in the
968 unincorporated area of the county; and

969 (B) for an annexing municipality, the property tax rate that generates enough property
970 tax revenue in the municipality to cover all the costs associated with providing fire protection,
971 paramedic, and emergency services in the municipality.

972 (vi) "Participating county" means a county whose unincorporated area is included
973 within a fire district at the time of the creation of the fire district.

974 (vii) "Participating municipality" means a municipality whose area is included within a
975 fire district at the time of the creation of the fire district.

976 (b) In the first year following creation of a fire district, the certified tax rate of each
977 participating county and each participating municipality shall be decreased by the amount of
978 the equalized fire protection tax rate.

979 (c) In the first year following annexation to a fire district, the certified tax rate of each
980 annexing county and each annexing municipality shall be decreased by the fire protection tax
981 rate.

982 (d) Each tax levied under this section by a fire district shall be considered to be levied
983 by:

984 (i) each participating county and each annexing county for purposes of the county's tax
985 limitation under Section 59-2-908; and

986 (ii) each participating municipality and each annexing municipality for purposes of the
987 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
988 city.

989 (7) For the calendar year beginning on January 1, 2007, the calculation of a taxing
990 entity's certified tax rate, calculated in accordance with Section 59-2-924, shall be adjusted by
991 the amount necessary to offset any change in the certified tax rate that may result from
992 excluding the following from the certified tax rate under Subsection 59-2-924(3) enacted by the
993 Legislature during the 2007 General Session:

994 (a) personal property tax revenue:

995 (i) received by a taxing entity;

996 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and

997 (iii) for personal property that is semiconductor manufacturing equipment; or

998 (b) the taxable value of personal property:

999 (i) contained on the tax rolls of a taxing entity;

1000 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and

1001 (iii) that is semiconductor manufacturing equipment.

1002 (8) (a) The taxable value for the base year under Subsection 17C-1-102(6) shall be
1003 reduced for any year to the extent necessary to provide a community development and renewal
1004 agency established under Title 17C, Limited Purpose Local Government Entities - Community
1005 Development and Renewal Agencies, with approximately the same amount of money the
1006 agency would have received without a reduction in the county's certified tax rate, calculated in
1007 accordance with Section 59-2-924, if:

1008 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

1009 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
1010 previous year; and

1011 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1012 Section 17C-1-403 or 17C-1-404.

1013 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any
1014 year to the extent necessary to provide a community development and renewal agency with
1015 approximately the same amount of money as the agency would have received without an
1016 increase in the certified tax rate that year if:

1017 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
1018 a decrease in the certified tax rate under Subsection (2) or (3)(a); and

1019 (ii) the certified tax rate of a city, school district, local district, or special service

1020 district increases independent of the adjustment to the taxable value of the base year.
 1021 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),
 1022 the amount of money allocated and, when collected, paid each year to a community
 1023 development and renewal agency established under Title 17C, Limited Purpose Local
 1024 Government Entities - Community Development and Renewal Agencies, for the payment of
 1025 bonds or other contract indebtedness, but not for administrative costs, may not be less than that
 1026 amount would have been without a decrease in the certified tax rate under Subsection (2) or
 1027 (3)(a).

1028 Section 16. Section **59-2-1115** is amended to read:

1029 **59-2-1115. Exemption of certain tangible personal property.**

1030 (1) For purposes of this section:

1031 (a) (i) "Acquisition cost" means all costs required to put an item of tangible personal
 1032 property into service; and

1033 (ii) includes:

1034 (A) the purchase price for a new or used item;

1035 (B) the cost of freight and shipping;

1036 (C) the cost of installation, engineering, erection, or assembly; and

1037 (D) sales and use taxes.

1038 (b) (i) "Item of taxable tangible personal property" does not include taxable tangible
 1039 personal property permanently attached to real property as defined in Section 59-12-102.

1040 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
 1041 the commission may make rules defining the term "item of taxable tangible personal property."

1042 (c) (i) "Taxable tangible personal property" means tangible personal property that is
 1043 subject to taxation under this chapter.

1044 (ii) "Taxable tangible personal property" does not include:

1045 (A) tangible personal property required by law to be registered with the state before it
 1046 is used:

1047 (I) on a public highway;

1048 (II) on a public waterway;

1049 (III) on public land; or

1050 (IV) in the air;

1051 (B) a mobile home as defined in Section 41-1a-102; or
 1052 (C) a manufactured home as defined in Section 41-1a-102.
 1053 ~~[(+)]~~ (2) (a) The taxable tangible personal property of a taxpayer is exempt from
 1054 taxation if the taxable tangible personal property has a total aggregate fair market value per
 1055 county of \$3,500 or less.
 1056 ~~[(b) For purposes of this section, "taxable tangible personal property" does not~~
 1057 ~~include:]~~
 1058 ~~[(i) tangible personal property required by law to be registered with the state before it is~~
 1059 ~~used:]~~
 1060 ~~[(A) on a public highway;]~~
 1061 ~~[(B) on a public waterway;]~~
 1062 ~~[(C) on public land; or]~~
 1063 ~~[(D) in the air;]~~
 1064 ~~[(ii) a mobile home as defined in Section 41-1a-102; or]~~
 1065 ~~[(iii) a manufactured home as defined in Section 41-1a-102.]~~
 1066 (b) An item of taxable tangible personal property is exempt from taxation if the item of
 1067 taxable tangible personal property:
 1068 (i) has an acquisition cost of \$5,000 or less;
 1069 (ii) has reached the residual value described in Subsection (2)(b)(iii) according to a
 1070 personal property schedule:
 1071 (A) published by the commission pursuant to Section 59-2-107; or
 1072 (B) for an item of personal property that is designated as expensed personal property in
 1073 accordance with Section 59-2-108, described in Section 59-2-108; and
 1074 (iii) has a residual value of 15% or less.
 1075 ~~[(2)]~~ (3) (a) For calendar years beginning on or after January 1, 2008, the commission
 1076 shall increase the dollar amount described in Subsection ~~[(+)]~~ (2)(a):
 1077 (i) by a percentage equal to the percentage difference between the consumer price
 1078 index for the preceding calendar year and the consumer price index for calendar year 2006[-];
 1079 and
 1080 (ii) up to the nearest \$100 increment.
 1081 (b) For purposes of this Subsection ~~[(2)]~~(3), the commission shall calculate the

1082 consumer price index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue Code.

1083 (c) If the percentage difference under Subsection [~~(2)~~](3)(a)(i) is zero or a negative
1084 percentage, the consumer price index increase for the year is zero.

1085 [~~(3)~~] (4) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
1086 Act, the commission may make rules to administer this section and provide for uniform
1087 implementation.

1088 Section 17. Section **59-2-1302** is amended to read:

1089 **59-2-1302. Assessor or treasurer's duties -- Collection of uniform fees and taxes**
1090 **on personal property -- Unpaid tax or unpaid uniform fee is a lien -- Delinquency interest**
1091 **-- Rate.**

1092 (1) After the assessor assesses taxes or uniform fees on personal property, the assessor
1093 or, if this duty has been reassigned in an ordinance under Section 17-16-5.5, the treasurer shall:

1094 (a) list the personal property tax or uniform fee as provided in Subsection (3) with the
1095 real property of the owner in the manner required by law if the assessor or treasurer, as the case
1096 may be, determines that the real property is sufficient to secure the payment of the personal
1097 property taxes or uniform fees;

1098 (b) immediately collect the taxes or uniform fees due on the personal property; or

1099 (c) on or before the day on which the tax or uniform fee on personal property is due,
1100 obtain from the taxpayer a bond that is:

1101 (i) payable to the county in an amount equal to the amount of the tax or uniform fee
1102 due, plus 20% of the amount of the tax or uniform fee due; and

1103 (ii) conditioned for the payment of the tax or uniform fee on or before November 30.

1104 (2) (a) An unpaid tax as defined in Section 59-1-705, or unpaid uniform fee upon
1105 personal property listed with the real property is a lien upon the owner's real property as of 12
1106 o'clock noon of January 1 of each year.

1107 (b) An unpaid tax as defined in Section 59-1-705, or unpaid uniform fee upon personal
1108 property not listed with the real property is a lien upon the owner's personal property as of 12
1109 o'clock noon of January 1 of each year.

1110 (3) The assessor or treasurer, as the case may be, shall make the listing under this
1111 section:

1112 (a) on the record of assessment of the real property; or

1113 (b) by entering a reference showing the record of the assessment of the personal
1114 property on the record of assessment of the real property.

1115 (4) (a) The amount of tax or uniform fee assessed upon personal property is delinquent
1116 if the tax or uniform fee is not paid [~~within 30 days after~~] on the day on which the tax notice or
1117 the combined signed statement and tax notice [~~due~~] under Section 59-2-306 is [~~mailed~~] due.

1118 (b) Delinquent taxes or uniform fees under Subsection (4)(a) shall bear interest from
1119 the date of delinquency until the day on which the delinquent tax or uniform fee is paid at an
1120 interest rate equal to the sum of:

1121 (i) 6%; and

1122 (ii) the federal funds rate target:

1123 (A) established by the Federal Open Markets Committee; and

1124 (B) that exists on the January 1 immediately preceding the date of delinquency.

1125 (5) A county assessor or treasurer shall deposit all collections of public funds from a
1126 personal property tax or personal property uniform fee no later than once every seven banking
1127 days with:

1128 (a) the state treasurer; or

1129 (b) a qualified depository for the credit of the county.

1130 Section 18. Section **59-2-1330** is amended to read:

1131 **59-2-1330. Payment of property taxes -- Payments to taxpayer by state or taxing**
1132 **entity -- Refund of penalties paid by taxpayer -- Refund of interest paid by taxpayer --**
1133 **Payment of interest to taxpayer -- Judgment levy -- Objections to assessments by the**
1134 **commission -- Time periods for making payments to taxpayer.**

1135 (1) Unless otherwise specifically provided by statute, property taxes shall be paid
1136 directly to the county assessor or the county treasurer:

1137 (a) on the date that the property taxes are due; and

1138 (b) as provided in this chapter.

1139 (2) A taxpayer shall receive payment as provided in this section if a reduction in the
1140 amount of any tax levied against any property for which the taxpayer paid a tax or any portion
1141 of a tax under this chapter for a calendar year is required by a final and unappealable judgment
1142 or order described in Subsection (3) issued by:

1143 (a) a county board of equalization;

- 1144 (b) the commission; or
- 1145 (c) a court of competent jurisdiction.
- 1146 (3) (a) For purposes of Subsection (2), the state or any taxing entity that has received
- 1147 property taxes or any portion of property taxes from a taxpayer described in Subsection (2)
- 1148 shall pay the taxpayer if:
- 1149 (i) the taxes the taxpayer paid in accordance with Subsection (2) are collected by an
- 1150 authorized officer of the:
- 1151 (A) county; or
- 1152 (B) state;
- 1153 (ii) the taxpayer obtains a final and unappealable judgment or order:
- 1154 (A) from:
- 1155 (I) a county board of equalization;
- 1156 (II) the commission; or
- 1157 (III) a court of competent jurisdiction;
- 1158 (B) against:
- 1159 (I) the taxing entity or an authorized officer of the taxing entity; or
- 1160 (II) the state or an authorized officer of the state; and
- 1161 (C) ordering a reduction in the amount of any tax levied against any property for which
- 1162 a taxpayer paid a tax or any portion of a tax under this chapter for the calendar year.
- 1163 (b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined
- 1164 in accordance with Subsections (4) through (7).
- 1165 (4) For purposes of Subsections (2) and (3), the amount the state shall pay to a taxpayer
- 1166 is equal to the sum of:
- 1167 (a) if the difference described in this Subsection (4)(a) is greater than \$0, the difference
- 1168 between:
- 1169 (i) the tax the taxpayer paid to the state in accordance with Subsection (2); and
- 1170 (ii) the amount of the taxpayer's tax liability to the state after the reduction in the
- 1171 amount of tax levied against the property in accordance with the final and unappealable
- 1172 judgment or order described in Subsection (3);
- 1173 (b) if the difference described in this Subsection (4)(b) is greater than \$0, the difference
- 1174 between:

1175 (i) any penalties the taxpayer paid to the state in accordance with Section 59-2-1331;
1176 and

1177 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance with
1178 Section 59-2-1331 after the reduction in the amount of tax levied against the property in
1179 accordance with the final and unappealable judgment or order described in Subsection (3);

1180 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
1181 Section 59-2-1331 on the amounts described in Subsections (4)(a) and (4)(b); and

1182 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

1183 (i) Subsection (4)(a);

1184 (ii) Subsection (4)(b); and

1185 (iii) Subsection (4)(c).

1186 (5) For purposes of Subsections (2) and (3), the amount a taxing entity shall pay to a
1187 taxpayer is equal to the sum of:

1188 (a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference
1189 between:

1190 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (2); and

1191 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in
1192 the amount of tax levied against the property in accordance with the final and unappealable
1193 judgment or order described in Subsection (3);

1194 (b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference
1195 between:

1196 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section
1197 59-2-1331; and

1198 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in
1199 accordance with Section 59-2-1331 after the reduction in the amount of tax levied against the
1200 property in accordance with the final and unappealable judgment or order described in
1201 Subsection (3); and

1202 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
1203 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and

1204 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

1205 (i) Subsection (5)(a);

1206 (ii) Subsection (5)(b); and
1207 (iii) Subsection (5)(c).
1208 (6) Except as provided in Subsection (7):
1209 (a) interest shall be refunded to a taxpayer on the amount described in Subsection
1210 (4)(c) or (5)(c) in an amount equal to the amount of interest the taxpayer paid in accordance
1211 with Section 59-2-1331; and
1212 (b) interest shall be paid to a taxpayer on the amount described in Subsection (4)(d) or
1213 (5)(d):
1214 (i) beginning on the later of:
1215 (A) the day on which the taxpayer paid the tax in accordance with Subsection (2); or
1216 (B) January 1 of the calendar year immediately following the calendar year for which
1217 the tax was due;
1218 (ii) ending on the day on which the state or a taxing entity pays to the taxpayer the
1219 amount required by Subsection (4) or (5); and
1220 (iii) at the interest rate earned by the state treasurer on public funds transferred to the
1221 state treasurer in accordance with Section 51-7-5.
1222 (7) Notwithstanding Subsection (6):
1223 (a) the state may not pay or refund interest to a taxpayer under Subsection (6) on any
1224 tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax levied
1225 by the state for that calendar year as stated on the notice required by Section 59-2-1317; and
1226 (b) a taxing entity may not pay or refund interest to a taxpayer under Subsection (6) on
1227 any tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax
1228 levied by the taxing entity for that calendar year as stated on the notice required by Section
1229 59-2-1317.
1230 (8) (a) Each taxing entity may levy a tax to pay its share of the final and unappealable
1231 judgment or order described in Subsection (3) if:
1232 (i) the final and unappealable judgment or order is issued no later than 15 days prior to
1233 the date the levy is set under Subsection 59-2-924~~(2)~~(3)(a);
1234 (ii) the amount of the judgment levy is included on the notice under Section 59-2-919;
1235 and
1236 (iii) the final and unappealable judgment or order is an eligible judgment, as defined in

1237 Section 59-2-102.

1238 (b) The levy under Subsection (8)(a) is in addition to, and exempt from, the maximum
1239 levy established for the taxing entity.

1240 (9) (a) A taxpayer that objects to the assessment of property assessed by the
1241 commission shall pay, on or before the date of delinquency established under Subsection
1242 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the notice required by
1243 Section 59-2-1317 if:

1244 (i) the taxpayer has applied to the commission for a hearing in accordance with Section
1245 59-2-1007 on the objection to the assessment; and

1246 (ii) the commission has not issued a written decision on the objection to the assessment
1247 in accordance with Section 59-2-1007.

1248 (b) A taxpayer that pays the full amount of taxes due under Subsection (9)(a) is not
1249 required to pay penalties or interest on an assessment described in Subsection (9)(a) unless:

1250 (i) a final and unappealable judgment or order establishing that the property described
1251 in Subsection (9)(a) has a value greater than the value stated on the notice required by Section
1252 59-2-1317 is issued by:

1253 (A) the commission; or

1254 (B) a court of competent jurisdiction; and

1255 (ii) the taxpayer fails to pay the additional tax liability resulting from the final and
1256 unappealable judgment or order described in Subsection (9)(b)(i) within a 45-day period after
1257 the county bills the taxpayer for the additional tax liability.

1258 (10) (a) Except as provided in Subsection (10)(b), a payment that is required by this
1259 section shall be paid to a taxpayer:

1260 (i) within 60 days after the day on which the final and unappealable judgment or order
1261 is issued in accordance with Subsection (3); or

1262 (ii) if a judgment levy is imposed in accordance with Subsection (8):

1263 (A) if the payment to the taxpayer required by this section is \$5,000 or more, no later
1264 than December 31 of the year in which the judgment levy is imposed; and

1265 (B) if the payment to the taxpayer required by this section is less than \$5,000, within
1266 60 days after the date the final and unappealable judgment or order is issued in accordance with
1267 Subsection (3).

1268 (b) Notwithstanding Subsection (10)(a), a taxpayer may enter into an agreement:
1269 (i) that establishes a time period other than a time period described in Subsection
1270 (10)(a) for making a payment to the taxpayer that is required by this section; and
1271 (ii) with:
1272 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or
1273 (B) an authorized officer of the state for a tax imposed by the state.
1274 Section 19. **Effective date.**
1275 This bill takes effect on January 1, 2009.

Legislative Review Note
as of **12-20-07 6:56 AM**

Office of Legislative Research and General Counsel