

**Representative John Dougall** proposes the following substitute bill:

**PERSONAL PROPERTY TAX AMENDMENTS**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: John Dougall**

Senate Sponsor: Wayne L. Niederhauser

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**LONG TITLE**

**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 a depreciation schedule 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 a depreciation schedule for short life expensed personal property;
- ▶ prohibits a county from requiring a person to itemize the person's expensed personal property;
- ▶ amends the date within which a person is required to file a statement with the



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

39 **Monies Appropriated in this Bill:**

40       None

41 **Other Special Clauses:**

42       This bill takes effect on January 1, 2009.

43 **Utah Code Sections Affected:**

44 AMENDS:

- 45       **17-34-3**, as last amended by Laws of Utah 2005, First Special Session, Chapter 9
- 46       **17C-1-408**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 47       **53A-16-106**, as last amended by Laws of Utah 1994, Chapter 12
- 48       **53A-17a-133**, as last amended by Laws of Utah 2006, Chapter 26
- 49       **53A-19-102**, as last amended by Laws of Utah 2007, Chapter 92
- 50       **53A-19-105**, as last amended by Laws of Utah 2003, Chapter 122
- 51       **59-2-306**, as last amended by Laws of Utah 2000, Chapter 86
- 52       **59-2-307**, as last amended by Laws of Utah 2006, Chapter 39
- 53       **59-2-908**, as last amended by Laws of Utah 1995, Chapter 278
- 54       **59-2-913**, as last amended by Laws of Utah 2007, Chapter 107
- 55       **59-2-914**, as last amended by Laws of Utah 1995, Chapter 278
- 56       **59-2-918**, as last amended by Laws of Utah 2006, Chapters 26 and 104

- 57           **59-2-924**, as last amended by Laws of Utah 2007, Chapters 107, and 329
- 58           **59-2-1115**, as last amended by Laws of Utah 2007, Chapter 8
- 59           **59-2-1302**, as last amended by Laws of Utah 2007, Chapter 306
- 60           **59-2-1330**, as last amended by Laws of Utah 2002, Chapters 196 and 240

61 ENACTS:

- 62           **59-2-108**, Utah Code Annotated 1953
- 63           **59-2-924.2**, Utah Code Annotated 1953



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

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

67           **17-34-3. Taxes or service charges.**

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

72           (i) taxes that the county may lawfully levy or impose outside the limits of incorporated  
73 towns or cities;

74           (ii) service charges or fees the county may impose upon the persons benefited in any  
75 way by the services or functions; or

76           (iii) a combination of these sources.

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

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

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

86           ~~[(4)(a) A county required under Subsection 17-34-1(4) to provide advanced life~~  
87 ~~support and paramedic services to the unincorporated area of the county and that previously~~

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

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

94 ~~[(5)]~~ (4) Notwithstanding any other provision of this chapter, a county providing fire,  
95 paramedic, and police protection services in a designated recreational area, as provided in  
96 Subsection 17-34-1(5), may fund those services from the county general fund with revenues  
97 derived from both inside and outside the limits of cities and towns, and the funding of those  
98 services is not limited to unincorporated area revenues.

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

100 **17C-1-408. Base taxable value to be adjusted to reflect other changes.**

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

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

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

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

107 (b) If there is a qualifying decrease in the minimum basic school levy under Section  
108 59-2-902 that would result in a reduction of the amount of tax increment to be paid to an  
109 agency:

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

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

117 (2) (a) The amount of the base taxable value to be used in determining tax increment  
118 shall be:

- 119 (i) increased or decreased by the amount of an increase or decrease that results from:  
 120 (A) a statute enacted by the Legislature or by the people through an initiative;  
 121 (B) a judicial decision;  
 122 (C) an order from the State Tax Commission to a county to adjust or factor its  
 123 assessment rate under Subsection 59-2-704(2);  
 124 (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or  
 125 Section 59-2-103; or  
 126 (E) an increase or decrease in the percentage of fair market value, as defined under  
 127 Section 59-2-102; and
- 128 (ii) reduced for any year to the extent necessary, even if below zero, to provide an  
 129 agency with approximately the same amount of money the agency would have received without  
 130 a reduction in the county's certified tax rate if:
- 131 (A) in that year there is a decrease in the county's certified tax rate under Subsection  
 132 [~~59-2-924(2)(c) or (d)(i)~~] 59-2-924.2(2) or (3)(a);
- 133 (B) the amount of the decrease is more than 20% of the county's certified tax rate of the  
 134 previous year; and
- 135 (C) the decrease would result in a reduction of the amount of tax increment to be paid  
 136 to the agency.
- 137 (b) Notwithstanding an increase or decrease under Subsection (2)(a), the amount of tax  
 138 increment paid to an agency each year for payment of bonds or other indebtedness may not be  
 139 less than would have been paid to the agency each year if there had been no increase or  
 140 decrease under Subsection (2)(a).
- 141 Section 3. Section **53A-16-106** is amended to read:
- 142 **53A-16-106. Annual certification of tax rate proposed by local school board --**  
 143 **Inclusion of school district budget -- Modified filing date.**
- 144 (1) Prior to June 22 of each year, each local school board shall certify to the county  
 145 legislative body in which the district is located, on forms prescribed by the State Tax  
 146 Commission, the proposed tax rate approved by the local school board.
- 147 (2) A copy of the district's budget, including items under Section 53A-19-101, and a  
 148 certified copy of the local school board's resolution which approved the budget and set the tax  
 149 rate for the subsequent school year beginning July 1 shall accompany the tax rate.

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

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

154 **53A-17a-133. State-supported voted leeway program authorized -- Election**  
155 **requirements -- State guarantee -- Reconsideration of the program.**

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

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

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

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

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

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

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

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

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

180 (d) (i) The amount of state guarantee money to which a school district would otherwise

181 be entitled to under this Subsection (3) may not be reduced for the sole reason that the district's  
182 levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924  
183 pursuant to changes in property valuation.

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

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

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

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

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

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

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

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

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

209 (a) the levy exceeds the certified tax rate as the result of a school district budgeting an  
210 increased amount of ad valorem property tax revenue derived from a voted leeway imposed  
211 under this section; and

212 (b) if the voted leeway was approved:  
213 (i) in accordance with Section 53A-16-110 on or after January 1, 2003; and  
214 (ii) within the four-year period immediately preceding the year in which the school  
215 district seeks to budget an increased amount of ad valorem property tax revenue derived from  
216 the voted leeway.

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

218 **53A-19-102. Local school boards budget procedures.**

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

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

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

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

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

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

234 **53A-19-105. School district interfund transfers.**

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

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

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

242 (4) The State Board of Education may also authorize school district interfund transfers



243 of residual equity for a financially distressed district if the board determines the following:

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

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

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

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

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

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

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

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

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

263 **59-2-108. Depreciation schedule for certain taxable tangible personal property.**

264 (1) As used in this section:

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

267 (ii) includes:

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

269 (B) the cost of freight and shipping;

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

271 (D) sales and use taxes.

272 (b) "Expensed personal property" means an item of taxable tangible personal property  
273 that:

274 (i) has an acquisition cost of \$5,000 or less; and  
275 (ii) a person elects to have assessed according to a schedule described in Subsection  
276 (4).

277 (c) (i) "Item of taxable tangible personal property" does not include an improvement to  
278 real property or a part that will become an improvement.

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

281 (d) (i) "Short life expensed personal property" means expensed personal property that  
282 is the same type as the following personal property:

- 283 (A) short life property;
- 284 (B) short life trade fixtures; or
- 285 (C) computer hardware.

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

- 288 (A) "short life property";
- 289 (B) "short life trade fixtures"; and
- 290 (C) "computer hardware."

291 (e) "Taxable tangible personal property" means tangible personal property that is  
292 subject to taxation under this chapter.

293 (2) (a) A person may elect to designate taxable tangible personal property as expensed  
294 personal property.

295 (b) A county shall not require a person to:

296 (i) itemize expensed personal property on the signed statement described in Section  
297 59-2-306; and

298 (ii) track expensed personal property.

299 (c) If a taxpayer's expensed personal property is audited in accordance with Subsection  
300 59-2-306(3), a taxpayer shall provide proof of the acquisition price of the expensed personal  
301 property.

302 (3) (a) An election to designate taxable tangible personal property as expensed personal  
303 property under this section may not be revoked.

304 (b) Except as provided in Subsection (3)(d), if an item of taxable tangible personal

305 property is designated as expensed personal property, the person must pay taxes according to  
306 the taxable value determined by the schedule for a term designated by a schedule described in  
307 Subsection (4).

308 (c) If a person sells or otherwise disposes of an item of expensed personal property  
309 prior to the time period described in Subsection (3)(b) or (d), the person shall continue to pay  
310 taxes according to the schedule described in Subsection (4).

311 (d) If a person elects to designate an item of taxable tangible personal property  
312 acquired before December 31, 2008, as expensed personal property at a time after the first year  
313 after the item is acquired, the person must pay taxes according to the taxable value determined  
314 by the schedule for a time period that equals:

315 (i) the time period designated in Subsection (3)(b); less

316 (ii) the time period beginning when the person acquired the item of expensed personal  
317 property and ending when the person designated the item as short life expensed personal  
318 property.

319 (e) If a person elects to designate taxable tangible personal property as expensed  
320 personal property in accordance with Subsection (2)(a), the person may not appeal the values  
321 described in Subsection (4).

322 (4) (a) For the taxable year beginning on January 1, 2009 and ending on December 31,  
323 2009, the taxable value of short life expensed personal property is calculated by applying the  
324 percent good factor against the acquisition cost of the property as follows:

325 Short Life Expensed Personal Property Schedule

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

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

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

337 **59-2-306. Statements by taxpayers -- Power of assessors respecting statements.**

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

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

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

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

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

351 (c) If a county assessor requests a signed statement described in Subsection (1) on or  
352 after March 16, the person shall file the signed statement within 60 days after requested by the  
353 assessor.

354 [~~2~~] (3) The signed statement shall include the following:

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

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

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

364 [~~3~~] (4) Every assessor may subpoena and examine any person in any county in  
365 relation to any signed statement but may not require that person to appear in any county other  
366 than the county in which the subpoena is served.

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

368 **59-2-307. Refusal by taxpayer to file signed statement -- Penalty -- Assessor to**  
369 **estimate value -- Reporting information to other counties.**

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

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

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

379 (2) (a) The penalty imposed by Subsection (1)(a) may not be waived or reduced by the  
380 assessor, county, county Board of Equalization, or commission except pursuant to a procedure  
381 for the review and approval of reductions and waivers adopted by county ordinance, or by  
382 administrative rule adopted in accordance with Title 63, Chapter 46a, Utah Administrative  
383 Rulemaking Act.

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

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

390 (i) shall make:

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

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

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

397 (b) The value fixed by the assessor may not be reduced by the county board of

398 equalization or by the commission.

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

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

403 **59-2-908. Single aggregate limitation -- Maximum levy.**

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

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

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

412 (2) (a) Beginning January 1, 1995, a county may impose a tax rate in excess of the  
413 limitation provided in Subsection (1) if the rate established under Subsection (1)(a) or (b)  
414 generates revenues for the county in an amount that is less than the revenues that would be  
415 generated by the county under the certified tax rate established in [~~Subsection~~] Section  
416 59-2-924[~~(2)~~].

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

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

420 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**  
421 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**  
422 **establishing tax levies -- Format of statement.**

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

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

426 (b) semiconductor manufacturing equipment.

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

- 429 (b) The auditor shall annually transmit the statement to the commission:
- 430 (i) before June 22; or
- 431 (ii) with the approval of the commission, on a subsequent date prior to the date
- 432 established under Section 59-2-1317 for mailing tax notices.
- 433 (c) The statement shall contain the amount and purpose of each levy fixed by the
- 434 legislative body of the taxing entity.
- 435 (3) For purposes of establishing the levy set for each of a taxing entity's applicable
- 436 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing
- 437 the budgeted property tax revenues, specified in a budget which has been adopted and
- 438 approved prior to setting the levy, by the amount calculated under Subsections
- 439 ~~59-2-924[(2)(a)(iii)(B)(F) through (H)]~~ 59-2-924[(3)(c)(ii)(A) through (C)].
- 440 (4) The format of the statement under this section shall:
- 441 (a) be determined by the commission; and
- 442 (b) cite any applicable statutory provisions that:
- 443 (i) require a specific levy; or
- 444 (ii) limit the property tax levy for any taxing entity.
- 445 (5) The commission may require certification that the information submitted on a
- 446 statement under this section is true and correct.

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

448 **59-2-914. Excess levies -- Commission to recalculate levy -- Notice to implement**  
449 **adjusted levies to county auditor.**

- 450 (1) If the commission determines that a levy established for a taxing entity set under
- 451 Section 59-2-913 is in excess of the maximum levy permitted by law, the commission shall:
- 452 (a) lower the levy so that it is set at the maximum level permitted by law;
- 453 (b) notify the taxing entity which set the excessive rate that the rate has been lowered;
- 454 and
- 455 (c) notify the county auditor of the county or counties in which the taxing entity is
- 456 located to implement the rate established by the commission.
- 457 (2) A levy set for a taxing entity by the commission under this section shall be the
- 458 official levy for that taxing entity unless:
- 459 (a) the taxing entity lowers the levy established by the commission; or

460 (b) the levy is subsequently modified by a court order.

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

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

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

469 **59-2-918. Advertisement of proposed tax increase -- Notice -- Contents.**

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

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

476 (A) the taxing entity:

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

478 or

479 (II) is expressly exempted by law from complying with the requirements of this  
480 section; or

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

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

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



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

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

497 "NOTICE OF PROPOSED TAX INCREASE  
498 (NAME OF TAXING ENTITY)

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

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

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

505 ● The (name of the taxing entity) tax on a (insert the value of a business having  
506 the same value as the average value of a residence in the taxing entity) business  
507 would increase from \$\_\_\_\_\_ to \$\_\_\_\_\_, which is \$\_\_\_\_\_ per year.

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

509 PUBLIC HEARING

510 Date/Time: (date) (time)

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

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

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

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

521 (b) The county shall include the information described in Subsection (5)(a) with the tax

522 notice.

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

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

526 **59-2-924. Report of valuation of property to county auditor and commission --**  
527 **Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified**  
528 **tax rate -- Rulemaking authority -- Adoption of tentative budget.**

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

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

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

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

538 ~~(i)~~ (a) the statements described in Subsections (1)(a)~~(i)~~ and ~~(ii)~~ (b);

539 ~~(ii)~~ (b) an estimate of the revenue from personal property;

540 ~~(iii)~~ (c) the certified tax rate; and

541 ~~(iv)~~ (d) all forms necessary to submit a tax levy request.

542 ~~(2)~~ (3) (a) ~~(i)~~ The "certified tax rate" means a tax rate that will provide the same ad  
543 valorem property tax revenues for a taxing entity as were budgeted by that taxing entity for the  
544 prior year.

545 ~~(i)~~ (b) For purposes of this Subsection ~~(2), "ad]~~ (3):

546 (i) "Ad valorem property tax revenues" do not include:

547 (A) collections from redemptions;

548 (B) interest;

549 (C) penalties; and

550 (D) revenue received by a taxing entity from personal property that is:

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

552 (II) semiconductor manufacturing equipment.

553 (ii) "Aggregate taxable value of all property taxed" means:

554 (A) the aggregate taxable value of all real property assessed by a county assessor in  
555 accordance with Part 3, County Assessment, for the current year;

556 (B) the aggregate taxable year end value of all personal property assessed by a county  
557 assessor in accordance with Part 3, County Assessment, for the prior year; and

558 (C) the aggregate taxable value of all real and personal property assessed by the  
559 commission in accordance with Part 2, Assessment of Property, for the current year.

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

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

565 ~~[(F)]~~ (A) calculate for the taxing entity the difference between:

566 ~~[(Aa)]~~ (I) the aggregate taxable value of all property taxed; and

567 ~~[(Bb)]~~ (II) any redevelopment adjustments for the current calendar year;

568 ~~[(H)]~~ (B) after making the calculation required by Subsection ~~[(2)(a)(iii)(B)(F)]~~  
569 (3)(c)(ii)(A), calculate an amount determined by increasing or decreasing the amount  
570 calculated under Subsection ~~[(2)(a)(iii)(B)(F)]~~ (3)(c)(ii)(A) by the average of the percentage net  
571 change in the value of taxable property for the equalization period for the three calendar years  
572 immediately preceding the current calendar year;

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

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

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

578 ~~[(IV)]~~ (D) after making the calculation required by Subsection ~~[(2)(a)(iii)(B)(H)]~~  
579 (3)(c)(ii)(C), calculate an amount determined by subtracting from the amount calculated under  
580 Subsection ~~[(2)(a)(iii)(B)(H)]~~ (3)(c)(ii)(C) any new growth as defined in this section:

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

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

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

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

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

587 [~~(F)~~] (A) except as provided in Subsection [(2)(a)(iii)(C)(H), includes the total taxable  
588 value of the real and personal property contained on the tax rolls of the taxing entity; and]  
589 (3)(c)(iii)(B) or (3)(c)(ii)(C), is as defined in Subsection (3)(b)(ii);

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

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

594 [~~(Bb)~~] (II) semiconductor manufacturing equipment[-]; and

595 (C) for personal property assessed by a county assessor in accordance with Part 3,  
596 County Assessment, the taxable value of personal property is the year end value of the personal  
597 property contained on the prior year's tax rolls of the entity.

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

601 [~~(F)~~] (A) within the taxing entity assessed by a county assessor in accordance with Part  
602 3, County Assessment; and

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

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

607 [~~(F)~~] (A) within the taxing entity assessed by a county assessor in accordance with Part  
608 3, County Assessment; and

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

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

614 (vii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,

615 the commission may prescribe rules for calculating redevelopment adjustments for a calendar  
616 year.

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

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

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

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

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

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

631 ~~[(H)]~~ (B) in a county of the fourth, fifth, or sixth class, the levy imposed for general  
632 county purposes and such other levies imposed solely for the municipal-type services identified  
633 in Section 17-34-1 and Subsection 17-36-3(22); and

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

637 ~~[(F)]~~ (A) school leeways provided for under Sections 11-2-7, 53A-16-110,  
638 53A-17a-125, 53A-17a-127, 53A-17a-133, 53A-17a-134, 53A-17a-143, 53A-17a-145, and  
639 53A-21-103; and

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

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

645 ~~[(B)]~~ (ii) The ad valorem property tax revenue generated by the judgment levy shall not

646 be considered in establishing the taxing entity's aggregate certified tax rate.

647 ~~[(b)(i)]~~ (4) (a) For the purpose of calculating the certified tax rate, the county auditor  
648 shall use;

649 (i) the taxable value of real property assessed by a county assessor contained on the  
650 assessment roll~~[-];~~;

651 (ii) the taxable value of real and personal property assessed by the commission; and

652 (iii) the taxable year end value of personal property assessed by a county assessor  
653 contained on the prior year's assessment roll.

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

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

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

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

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

662 ~~[(A)]~~ (i) the difference between the increase in taxable value of the following property  
663 of the taxing entity from the previous calendar year to the current year~~[-];~~;

664 (A) real property assessed by a county assessor in accordance with Part 3, County  
665 Assessment; and

666 (B) property assessed by the commission under Section 59-2-201; plus

667 (ii) the difference between the increase in taxable year end value of personal property  
668 of the taxing entity from the year prior to the previous calendar year to the previous calendar  
669 year; minus

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

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

672 ~~[(iv)]~~ (d) For purposes of Subsection ~~[(2)(b)(iii)]~~ (4)(c)(ii), the taxable value of  
673 personal property of the taxing entity does not include the taxable value of personal property  
674 that is:

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

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

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

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

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

685 ~~[(F)]~~ (A) the Legislature;

686 ~~[(H)]~~ (B) a court;

687 ~~[(HH)]~~ (C) the commission in an administrative rule; or

688 ~~[(HV)]~~ (D) the commission in an administrative order.

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

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

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

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

695 (B) semiconductor manufacturing equipment.

696 ~~[(c) Beginning January 1, 1997, if a taxing entity receives increased revenues from~~  
697 ~~uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,~~  
698 ~~59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter~~  
699 ~~12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax~~  
700 ~~rate to offset the increased revenues.]~~

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

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

705 ~~[(B) increased by the amount necessary to offset the county's reduction in revenue~~  
706 ~~from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,~~  
707 ~~59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection~~

708 ~~(2)(d)(i)(A):]~~

709 ~~[(ii) The commission shall determine estimates of sales and use tax distributions for~~  
710 ~~purposes of Subsection (2)(d)(i):]~~

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

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

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

728 ~~[(ii) (A) A city or town located within a county of the first class to which Subsection~~  
729 ~~(2)(f)(i) applies may increase its certified tax rate by the amount necessary to generate within~~  
730 ~~the city or town the same amount of revenues as the county would collect from that city or~~  
731 ~~town if the decrease under Subsection (2)(f)(i) did not occur:]~~

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

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

738 ~~[(A) in fiscal year 2001 by the amount necessary to reduce revenues in that fiscal year~~



739 by at least \$4,400,000; and]

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

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

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

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

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

759 [~~(Aa) publishes a notice that meets the size, type, placement, and frequency~~  
760 ~~requirements of Section 59-2-919, reflects that the increase is a shift of a tax from one imposed~~  
761 ~~by the county to one imposed by the city or town, and explains how the revenues from the tax~~  
762 ~~increase will be used; and]~~

763 [~~(Bb) holds a public hearing on the tax shift that may be held in conjunction with the~~  
764 ~~city or town's regular budget hearing.]~~

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

766 [~~(A) establishes a countywide special service district under Title 17A, Chapter 2, Part~~  
767 ~~13, Utah Special Service District Act, to provide jail service, as provided in Subsection~~  
768 ~~17A-2-1304(1)(a)(x); and]~~

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

770 17A-2-1322.].

771 ~~[(ii) (A) The certified tax rate of each county to which this Subsection (2)(h) applies~~  
772 ~~shall be decreased by the amount necessary to reduce county revenues by the same amount of~~  
773 ~~revenues that will be generated by the property tax imposed on behalf of the special service~~  
774 ~~district.]~~

775 ~~[(B) Each decrease under Subsection (2)(h)(ii)(A) shall occur contemporaneously with~~  
776 ~~the levy on behalf of the special service district under Section 17A-2-1322.]~~

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

778 ~~[(A) "Annexing county" means a county whose unincorporated area is included within~~  
779 ~~a fire district by annexation.]~~

780 ~~[(B) "Annexing municipality" means a municipality whose area is included within a~~  
781 ~~fire district by annexation.]~~

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

783 ~~[(F) calculating, for each participating county and each participating municipality, the~~  
784 ~~property tax revenue necessary to cover all of the costs associated with providing fire~~  
785 ~~protection, paramedic, and emergency services:]~~

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

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

788 ~~[(H) adding all the amounts calculated under Subsection (2)(i)(i)(C)(F) for all~~  
789 ~~participating counties and all participating municipalities and then dividing that sum by the~~  
790 ~~aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:]~~

791 ~~[(Aa) for participating counties, in the unincorporated area of all participating counties;~~  
792 ~~and]~~

793 ~~[(Bb) for participating municipalities, in all the participating municipalities:]~~

794 ~~[(D) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service~~  
795 ~~Area Act, in the creation of which an election was not required under Subsection~~  
796 ~~17B-1-214(3)(c).]~~

797 ~~[(E) "Fire protection tax rate" means:]~~

798 ~~[(F) for an annexing county, the property tax rate that, when applied to taxable property~~  
799 ~~in the unincorporated area of the county, generates enough property tax revenue to cover all the~~  
800 ~~costs associated with providing fire protection, paramedic, and emergency services in the~~

801 ~~unincorporated area of the county; and]~~

802  ~~[(H) for an annexing municipality, the property tax rate that generates enough property~~  
803  ~~tax revenue in the municipality to cover all the costs associated with providing fire protection,~~  
804  ~~paramedic, and emergency services in the municipality.]~~

805  ~~[(F) "Participating county" means a county whose unincorporated area is included~~  
806  ~~within a fire district at the time of the creation of the fire district.]~~

807  ~~[(G) "Participating municipality" means a municipality whose area is included within a~~  
808  ~~fire district at the time of the creation of the fire district.]~~

809  ~~[(ii) In the first year following creation of a fire district, the certified tax rate of each~~  
810  ~~participating county and each participating municipality shall be decreased by the amount of~~  
811  ~~the equalized fire protection tax rate.]~~

812  ~~[(iii) In the first year following annexation to a fire district, the certified tax rate of each~~  
813  ~~annexing county and each annexing municipality shall be decreased by the fire protection tax~~  
814  ~~rate.]~~

815  ~~[(iv) Each tax levied under this section by a fire district shall be considered to be levied~~  
816  ~~by:]~~

817  ~~[(A) each participating county and each annexing county for purposes of the county's~~  
818  ~~tax limitation under Section 59-2-908; and]~~

819  ~~[(B) each participating municipality and each annexing municipality for purposes of~~  
820  ~~the municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a~~  
821  ~~city.]~~

822  ~~[(j) For the calendar year beginning on January 1, 2007, the calculation of a taxing~~  
823  ~~entity's certified tax rate shall be adjusted by the amount necessary to offset any change in the~~  
824  ~~certified tax rate that may result from excluding the following from the certified tax rate under~~  
825  ~~Subsection (2)(a) enacted by the Legislature during the 2007 General Session:]~~

826  ~~[(i) personal property tax revenue:]~~

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

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

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

830  ~~[(ii) the taxable value of personal property:]~~

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

832 ~~[(B) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~  
833 ~~[(C) that is semiconductor manufacturing equipment.]~~

834 ~~[(3)]~~ (5) (a) On or before June 22, each taxing entity shall annually adopt a tentative  
835 budget.

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

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

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

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

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

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

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

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

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

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

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

861 ~~[(c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or~~  
862 ~~(2)(d)(i), the amount of money allocated and, when collected, paid each year to a community~~

863 ~~development and renewal agency established under Title 17C, Limited Purpose Local~~  
864 ~~Government Entities - Community Development and Renewal Agencies, for the payment of~~  
865 ~~bonds or other contract indebtedness, but not for administrative costs, may not be less than that~~  
866 ~~amount would have been without a decrease in the certified tax rate under Subsection (2)(c) or~~  
867 ~~(2)(d)(i).]~~

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

869 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

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

872 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from  
873 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,  
874 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter  
875 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax  
876 rate to offset the increased revenues.

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

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

881 (ii) increased by the amount necessary to offset the county's reduction in revenue from  
882 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,  
883 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection  
884 (3)(a)(i).

885 (b) The commission shall determine estimates of sales and use tax distributions for  
886 purposes of Subsection (3)(a).

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

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

893 (i) establishes a countywide special service district under Title 17A, Chapter 2, Part 13,

894 Utah Special Service District Act, to provide jail service, as provided in Subsection  
895 17A-2-1304(1)(a)(x); and

896 (ii) levies a property tax on behalf of the special service district under Section  
897 17A-2-1322.

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

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

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

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

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

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

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

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

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

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

917 (I) for participating counties, in the unincorporated area of all participating counties;  
918 and

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

920 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service  
921 Area Act, in the creation of which an election was not required under Subsection  
922 17B-1-214(3)(c).

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

924 (A) for an annexing county, the property tax rate that, when applied to taxable property

925 in the unincorporated area of the county, generates enough property tax revenue to cover all the  
926 costs associated with providing fire protection, paramedic, and emergency services in the  
927 unincorporated area of the county; and

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

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

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

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

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

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

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

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

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

953 (a) personal property tax revenue:

954 (i) received by a taxing entity;

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

956 (iii) for personal property that is semiconductor manufacturing equipment; or  
957 (b) the taxable value of personal property:  
958 (i) contained on the tax rolls of a taxing entity;  
959 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and  
960 (iii) that is semiconductor manufacturing equipment.  
961 (8) (a) The taxable value for the base year under Subsection 17C-1-102(6) shall be  
962 reduced for any year to the extent necessary to provide a community development and renewal  
963 agency established under Title 17C, Limited Purpose Local Government Entities - Community  
964 Development and Renewal Agencies, with approximately the same amount of money the  
965 agency would have received without a reduction in the county's certified tax rate, calculated in  
966 accordance with Section 59-2-924, if:  
967 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);  
968 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the  
969 previous year; and  
970 (iii) the decrease results in a reduction of the amount to be paid to the agency under  
971 Section 17C-1-403 or 17C-1-404.  
972 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any  
973 year to the extent necessary to provide a community development and renewal agency with  
974 approximately the same amount of money as the agency would have received without an  
975 increase in the certified tax rate that year if:  
976 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to  
977 a decrease in the certified tax rate under Subsection (2) or (3)(a); and  
978 (ii) the certified tax rate of a city, school district, local district, or special service  
979 district increases independent of the adjustment to the taxable value of the base year.  
980 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),  
981 the amount of money allocated and, when collected, paid each year to a community  
982 development and renewal agency established under Title 17C, Limited Purpose Local  
983 Government Entities - Community Development and Renewal Agencies, for the payment of  
984 bonds or other contract indebtedness, but not for administrative costs, may not be less than that  
985 amount would have been without a decrease in the certified tax rate under Subsection (2) or  
986 (3)(a).



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

988 **59-2-1115. Exemption of certain tangible personal property.**

989 (1) For purposes of this section:

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

992 (ii) includes:

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

994 (B) the cost of freight and shipping;

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

996 (D) sales and use taxes.

997 (b) (i) "Item of taxable tangible personal property" does not include an improvement to  
998 real property or a part that will become an improvement.

999 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,  
1000 the commission may make rules defining the term "item of taxable tangible personal property."

1001 (c) (i) "Taxable tangible personal property" means tangible personal property that is  
1002 subject to taxation under this chapter.

1003 (ii) "Taxable tangible personal property" does not include:

1004 (A) tangible personal property required by law to be registered with the state before it  
1005 is used:

1006 (I) on a public highway;

1007 (II) on a public waterway;

1008 (III) on public land; or

1009 (IV) in the air;

1010 (B) a mobile home as defined in Section 41-1a-102; or

1011 (C) a manufactured home as defined in Section 41-1a-102.

1012 ~~[(+)]~~ (2) (a) The taxable tangible personal property of a taxpayer is exempt from  
1013 taxation if the taxable tangible personal property has a total aggregate fair market value per  
1014 county of \$3,500 or less.

1015 ~~[(b) For purposes of this section, "taxable tangible personal property" does not~~  
1016 ~~include:]~~

1017 ~~[(i) tangible personal property required by law to be registered with the state before it is~~

1018 used:]

1019 [~~(A) on a public highway;~~]

1020 [~~(B) on a public waterway;~~]

1021 [~~(C) on public land; or~~]

1022 [~~(D) in the air;~~]

1023 [~~(ii) a mobile home as defined in Section 41-1a-102; or~~]

1024 [~~(iii) a manufactured home as defined in Section 41-1a-102.]~~]

1025 (b) An item of taxable tangible personal property is exempt from taxation if the item of

1026 taxable tangible personal property:

1027 (i) has an acquisition cost of \$5,000 or less;

1028 (ii) has reached a percent good of 15% or less according to a personal property

1029 schedule:

1030 (A) published by the commission pursuant to Section 59-2-107; or

1031 (B) for an item of personal property that is designated as expensed personal property in

1032 accordance with Section 59-2-108, described in Section 59-2-108; and

1033 (iii) is in a personal property schedule with a residual value of 15% or less.

1034 [~~(2)~~] (3) (a) For calendar years beginning on or after January 1, 2008, the commission

1035 shall increase the dollar amount described in Subsection [~~(1)~~] (2)(a):

1036 (i) by a percentage equal to the percentage difference between the consumer price

1037 index for the preceding calendar year and the consumer price index for calendar year 2006[-];

1038 and

1039 (ii) up to the nearest \$100 increment.

1040 (b) For purposes of this Subsection [~~(2)~~](3), the commission shall calculate the

1041 consumer price index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue Code.

1042 (c) If the percentage difference under Subsection [~~(2)~~](3)(a)(i) is zero or a negative

1043 percentage, the consumer price index increase for the year is zero.

1044 [~~(3)~~] (4) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking

1045 Act, the commission may make rules to administer this section and provide for uniform

1046 implementation.

1047 Section 17. Section **59-2-1302** is amended to read:

1048 **59-2-1302. Assessor or treasurer's duties -- Collection of uniform fees and taxes**

1049 **on personal property -- Unpaid tax or unpaid uniform fee is a lien -- Delinquency interest**  
1050 **-- Rate.**

1051 (1) After the assessor assesses taxes or uniform fees on personal property, the assessor  
1052 or, if this duty has been reassigned in an ordinance under Section 17-16-5.5, the treasurer shall:

1053 (a) list the personal property tax or uniform fee as provided in Subsection (3) with the  
1054 real property of the owner in the manner required by law if the assessor or treasurer, as the case  
1055 may be, determines that the real property is sufficient to secure the payment of the personal  
1056 property taxes or uniform fees;

1057 (b) immediately collect the taxes or uniform fees due on the personal property; or

1058 (c) on or before the day on which the tax or uniform fee on personal property is due,  
1059 obtain from the taxpayer a bond that is:

1060 (i) payable to the county in an amount equal to the amount of the tax or uniform fee  
1061 due, plus 20% of the amount of the tax or uniform fee due; and

1062 (ii) conditioned for the payment of the tax or uniform fee on or before November 30.

1063 (2) (a) An unpaid tax as defined in Section 59-1-705, or unpaid uniform fee upon  
1064 personal property listed with the real property is a lien upon the owner's real property as of 12  
1065 o'clock noon of January 1 of each year.

1066 (b) An unpaid tax as defined in Section 59-1-705, or unpaid uniform fee upon personal  
1067 property not listed with the real property is a lien upon the owner's personal property as of 12  
1068 o'clock noon of January 1 of each year.

1069 (3) The assessor or treasurer, as the case may be, shall make the listing under this  
1070 section:

1071 (a) on the record of assessment of the real property; or

1072 (b) by entering a reference showing the record of the assessment of the personal  
1073 property on the record of assessment of the real property.

1074 (4) (a) The amount of tax or uniform fee assessed upon personal property is delinquent  
1075 if the tax or uniform fee is not paid [~~within 30 days after~~] on the day on which the tax notice or  
1076 the combined signed statement and tax notice [~~due~~] under Section 59-2-306 is [~~mailed~~] due.

1077 (b) Delinquent taxes or uniform fees under Subsection (4)(a) shall bear interest from  
1078 the date of delinquency until the day on which the delinquent tax or uniform fee is paid at an  
1079 interest rate equal to the sum of:

1080 (i) 6%; and  
1081 (ii) the federal funds rate target:  
1082 (A) established by the Federal Open Markets Committee; and  
1083 (B) that exists on the January 1 immediately preceding the date of delinquency.  
1084 (5) A county assessor or treasurer shall deposit all collections of public funds from a  
1085 personal property tax or personal property uniform fee no later than once every seven banking  
1086 days with:

1087 (a) the state treasurer; or  
1088 (b) a qualified depository for the credit of the county.

1089 Section 18. Section **59-2-1330** is amended to read:

1090 **59-2-1330. Payment of property taxes -- Payments to taxpayer by state or taxing**  
1091 **entity -- Refund of penalties paid by taxpayer -- Refund of interest paid by taxpayer --**  
1092 **Payment of interest to taxpayer -- Judgment levy -- Objections to assessments by the**  
1093 **commission -- Time periods for making payments to taxpayer.**

1094 (1) Unless otherwise specifically provided by statute, property taxes shall be paid  
1095 directly to the county assessor or the county treasurer:

1096 (a) on the date that the property taxes are due; and  
1097 (b) as provided in this chapter.

1098 (2) A taxpayer shall receive payment as provided in this section if a reduction in the  
1099 amount of any tax levied against any property for which the taxpayer paid a tax or any portion  
1100 of a tax under this chapter for a calendar year is required by a final and unappealable judgment  
1101 or order described in Subsection (3) issued by:

1102 (a) a county board of equalization;  
1103 (b) the commission; or  
1104 (c) a court of competent jurisdiction.

1105 (3) (a) For purposes of Subsection (2), the state or any taxing entity that has received  
1106 property taxes or any portion of property taxes from a taxpayer described in Subsection (2)  
1107 shall pay the taxpayer if:

1108 (i) the taxes the taxpayer paid in accordance with Subsection (2) are collected by an  
1109 authorized officer of the:

1110 (A) county; or

- 1111 (B) state;
- 1112 (ii) the taxpayer obtains a final and unappealable judgment or order:
- 1113 (A) from:
- 1114 (I) a county board of equalization;
- 1115 (II) the commission; or
- 1116 (III) a court of competent jurisdiction;
- 1117 (B) against:
- 1118 (I) the taxing entity or an authorized officer of the taxing entity; or
- 1119 (II) the state or an authorized officer of the state; and
- 1120 (C) ordering a reduction in the amount of any tax levied against any property for which
- 1121 a taxpayer paid a tax or any portion of a tax under this chapter for the calendar year.
- 1122 (b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined
- 1123 in accordance with Subsections (4) through (7).
- 1124 (4) For purposes of Subsections (2) and (3), the amount the state shall pay to a taxpayer
- 1125 is equal to the sum of:
- 1126 (a) if the difference described in this Subsection (4)(a) is greater than \$0, the difference
- 1127 between:
- 1128 (i) the tax the taxpayer paid to the state in accordance with Subsection (2); and
- 1129 (ii) the amount of the taxpayer's tax liability to the state after the reduction in the
- 1130 amount of tax levied against the property in accordance with the final and unappealable
- 1131 judgment or order described in Subsection (3);
- 1132 (b) if the difference described in this Subsection (4)(b) is greater than \$0, the difference
- 1133 between:
- 1134 (i) any penalties the taxpayer paid to the state in accordance with Section 59-2-1331;
- 1135 and
- 1136 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance with
- 1137 Section 59-2-1331 after the reduction in the amount of tax levied against the property in
- 1138 accordance with the final and unappealable judgment or order described in Subsection (3);
- 1139 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
- 1140 Section 59-2-1331 on the amounts described in Subsections (4)(a) and (4)(b); and
- 1141 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

- 1142 (i) Subsection (4)(a);  
1143 (ii) Subsection (4)(b); and  
1144 (iii) Subsection (4)(c).
- 1145 (5) For purposes of Subsections (2) and (3), the amount a taxing entity shall pay to a  
1146 taxpayer is equal to the sum of:
- 1147 (a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference  
1148 between:
- 1149 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (2); and  
1150 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in  
1151 the amount of tax levied against the property in accordance with the final and unappealable  
1152 judgment or order described in Subsection (3);
- 1153 (b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference  
1154 between:
- 1155 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section  
1156 59-2-1331; and  
1157 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in  
1158 accordance with Section 59-2-1331 after the reduction in the amount of tax levied against the  
1159 property in accordance with the final and unappealable judgment or order described in  
1160 Subsection (3); and
- 1161 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with  
1162 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and  
1163 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:
- 1164 (i) Subsection (5)(a);  
1165 (ii) Subsection (5)(b); and  
1166 (iii) Subsection (5)(c).
- 1167 (6) Except as provided in Subsection (7):
- 1168 (a) interest shall be refunded to a taxpayer on the amount described in Subsection  
1169 (4)(c) or (5)(c) in an amount equal to the amount of interest the taxpayer paid in accordance  
1170 with Section 59-2-1331; and  
1171 (b) interest shall be paid to a taxpayer on the amount described in Subsection (4)(d) or  
1172 (5)(d):

- 1173 (i) beginning on the later of:
- 1174 (A) the day on which the taxpayer paid the tax in accordance with Subsection (2); or
- 1175 (B) January 1 of the calendar year immediately following the calendar year for which
- 1176 the tax was due;
- 1177 (ii) ending on the day on which the state or a taxing entity pays to the taxpayer the
- 1178 amount required by Subsection (4) or (5); and
- 1179 (iii) at the interest rate earned by the state treasurer on public funds transferred to the
- 1180 state treasurer in accordance with Section 51-7-5.
- 1181 (7) Notwithstanding Subsection (6):
- 1182 (a) the state may not pay or refund interest to a taxpayer under Subsection (6) on any
- 1183 tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax levied
- 1184 by the state for that calendar year as stated on the notice required by Section 59-2-1317; and
- 1185 (b) a taxing entity may not pay or refund interest to a taxpayer under Subsection (6) on
- 1186 any tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax
- 1187 levied by the taxing entity for that calendar year as stated on the notice required by Section
- 1188 59-2-1317.
- 1189 (8) (a) Each taxing entity may levy a tax to pay its share of the final and unappealable
- 1190 judgment or order described in Subsection (3) if:
- 1191 (i) the final and unappealable judgment or order is issued no later than 15 days prior to
- 1192 the date the levy is set under Subsection 59-2-924~~(2)~~(3)(a);
- 1193 (ii) the amount of the judgment levy is included on the notice under Section 59-2-919;
- 1194 and
- 1195 (iii) the final and unappealable judgment or order is an eligible judgment, as defined in
- 1196 Section 59-2-102.
- 1197 (b) The levy under Subsection (8)(a) is in addition to, and exempt from, the maximum
- 1198 levy established for the taxing entity.
- 1199 (9) (a) A taxpayer that objects to the assessment of property assessed by the
- 1200 commission shall pay, on or before the date of delinquency established under Subsection
- 1201 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the notice required by
- 1202 Section 59-2-1317 if:
- 1203 (i) the taxpayer has applied to the commission for a hearing in accordance with Section

1204 59-2-1007 on the objection to the assessment; and

1205 (ii) the commission has not issued a written decision on the objection to the assessment  
1206 in accordance with Section 59-2-1007.

1207 (b) A taxpayer that pays the full amount of taxes due under Subsection (9)(a) is not  
1208 required to pay penalties or interest on an assessment described in Subsection (9)(a) unless:

1209 (i) a final and unappealable judgment or order establishing that the property described  
1210 in Subsection (9)(a) has a value greater than the value stated on the notice required by Section  
1211 59-2-1317 is issued by:

1212 (A) the commission; or

1213 (B) a court of competent jurisdiction; and

1214 (ii) the taxpayer fails to pay the additional tax liability resulting from the final and  
1215 unappealable judgment or order described in Subsection (9)(b)(i) within a 45-day period after  
1216 the county bills the taxpayer for the additional tax liability.

1217 (10) (a) Except as provided in Subsection (10)(b), a payment that is required by this  
1218 section shall be paid to a taxpayer:

1219 (i) within 60 days after the day on which the final and unappealable judgment or order  
1220 is issued in accordance with Subsection (3); or

1221 (ii) if a judgment levy is imposed in accordance with Subsection (8):

1222 (A) if the payment to the taxpayer required by this section is \$5,000 or more, no later  
1223 than December 31 of the year in which the judgment levy is imposed; and

1224 (B) if the payment to the taxpayer required by this section is less than \$5,000, within  
1225 60 days after the date the final and unappealable judgment or order is issued in accordance with  
1226 Subsection (3).

1227 (b) Notwithstanding Subsection (10)(a), a taxpayer may enter into an agreement:

1228 (i) that establishes a time period other than a time period described in Subsection  
1229 (10)(a) for making a payment to the taxpayer that is required by this section; and

1230 (ii) with:

1231 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or

1232 (B) an authorized officer of the state for a tax imposed by the state.

1233 Section 19. **Effective date.**

1234 This bill takes effect on January 1, 2009.