

1 **PROPERTY TAX - COUNTY ASSESSMENT**
2 **AND COLLECTION AMENDMENTS**

3 2008 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Kay L. McIff**

6 Senate Sponsor: Lyle W. Hillyard

8 **LONG TITLE**

9 **General Description:**

10 This bill amends provisions in the Property Tax Act that relate to the multicounty
11 assessing and collecting levy.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ defines terms;
- 15 ▶ provides that the county additional property tax levy is subject to the property tax
16 notice and hearing requirements if the levy is levied within certain counties;
- 17 ▶ requires that after distributions have been made to receiving counties, money
18 remaining in the Property Tax Valuation Fund shall be retained in the fund until the
19 following year; and
- 20 ▶ makes technical changes.

21 **Monies Appropriated in this Bill:**

22 None

23 **Other Special Clauses:**

24 This bill takes effect on January 1, 2009.

25 **Utah Code Sections Affected:**

26 AMENDS:

27 **17C-1-102**, as last amended by Laws of Utah 2007, Chapters 329 and 364



28 **59-2-911**, as last amended by Laws of Utah 1997, Chapter 292
29 **59-2-924**, as last amended by Laws of Utah 2007, Chapters 107 and 329
30 **59-2-926**, as last amended by Laws of Utah 2003, Chapter 320

31 ENACTS:

32 **59-2-1601**, Utah Code Annotated 1953

33 RENUMBERS AND AMENDS:

34 **59-2-1602**, (Renumbered from 59-2-906.1, as last amended by Laws of Utah 2006,
35 Chapters 67 and 359)

36 **59-2-1603**, (Renumbered from 59-2-906.2, as last amended by Laws of Utah 2005,
37 Chapter 195)

38 **59-2-1604**, (Renumbered from 59-2-906.3, as last amended by Laws of Utah 2005,
39 Chapter 195)

40 **59-2-1605**, (Renumbered from 59-2-906.4, as last amended by Laws of Utah 2005,
41 Chapter 195)



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

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

45 **17C-1-102. Definitions.**

46 As used in this title:

47 (1) "Adjusted tax increment" means:

48 (a) for tax increment under a pre-July 1, 1993 project area plan, tax increment under
49 Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and

50 (b) for tax increment under a post-June 30, 1993 project area plan, tax increment under
51 Section 17C-1-404, excluding tax increment under Section 17C-1-406.

52 (2) "Affordable housing" means housing to be owned or occupied by persons and
53 families of low or moderate income, as determined by resolution of the agency.

54 (3) "Agency" or "community development and renewal agency" means a separate body
55 corporate and politic, created under Section 17C-1-201 or as a redevelopment agency under
56 previous law, that is a political subdivision of the state, that is created to undertake or promote
57 urban renewal, economic development, or community development, or any combination of
58 them, as provided in this title, and whose geographic boundaries are coterminous with:

59 (a) for an agency created by a county, the unincorporated area of the county; and

60 (b) for an agency created by a city or town, the boundaries of the city or town.

61 (4) "Annual income" has the meaning as defined under regulations of the U.S.

62 Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as
63 superseded by replacement regulations.

64 (5) "Assessment roll" has the meaning as defined in Section 59-2-102.

65 (6) "Base taxable value" means the taxable value of the property within a project area
66 from which tax increment will be collected, as shown upon the assessment roll last equalized
67 before:

68 (a) for a pre-July 1, 1993 project area plan, the effective date of the project area plan;

69 (b) for a post-June 30, 1993 project area plan:

70 (i) the date of the taxing entity committee's approval of the first project area budget; or

71 (ii) if no taxing entity committee approval is required for the project area budget, the

72 later of:

73 (A) the date the project area plan is adopted by the community legislative body; and

74 (B) the date the agency adopts the first project area budget; or

75 (c) for a project on an inactive industrial site, a year after the date on which the inactive
76 industrial site is sold for remediation and development.

77 (7) "Basic levy" means the portion of a school district's tax levy constituting the
78 minimum basic levy under Section 59-2-902.

79 (8) "Blight" or "blighted" means the condition of an area that meets the requirements of
80 Subsection 17C-2-303(1).

81 (9) "Blight hearing" means a public hearing under Subsection 17C-2-102(1)(a)(i)(C)
82 and Section 17C-2-302 regarding the existence or nonexistence of blight within the proposed
83 urban renewal project area.

84 (10) "Blight study" means a study to determine the existence or nonexistence of blight
85 within a survey area as provided in Section 17C-2-301.

86 (11) "Board" means the governing body of an agency, as provided in Section
87 17C-1-203.

88 (12) "Budget hearing" means the public hearing on a draft project area budget required
89 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection

90 17C-3-201(2)(d) for an economic development project area budget.

91 (13) "Combined incremental value" means the combined total of all incremental values
92 from all urban renewal project areas, except project areas that contain some or all of a military
93 installation or inactive industrial site, within the agency's boundaries under adopted project area
94 plans and adopted project area budgets at the time that a project area budget for a new urban
95 renewal project area is being considered.

96 (14) "Community" means a county, city, or town.

97 (15) "Community development" means development activities within a community,
98 including the encouragement, promotion, or provision of development.

99 (16) "Economic development" means to promote the creation or retention of public or
100 private jobs within the state through:

101 (a) planning, design, development, construction, rehabilitation, business relocation, or
102 any combination of these, within a community; and

103 (b) the provision of office, industrial, manufacturing, warehousing, distribution,
104 parking, public, or other facilities, or other improvements that benefit the state or a community.

105 (17) "Fair share ratio" means the ratio derived by:

106 (a) for a city or town, comparing the percentage of all housing units within the city or
107 town that are publicly subsidized income targeted housing units to the percentage of all
108 housing units within the whole county that are publicly subsidized income targeted housing
109 units; or

110 (b) for the unincorporated part of a county, comparing the percentage of all housing
111 units within the unincorporated county that are publicly subsidized income targeted housing
112 units to the percentage of all housing units within the whole county that are publicly subsidized
113 income targeted housing units.

114 (18) "Family" has the meaning as defined under regulations of the U.S. Department of
115 Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as superseded by
116 replacement regulations.

117 (19) "Greenfield" means land not developed beyond agricultural or forestry use.

118 (20) "Housing funds" means the funds allocated in an urban renewal project area
119 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

120 (21) (a) "Inactive industrial site" means land that:

- 121 (i) consists of at least 1,000 acres;
- 122 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
123 facility; and
- 124 (iii) requires remediation because of the presence of:
 - 125 (A) hazardous waste, defined as any substance defined, regulated, or listed as a
126 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
127 or toxic substance, or identified as hazardous to human health or the environment under state
128 or federal law or regulation; or
 - 129 (B) solid waste.
- 130 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
131 described in Subsection (21)(a).
- 132 (22) "Income targeted housing" means housing to be owned or occupied by a family
133 whose annual income is at or below 80% of the median annual income for the county in which
134 the housing is located.
- 135 (23) "Incremental value" means a figure derived by multiplying the marginal value of
136 the property located within an urban renewal project area on which tax increment is collected
137 by a number that represents the percentage of adjusted tax increment from that project area that
138 is paid to the agency.
- 139 (24) "Loan fund board" means the Olene Walker Housing Loan Fund Board,
140 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.
- 141 (25) "Marginal value" means the difference between actual taxable value and base
142 taxable value.
- 143 (26) "Military installation project area" means a project area or a portion of a project
144 area located within a federal military installation ordered closed by the federal Defense Base
145 Realignment and Closure Commission.
- 146 (27) "Plan hearing" means the public hearing on a draft project area plan required
147 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection
148 17C-3-102(1)(d) for an economic development project area plan, and Subsection
149 17C-4-102(1)(d) for a community development project area plan.
- 150 (28) "Post-June 30, 1993 project area plan" means a project area plan adopted on or
151 after July 1, 1993, whether or not amended subsequent to its adoption.

152 (29) "Pre-July 1, 1993 project area plan" means a project area plan adopted before July
153 1, 1993, whether or not amended subsequent to its adoption.

154 (30) "Private," with respect to real property, means:

155 (a) not owned by the United States or any agency of the federal government, a public
156 entity, or any other governmental entity; and

157 (b) not dedicated to public use.

158 (31) "Project area" means the geographic area described in a project area plan or draft
159 project area plan where the urban renewal, economic development, or community
160 development, as the case may be, set forth in the project area plan or draft project area plan
161 takes place or is proposed to take place.

162 (32) "Project area budget" means a multiyear projection of annual or cumulative
163 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic
164 development project area that includes:

165 (a) the base taxable value of property in the project area;

166 (b) the projected tax increment expected to be generated within the project area;

167 (c) the amount of tax increment expected to be shared with other taxing entities;

168 (d) the amount of tax increment expected to be used to implement the project area plan,
169 including the estimated amount of tax increment to be used for land acquisition, public
170 improvements, infrastructure improvements, and loans, grants, or other incentives to private
171 and public entities;

172 (e) the tax increment expected to be used to cover the cost of administering the project
173 area plan;

174 (f) if the area from which tax increment is to be collected is less than the entire project
175 area:

176 (i) the tax identification numbers of the parcels from which tax increment will be
177 collected; or

178 (ii) a legal description of the portion of the project area from which tax increment will
179 be collected; and

180 (g) for property that the agency owns and expects to sell, the expected total cost of the
181 property to the agency and the expected selling price.

182 (33) "Project area plan" means a written plan under Chapter 2, Part 1, Urban Renewal

183 Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or Chapter 4,
184 Part 1, Community Development Project Area Plan, as the case may be, that, after its effective
185 date, guides and controls the urban renewal, economic development, or community
186 development activities within a project area.

187 (34) "Property tax" includes privilege tax and each levy on an ad valorem basis on
188 tangible or intangible personal or real property.

189 (35) "Public entity" means:

190 (a) the state, including any of its departments or agencies; or

191 (b) a political subdivision of the state, including a county, city, town, school district,
192 local district, special service district, or interlocal cooperation entity.

193 (36) "Publicly owned infrastructure and improvements" means water, sewer, storm
194 drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter, sidewalk,
195 walkways, parking facilities, public transportation facilities, and other facilities, infrastructure,
196 and improvements benefitting the public and to be publicly owned or publicly maintained or
197 operated.

198 (37) "Record property owner" or "record owner of property" means the owner of real
199 property as shown on the records of the recorder of the county in which the property is located
200 and includes a purchaser under a real estate contract if the contract is recorded in the office of
201 the recorder of the county in which the property is located or the purchaser gives written notice
202 of the real estate contract to the agency.

203 (38) "Superfund site":

204 (a) means an area included in the National Priorities List under the Comprehensive
205 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

206 (b) includes an area formerly included in the National Priorities List, as described in
207 Subsection (38)(a), but removed from the list following remediation that leaves on site the
208 waste that caused the area to be included in the National Priorities List.

209 (39) "Survey area" means an area designated by a survey area resolution for study to
210 determine whether one or more urban renewal projects within the area are feasible.

211 (40) "Survey area resolution" means a resolution adopted by the agency board under
212 Subsection 17C-2-101(1)(a) designating a survey area.

213 (41) "Taxable value" means the value of property as shown on the last equalized

214 assessment roll as certified by the county assessor.

215 (42) (a) "Tax increment" means, except as provided in Subsection (42)(b), the
216 difference between:

217 (i) the amount of property tax revenues generated each tax year by all taxing entities
218 from the area within a project area designated in the project area plan as the area from which
219 tax increment is to be collected, using the current assessed value of the property; and

220 (ii) the amount of property tax revenues that would be generated from that same area
221 using the base taxable value of the property.

222 (b) "Tax increment" does not include taxes levied and collected under Section
223 [~~59-2-906.1~~] 59-2-1602 on or after January 1, 1994 upon the taxable property in the project
224 area unless:

225 (i) the project area plan was adopted before May 4, 1993, whether or not the project
226 area plan was subsequently amended; and

227 (ii) the taxes were pledged to support bond indebtedness or other contractual
228 obligations of the agency.

229 (43) "Taxing entity" means a public entity that levies a tax on property within a
230 community.

231 (44) "Taxing entity committee" means a committee representing the interests of taxing
232 entities, created as provided in Section 17C-1-402.

233 (45) "Unincorporated" means not within a city or town.

234 (46) (a) "Urban renewal" means the development activities under a project area plan
235 within an urban renewal project area, including:

236 (i) planning, design, development, demolition, clearance, construction, rehabilitation,
237 environmental remediation, or any combination of these, of part or all of a project area;

238 (ii) the provision of residential, commercial, industrial, public, or other structures or
239 spaces, including recreational and other facilities incidental or appurtenant to them;

240 (iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or
241 any combination of these, existing structures in a project area;

242 (iv) providing open space, including streets and other public grounds and space around
243 buildings;

244 (v) providing public or private buildings, infrastructure, structures, and improvements;

245 and

246 (vi) providing improvements of public or private recreation areas and other public
247 grounds.

248 (b) "Urban renewal" means "redevelopment," as defined under the law in effect before
249 May 1, 2006, if the context requires.

250 Section 2. Section **59-2-911** is amended to read:

251 **59-2-911. Exceptions to maximum levy limitation.**

252 (1) The maximum levies set forth in Section 59-2-908 do not apply to and do not
253 include:

254 (a) levies made to pay outstanding judgment debts;

255 (b) levies made in any special improvement districts;

256 (c) levies made for extended services in any county service area;

257 (d) levies made for county library services;

258 (e) levies made to be used for storm water, flood, and water quality control;

259 (f) levies made to share disaster recovery expenses for public facilities and structures as

260 a condition of state assistance when a Presidential Declaration has been issued under the

261 Disaster Relief Act of 1974, 42 U.S.C. Sec. 5121;

262 (g) levies made to pay interest and provide for a sinking fund in connection with any

263 bonded or voter authorized indebtedness, including the bonded or voter authorized

264 indebtedness of county service areas, special service districts, and special improvement

265 districts;

266 (h) levies made to fund local health departments;

267 (i) levies made to fund public transit districts;

268 (j) levies made to establish, maintain, and replenish special improvement guaranty

269 funds;

270 (k) levies made in any special service district;

271 (l) levies made to fund municipal-type services to unincorporated areas of counties

272 under Title 17, Chapter 34, Municipal-type Services to Unincorporated Areas;

273 (m) levies made to fund the purchase of paramedic or ambulance facilities and

274 equipment and to defray administration, personnel, and other costs of providing emergency

275 medical and paramedic services, but this exception only applies to those counties in which a

276 resolution setting forth the intention to make those levies has been duly adopted by the county
277 legislative body and approved by a majority of the voters of the county voting at a special or
278 general election;

279 (n) levies made to pay for the costs of state legislative mandates or judicial or
280 administrative orders under Section [~~59-2-906.3~~] 59-2-1604;

281 (o) the multicounty and county assessing and collecting levies made to promote
282 accurate property valuations, uniform assessment levels, and the efficient administration of the
283 property tax system under Section [~~59-2-906.1~~] 59-2-1602; and

284 (p) all other exceptions to the maximum levy limitation pursuant to statute.

285 (2) (a) Upon the retirement of bonds issued for the development of a convention
286 complex described in Section 17-12-4, and notwithstanding Section 59-2-908, any county of
287 the first class may continue to impose a property tax levy equivalent to the average property tax
288 levy previously imposed to pay debt service on those retired bonds.

289 (b) Notwithstanding that the imposition of the levy set forth in Subsection (2)(a) may
290 not result in an increased amount of ad valorem tax revenue, it is subject to the notice
291 requirements of Sections 59-2-918 and 59-2-919.

292 (c) The revenues from this continued levy shall be used only for the funding of
293 convention facilities as defined in Section 59-12-602.

294 Section 3. Section **59-2-924** is amended to read:

295 **59-2-924. Report of valuation of property to county auditor and commission --**
296 **Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified**
297 **tax rate -- Rulemaking authority -- Adoption of tentative budget.**

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

300 (i) a statement containing the aggregate valuation of all taxable property in each taxing
301 entity; and

302 (ii) a statement containing the taxable value of any additional personal property
303 estimated by the county assessor to be subject to taxation in the current year.

304 (b) The county auditor shall, on or before June 8, transmit to the governing body of
305 each taxing entity:

306 (i) the statements described in Subsections (1)(a)(i) and (ii);

307 (ii) an estimate of the revenue from personal property;
308 (iii) the certified tax rate; and
309 (iv) all forms necessary to submit a tax levy request.
310 (2) (a) (i) The "certified tax rate" means a tax rate that will provide the same ad
311 valorem property tax revenues for a taxing entity as were budgeted by that taxing entity for the
312 prior year.
313 (ii) For purposes of this Subsection (2), "ad valorem property tax revenues" do not
314 include:
315 (A) collections from redemptions;
316 (B) interest;
317 (C) penalties; and
318 (D) revenue received by a taxing entity from personal property that is:
319 (I) assessed by a county assessor in accordance with Part 3, County Assessment; and
320 (II) semiconductor manufacturing equipment.
321 (iii) (A) Except as otherwise provided in this section, the certified tax rate shall be
322 calculated by dividing the ad valorem property tax revenues budgeted for the prior year by the
323 taxing entity by the amount calculated under Subsection (2)(a)(iii)(B).
324 (B) For purposes of Subsection (2)(a)(iii)(A), the legislative body of a taxing entity
325 shall calculate an amount as follows:
326 (I) calculate for the taxing entity the difference between:
327 (Aa) the aggregate taxable value of all property taxed; and
328 (Bb) any redevelopment adjustments for the current calendar year;
329 (II) after making the calculation required by Subsection (2)(a)(iii)(B)(I), calculate an
330 amount determined by increasing or decreasing the amount calculated under Subsection
331 (2)(a)(iii)(B)(I) by the average of the percentage net change in the value of taxable property for
332 the equalization period for the three calendar years immediately preceding the current calendar
333 year;
334 (III) after making the calculation required by Subsection (2)(a)(iii)(B)(II), calculate the
335 product of:
336 (Aa) the amount calculated under Subsection (2)(a)(iii)(B)(II); and
337 (Bb) the percentage of property taxes collected for the five calendar years immediately

338 preceding the current calendar year; and

339 (IV) after making the calculation required by Subsection (2)(a)(iii)(B)(III), calculate an
340 amount determined by subtracting from the amount calculated under Subsection
341 (2)(a)(iii)(B)(III) any new growth as defined in this section:

342 (Aa) within the taxing entity; and

343 (Bb) for the current calendar year.

344 (C) For purposes of Subsection (2)(a)(iii)(B)(I), the aggregate taxable value of all
345 property taxed:

346 (I) except as provided in Subsection (2)(a)(iii)(C)(II), includes the total taxable value of
347 the real and personal property contained on the tax rolls of the taxing entity; and

348 (II) does not include the total taxable value of personal property contained on the tax
349 rolls of the taxing entity that is:

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

351 (Bb) semiconductor manufacturing equipment.

352 (D) For purposes of Subsection (2)(a)(iii)(B)(II), for calendar years beginning on or
353 after January 1, 2007, the value of taxable property does not include the value of personal
354 property that is:

355 (I) within the taxing entity assessed by a county assessor in accordance with Part 3,
356 County Assessment; and

357 (II) semiconductor manufacturing equipment.

358 (E) For purposes of Subsection (2)(a)(iii)(B)(III)(Bb), for calendar years beginning on
359 or after January 1, 2007, the percentage of property taxes collected does not include property
360 taxes collected from personal property that is:

361 (I) within the taxing entity assessed by a county assessor in accordance with Part 3,
362 County Assessment; and

363 (II) semiconductor manufacturing equipment.

364 (F) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
365 the commission may prescribe rules for calculating redevelopment adjustments for a calendar
366 year.

367 (iv) (A) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
368 Act, the commission shall make rules determining the calculation of ad valorem property tax

369 revenues budgeted by a taxing entity.

370 (B) For purposes of Subsection (2)(a)(iv)(A), ad valorem property tax revenues
371 budgeted by a taxing entity shall be calculated in the same manner as budgeted property tax
372 revenues are calculated for purposes of Section 59-2-913.

373 (v) The certified tax rates for the taxing entities described in this Subsection (2)(a)(v)
374 shall be calculated as follows:

375 (A) except as provided in Subsection (2)(a)(v)(B), for new taxing entities the certified
376 tax rate is zero;

377 (B) for each municipality incorporated on or after July 1, 1996, the certified tax rate is:

378 (I) in a county of the first, second, or third class, the levy imposed for municipal-type
379 services under Sections 17-34-1 and 17-36-9; and

380 (II) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
381 purposes and such other levies imposed solely for the municipal-type services identified in
382 Section 17-34-1 and Subsection 17-36-3(22); and

383 (C) for debt service voted on by the public, the certified tax rate shall be the actual levy
384 imposed by that section, except that the certified tax rates for the following levies shall be
385 calculated in accordance with Section 59-2-913 and this section:

386 (I) school leeways provided for under Sections 11-2-7, 53A-16-110, 53A-17a-125,
387 53A-17a-127, 53A-17a-133, 53A-17a-134, 53A-17a-143, 53A-17a-145, and 53A-21-103; and

388 (II) levies to pay for the costs of state legislative mandates or judicial or administrative
389 orders under Section [~~59-2-906.3~~] 59-2-1604.

390 (vi) (A) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 shall be
391 established at that rate which is sufficient to generate only the revenue required to satisfy one
392 or more eligible judgments, as defined in Section 59-2-102.

393 (B) The ad valorem property tax revenue generated by the judgment levy shall not be
394 considered in establishing the taxing entity's aggregate certified tax rate.

395 (b) (i) For the purpose of calculating the certified tax rate, the county auditor shall use
396 the taxable value of property on the assessment roll.

397 (ii) For purposes of Subsection (2)(b)(i), the taxable value of property on the
398 assessment roll does not include:

399 (A) new growth as defined in Subsection (2)(b)(iii); or

400 (B) the total taxable value of personal property contained on the tax rolls of the taxing
401 entity that is:

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

403 (II) semiconductor manufacturing equipment.

404 (iii) "New growth" means:

405 (A) the difference between the increase in taxable value of the taxing entity from the
406 previous calendar year to the current year; minus

407 (B) the amount of an increase in taxable value described in Subsection (2)(b)(v).

408 (iv) For purposes of Subsection (2)(b)(iii), the taxable value of the taxing entity does
409 not include the taxable value of personal property that is:

410 (A) contained on the tax rolls of the taxing entity if that property is assessed by a
411 county assessor in accordance with Part 3, County Assessment; and

412 (B) semiconductor manufacturing equipment.

413 (v) Subsection (2)(b)(iii)(B) applies to the following increases in taxable value:

414 (A) the amount of increase to locally assessed real property taxable values resulting
415 from factoring, reappraisal, or any other adjustments; or

416 (B) the amount of an increase in the taxable value of property assessed by the
417 commission under Section 59-2-201 resulting from a change in the method of apportioning the
418 taxable value prescribed by:

419 (I) the Legislature;

420 (II) a court;

421 (III) the commission in an administrative rule; or

422 (IV) the commission in an administrative order.

423 (c) Beginning January 1, 1997, if a taxing entity receives increased revenues from
424 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
425 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
426 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
427 rate to offset the increased revenues.

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

430 (A) decreased on a one-time basis by the amount of the estimated sales and use tax

431 revenue to be distributed to the county under Subsection 59-12-1102(3); and

432 (B) increased by the amount necessary to offset the county's reduction in revenue from
433 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
434 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
435 (2)(d)(i)(A).

436 (ii) The commission shall determine estimates of sales and use tax distributions for
437 purposes of Subsection (2)(d)(i).

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

443 (f) (i) (A) For fiscal year 2000, the certified tax rate of each county required under
444 Subsection 17-34-1(4)(a) to provide advanced life support and paramedic services to the
445 unincorporated area of the county shall be decreased by the amount necessary to reduce
446 revenues in that fiscal year by an amount equal to the difference between the amount the county
447 budgeted in its 2000 fiscal year budget for advanced life support and paramedic services
448 countywide and the amount the county spent during fiscal year 2000 for those services,
449 excluding amounts spent from a municipal services fund for those services.

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

455 (ii) (A) A city or town located within a county of the first class to which Subsection
456 (2)(f)(i) applies may increase its certified tax rate by the amount necessary to generate within
457 the city or town the same amount of revenues as the county would collect from that city or
458 town if the decrease under Subsection (2)(f)(i) did not occur.

459 (B) An increase under Subsection (2)(f)(ii)(A), whether occurring in a single fiscal year
460 or spread over multiple fiscal years, is not subject to the notice and hearing requirements of
461 Sections 59-2-918 and 59-2-919.

462 (g) (i) The certified tax rate of each county required under Subsection 17-34-1(4)(b) to
463 provide detective investigative services to the unincorporated area of the county shall be
464 decreased:

465 (A) in fiscal year 2001 by the amount necessary to reduce revenues in that fiscal year
466 by at least \$4,400,000; and

467 (B) in fiscal year 2002 by the amount necessary to reduce revenues in that fiscal year
468 by an amount equal to the difference between \$9,258,412 and the amount of the reduction in
469 revenues under Subsection (2)(g)(i)(A).

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

474 (II) Beginning with municipal fiscal year 2003, a city or town located within a county
475 to which Subsection (2)(g)(i) applies may increase its certified tax rate to generate within the
476 city or town the same amount of revenue as the county would have collected during county
477 fiscal year 2002 from within the city or town except for Subsection (2)(g)(i)(B).

478 (B) (I) Except as provided in Subsection (2)(g)(ii)(B)(II), an increase in the city or
479 town's certified tax rate under Subsection (2)(g)(ii)(A), whether occurring in a single fiscal year
480 or spread over multiple fiscal years, is subject to the notice and hearing requirements of
481 Sections 59-2-918 and 59-2-919.

482 (II) For an increase under this Subsection (2)(g)(ii) that generates revenue that does not
483 exceed the same amount of revenue as the county would have collected except for Subsection
484 (2)(g)(i), the requirements of Sections 59-2-918 and 59-2-919 do not apply if the city or town:

485 (Aa) publishes a notice that meets the size, type, placement, and frequency
486 requirements of Section 59-2-919, reflects that the increase is a shift of a tax from one imposed
487 by the county to one imposed by the city or town, and explains how the revenues from the tax
488 increase will be used; and

489 (Bb) holds a public hearing on the tax shift that may be held in conjunction with the
490 city or town's regular budget hearing.

491 (h) (i) This Subsection (2)(h) applies to each county that:

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

493 13, Utah Special Service District Act, to provide jail service, as provided in Subsection
494 17A-2-1304(1)(a)(x); and

495 (B) levies a property tax on behalf of the special service district under Section
496 17A-2-1322.

497 (ii) (A) The certified tax rate of each county to which this Subsection (2)(h) applies
498 shall be decreased by the amount necessary to reduce county revenues by the same amount of
499 revenues that will be generated by the property tax imposed on behalf of the special service
500 district.

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

503 (i) (i) As used in this Subsection (2)(i):

504 (A) "Annexing county" means a county whose unincorporated area is included within a
505 fire district by annexation.

506 (B) "Annexing municipality" means a municipality whose area is included within a fire
507 district by annexation.

508 (C) "Equalized fire protection tax rate" means the tax rate that results from:

509 (I) calculating, for each participating county and each participating municipality, the
510 property tax revenue necessary to cover all of the costs associated with providing fire
511 protection, paramedic, and emergency services:

512 (Aa) for a participating county, in the unincorporated area of the county; and

513 (Bb) for a participating municipality, in the municipality; and

514 (II) adding all the amounts calculated under Subsection (2)(i)(i)(C)(I) for all
515 participating counties and all participating municipalities and then dividing that sum by the
516 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

517 (Aa) for participating counties, in the unincorporated area of all participating counties;
518 and

519 (Bb) for participating municipalities, in all the participating municipalities.

520 (D) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
521 Area Act, in the creation of which an election was not required under Subsection
522 17B-1-214(3)(c).

523 (E) "Fire protection tax rate" means:

524 (I) for an annexing county, the property tax rate that, when applied to taxable property
525 in the unincorporated area of the county, generates enough property tax revenue to cover all the
526 costs associated with providing fire protection, paramedic, and emergency services in the
527 unincorporated area of the county; and

528 (II) for an annexing municipality, the property tax rate that generates enough property
529 tax revenue in the municipality to cover all the costs associated with providing fire protection,
530 paramedic, and emergency services in the municipality.

531 (F) "Participating county" means a county whose unincorporated area is included
532 within a fire district at the time of the creation of the fire district.

533 (G) "Participating municipality" means a municipality whose area is included within a
534 fire district at the time of the creation of the fire district.

535 (ii) In the first year following creation of a fire district, the certified tax rate of each
536 participating county and each participating municipality shall be decreased by the amount of
537 the equalized fire protection tax rate.

538 (iii) In the first year following annexation to a fire district, the certified tax rate of each
539 annexing county and each annexing municipality shall be decreased by the fire protection tax
540 rate.

541 (iv) Each tax levied under this section by a fire district shall be considered to be levied
542 by:

543 (A) each participating county and each annexing county for purposes of the county's
544 tax limitation under Section 59-2-908; and

545 (B) each participating municipality and each annexing municipality for purposes of the
546 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
547 city.

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

552 (i) personal property tax revenue:

553 (A) received by a taxing entity;

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

555 (C) for personal property that is semiconductor manufacturing equipment; or
556 (ii) the taxable value of personal property:
557 (A) contained on the tax rolls of a taxing entity;
558 (B) assessed by a county assessor in accordance with Part 3, County Assessment; and
559 (C) that is semiconductor manufacturing equipment.

560 (3) (a) On or before June 22, each taxing entity shall annually adopt a tentative budget.
561 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county
562 auditor of:
563 (i) its intent to exceed the certified tax rate; and
564 (ii) the amount by which it proposes to exceed the certified tax rate.
565 (c) The county auditor shall notify all property owners of any intent to exceed the
566 certified tax rate in accordance with Subsection 59-2-919(2).

567 (4) (a) The taxable value for the base year under Subsection 17C-1-102(6) shall be
568 reduced for any year to the extent necessary to provide a community development and renewal
569 agency established under Title 17C, Limited Purpose Local Government Entities - Community
570 Development and Renewal Agencies, with approximately the same amount of money the
571 agency would have received without a reduction in the county's certified tax rate if:
572 (i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or
573 (2)(d)(i);
574 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
575 previous year; and
576 (iii) the decrease results in a reduction of the amount to be paid to the agency under
577 Section 17C-1-403 or 17C-1-404.

578 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any
579 year to the extent necessary to provide a community development and renewal agency with
580 approximately the same amount of money as the agency would have received without an
581 increase in the certified tax rate that year if:
582 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
583 a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i); and
584 (ii) The certified tax rate of a city, school district, local district, or special service
585 district increases independent of the adjustment to the taxable value of the base year.

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

593 Section 4. Section **59-2-926** is amended to read:

594 **59-2-926. Proposed tax increase by state -- Notice -- Contents -- Dates.**

595 If the state authorizes a levy pursuant to Section 53A-17a-135 that exceeds the certified
 596 revenue levy as defined in Section 53A-17a-103 or authorizes a levy pursuant to Section
 597 [~~59-2-906.1~~] 59-2-1602 that exceeds the certified revenue levy as defined in Section 59-2-102,
 598 the state shall publish a notice no later than ten days after the last day of the annual legislative
 599 general session that meets the following requirements:

600 (1) The Office of the Legislative Fiscal Analyst shall advertise that the state authorized
 601 a levy that generates revenue in excess of the previous year's ad valorem tax revenue, plus new
 602 growth, but exclusive of revenue from collections from redemptions, interest, and penalties in a
 603 newspaper of general circulation in the state. The advertisement shall be no less than 1/4 page
 604 in size and the type used shall be no smaller than 18 point, and surrounded by a 1/4-inch
 605 border. The advertisement may not be placed in that portion of the newspaper where legal
 606 notices and classified advertisements appear. The advertisement shall be run once.

607 (2) The form and content of the notice shall be substantially as follows:

608 "NOTICE OF TAX INCREASE

609 The state has budgeted an increase in its property tax revenue from \$_____ to
 610 \$_____ or ____%. The increase in property tax revenues will come from the following
 611 sources (include all of the following provisions):

612 (a) \$_____ of the increase will come from (provide an explanation of the cause
 613 of adjustment or increased revenues, such as reappraisals or factoring orders);

614 (b) \$_____ of the increase will come from natural increases in the value of the
 615 tax base due to (explain cause of new growth, such as new building activity, annexation, etc.);

616 (c) a home valued at \$100,000 in the state of Utah which based on last year's (levy for

617 the basic state-supported school program, levy for the Property Tax Valuation Agency Fund, or
618 both) paid \$ _____ in property taxes would pay the following:

619 (i) \$ _____ if the state of Utah did not budget an increase in property tax revenue
620 exclusive of new growth; and

621 (ii) \$ _____ under the increased property tax revenues exclusive of new growth
622 budgeted by the state of Utah."

623 Section 5. Section **59-2-1601** is enacted to read:

624 **Part 16. Multicounty Assessing and Collecting Levy**

625 **59-2-1601. Definitions.**

626 As used in this part:

627 (1) "Contributing county" means a county that:

628 (a) retains less revenue from the imposition of the multicounty assessing and collecting
629 levy within the county pursuant to Section 59-2-1603 than it collects; and

630 (b) transmits a portion of the revenue collected from the imposition of the multicounty
631 assessing and collecting levy to the Property Tax Valuation Agency Fund pursuant to Section
632 59-2-1603.

633 (2) "Contributing county surplus revenue" means an amount equal to the difference
634 between the following:

635 (a) the revenue collected by a county from imposing the multicounty assessing and
636 collecting levy during a calendar year; and

637 (b) the county's multicounty assessing and collecting allocation as calculated in
638 accordance with Subsection 59-2-1603(3).

639 (3) "County additional property tax" means the property tax levy described in
640 Subsection 59-2-1602(4).

641 (4) "Fund" means the Property Tax Valuation Agency Fund created in Section
642 59-2-1602.

643 (5) "Maximum county contribution" means an amount equal to the following:

644 (a) for a county of the first class, \$500,000;

645 (b) for a county of the second class, \$250,000;

646 (c) for a county of the third class, \$250,000; and

647 (d) for a county of the fourth class, \$100,000.

- 648 (6) "Minimum county contribution" means an amount equal to the following:
- 649 (a) for a county of the first class, \$250,000; and
- 650 (b) for a county of the second class, \$100,000.
- 651 (7) "Multicounty assessing and collecting allocation" means the revenue a county is
- 652 entitled to retain from the statewide imposition of the multicounty assessing and collecting
- 653 levy, as determined in accordance with the calculation described in Subsection 59-2-1603(3).
- 654 (8) "Multicounty assessing and collecting levy" means a property tax not to exceed
- 655 .0002 per dollar of taxable value levied in accordance with Section 59-2-1602.
- 656 (9) (a) "Parcel" means an identifiable unit of real property that is treated as separate for
- 657 valuation or zoning purposes and includes any improvements on that unit of real property.
- 658 (b) "Parcel" or "other parcel" does not include an item of personal property.
- 659 (10) "Receiving county" means a county that:
- 660 (a) receives a disbursement from the Property Tax Valuation Agency Fund in
- 661 accordance with Section 59-2-1603; and
- 662 (b) levies a county additional property tax of at least .0003 per dollar of taxable value
- 663 in accordance with Subsection 59-2-1602(4).

664 Section 6. Section **59-2-1602**, which is renumbered from Section 59-2-906.1 is
 665 renumbered and amended to read:

666 **[59-2-906.1]. 59-2-1602. Property Tax Valuation Agency Fund -- Creation**
 667 **-- Statewide levy -- Additional county levy permitted.**

668 (1) (a) There is created the Property Tax Valuation Agency Fund, to be funded by [a]
 669 the revenue collected from the multicounty assessing and collecting levy [not to exceed .0002]
 670 as provided in Subsection [~~2~~] (3)(c) and Section 59-2-1603.

671 ~~[(b) The multicounty assessing and collecting levy under Subsection (1)(a) shall be~~
 672 ~~imposed annually by each county in the state.]~~

673 ~~[(c)]~~ (b) The purpose of the multicounty assessing and collecting levy ~~[created]~~
 674 required under Subsection ~~[(1)(a)]~~ (2) and the disbursement formulas established in Section
 675 ~~[59-2-906.2]~~ 59-2-1603 is to promote the:

- 676 (i) accurate valuation of property;
- 677 (ii) establishment and maintenance of uniform assessment levels within and among
- 678 counties; and

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

681 ~~[(d)]~~ (c) Income derived from the investment of money in the fund created in this
682 Subsection (1) shall be deposited in and become part of the fund.

683 (2) (a) Annually, each county shall impose a multicounty assessing and collecting levy
684 not to exceed .0002 per dollar of taxable value as authorized by the Legislature as provided in
685 Subsection (2)(b).

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

689 ~~[(b)]~~ (c) The multicounty assessing and collecting levy may not exceed the certified
690 revenue levy as defined in Section 59-2-102, unless:

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

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

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

697 (b) The multicounty assessing and collecting levy authorized by the Legislature under
698 Subsection (2) is:

699 (i) exempt from the provisions of Sections 17C-1-403 and 17C-1-404;

700 (ii) in addition to and exempt from the maximum levies allowable under Section
701 59-2-908; and

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

703 (c) (i) Each contributing county shall transmit quarterly to the state treasurer the
704 portion of the ~~[-0002]~~ multicounty assessing and collecting levy which is above the amount to
705 which that county is entitled to under Section ~~[59-2-906.2]~~ 59-2-1603.

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

709 (iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth day

710 of the month following the end of the quarter in which the revenue is collected, the county shall
711 pay an interest penalty at the rate of 10% each year until the revenue is transmitted.

712 (iv) Each contributing county that transmits to the state treasurer a portion of the
713 ~~[:0002]~~ multicounty assessing and collecting levy in accordance with Subsection (3)(c) shall
714 levy sufficient property taxes to fund its county assessing and collecting budgets.

715 (d) The state treasurer shall deposit in the ~~[Property Tax Valuation Agency Fund]~~ fund
716 the:

717 (i) revenue ~~[from the multicounty assessing and collecting levy]~~ transmitted to the fund
718 by contributing counties;

719 (ii) interest accrued from that levy; and

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

721 (4) (a) A county may levy ~~[an]~~ a county additional property tax in accordance with this
722 Subsection (4).

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

726 (c) The ~~[levy]~~ county additional property tax described in Subsection (4)(a) shall be
727 levied by the county and stated on the tax notice as a county assessing and collecting levy.

728 (d) The purpose of the ~~[levy]~~ county additional property tax established in this
729 Subsection (4) is to promote the:

730 (i) accurate valuation of property;

731 (ii) establishment and maintenance of uniform assessment levels within and among
732 counties; and

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

735 (e) A ~~[levy]~~ county additional property tax levy established in Subsection (4)(a) is:

736 (i) exempt from the provisions of Sections 17C-1-403 and 17C-1-404;

737 (ii) in addition to and exempt from the maximum levies allowable under Section
738 59-2-908; and

739 (iii) beginning on January 1, ~~[2006;]~~ 2009;

740 (A) for a county that was designated as a receiving county by the state auditor during

741 the prior calendar year, subject to the notice and hearing requirements of Sections 59-2-918 and
 742 59-2-919 ~~[if the]~~ only if the county additional property tax levied by that county levy is raised
 743 to a rate in excess of .0003[-]; and

744 ~~[(5) (a) As used in this Subsection (5) and Subsection (6), "receiving county" means a~~
 745 ~~county that receives a disbursement from the Property Tax Valuation Agency Fund in~~
 746 ~~accordance with Section 59-2-906.2.]~~

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

750 ~~[(i) the amount of revenue collected from the multicounty assessing and collecting levy~~
 751 ~~during the calendar year beginning on January 1, 2004; and]~~

752 ~~[(ii) the amount of revenue budgeted:]~~

753 ~~[(A) by each receiving county for the calendar year beginning on January 1, 2006;] and~~

754 ~~[(B) for the county levy described in Subsection (4)(a).]~~

755 (B) except as provided in Subsection (4)(f), for a county that was designated as a
 756 contributing county by the state auditor during the prior calendar year, subject to the notice and
 757 hearing requirements of Sections 59-2-918 and 59-2-919.

758 (f) A county additional property tax levy in a county that was not a receiving county
 759 during the prior year shall be subject to the notice and hearing requirements described in
 760 Subsection (4)(e)(iii)(A) if the county would have been designated as a receiving county during
 761 the prior calendar year if the county had levied a county additional property tax of at least .0003
 762 per dollar of taxable value.

763 ~~[(6)]~~ (5) Subject to Subsection ~~[(7)]~~ (6), for calendar years beginning on or after
 764 January 1, 2007, the amount of the multicounty assessing and collecting levy described in this
 765 section shall be reduced by an amount equal to the difference between:

766 (a) the amount of revenue budgeted:

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

768 (ii) for the county additional property tax levy described in Subsection (4)(a); and

769 (b) the amount of revenue budgeted:

770 (i) by each receiving county for the calendar year immediately preceding the calendar
 771 year described in Subsection ~~[(6)]~~ (7)(a); and

772 (ii) for the county additional property tax levy described in Subsection (4)(a).

773 [~~(7)~~] (6) The amounts described in the calculations required by [~~Subsections~~]

774 Subsection (5) [~~and (6)~~] are exclusive of new growth.

775 Section 7. Section **59-2-1603**, which is renumbered from Section 59-2-906.2 is

776 renumbered and amended to read:

777 [~~59-2-906.2~~]. **59-2-1603. Disbursement of monies in the Property Tax**

778 **Valuation Agency Fund -- Use of funds.**

779 (1) [~~Beginning January 1, 1994, the~~] The state auditor shall authorize disbursement of
780 money from the Property Tax Valuation Agency Fund to each receiving county [as follows:] in
781 accordance with this section.

782 [~~(a) subject to Subsection (6), each county of the first class shall receive a~~
783 ~~disbursement of 94.5% of the funds transmitted to the Property Tax Valuation Agency Fund by~~
784 ~~such counties; and]~~

785 [~~(b) subject to Subsection (7), money]~~

786 (2) Money derived from funds transmitted by contributing counties [of the second
787 through sixth class and any remaining monies not distributed under Subsection (1)(a)] shall be
788 disbursed pro rata to receiving counties of the second through sixth class based upon the
789 number of adjusted parcel units in each county as determined in Subsection [(2)] (3).

790 [~~(2)(a) The number of adjusted parcel units in a county shall be determined by]~~

791 (3) (a) The state auditor shall determine the amount of each county's multicounty
792 assessing and collecting allocation in accordance with this Subsection (3).

793 (b) For a county of the first class, the county's multicounty assessing and collecting
794 allocation shall be 94.5% of the revenue it collects from imposing the multicounty assessing
795 and collecting levy.

796 (c) For counties of the second through sixth class, a county's multicounty assessing and
797 collecting allocation shall be the product of:

798 (i) the county's adjusted parcel ratio; and

799 (ii) the amount of all revenue generated statewide by the imposition of the multicounty
800 assessing and collecting levy.

801 (d) For purposes of this section, a county's adjusted parcel ratio shall be determined by
802 multiplying the sum of the following by the county parcel factor:

- 803 (i) the number of residential parcels multiplied by 2;
- 804 (ii) the number of commercial parcels multiplied by 4; and
- 805 (iii) the number of all other parcels multiplied by 1.
- 806 ~~[(b)]~~ (e) For purposes of this Subsection (3), the county parcel factor is:
- 807 (i) 0.9 for counties of the second class;
- 808 (ii) 1.0 for counties of the third class;
- 809 (iii) 1.05 for counties of the fourth class;
- 810 (iv) 1.15 for counties of the fifth class; and
- 811 (v) 1.3 for counties of the sixth class.
- 812 (f) The commission shall provide the state auditor a list of each county's parcel counts
- 813 described in Subsection (3)(d).
- 814 (4) (a) A first class county shall transmit to the fund an amount equal to the greater of
- 815 the following:
- 816 (i) \$250,000; or
- 817 (ii) the lesser of the following:
- 818 (A) 5.5% of the of the revenue it collects from imposing the multicounty assessing and
- 819 collecting levy during a calendar year; or
- 820 (B) \$500,000.
- 821 (b) A second, third, or fourth class contributing county shall transmit to the fund an
- 822 amount equal to the following:
- 823 (i) if the contributing county's surplus revenue is equal to or less than the contributing
- 824 county's minimum county contribution, the minimum county contribution;
- 825 (ii) if the contributing county's surplus revenue is more than the county's minimum
- 826 county contribution and less than the county's maximum county contribution, the contributing
- 827 county's surplus revenue; or
- 828 (iii) if the contributing county's surplus revenue is equal to or greater than the county's
- 829 maximum county contribution, the contributing county's maximum county contribution.
- 830 ~~[(3)]~~ (5) Money in the Property Tax Valuation Agency Fund on the 10th day of the
- 831 month following the end of the quarter in which the revenue is collected shall, upon
- 832 authorization by the state auditor, be transmitted by the state treasurer according to the
- 833 disbursement formula determined under Subsection ~~[(2)]~~ (3) no later than five working days

834 after the 10th day of the month following the end of the quarter in which the revenue is
835 collected.

836 ~~[(4)]~~ (6) If money in the Property Tax Valuation Agency Fund on the 10th day of the
837 month following the end of the quarter in which the revenue is collected is not transmitted to a
838 receiving county within five working days of the 10th day of that month, except as provided for
839 in Subsection ~~[(3)]~~ (5), income from the investment of that money shall be:

- 840 (a) deposited in and become part of the Property Tax Valuation Agency Fund; and
- 841 (b) disbursed to ~~[the county]~~ the receiving county in the next quarter.

842 ~~[(5)]~~ (7) A county shall use money disbursed from the Property Tax Valuation Agency
843 Fund for:

- 844 (a) establishing and maintaining accurate property valuations and uniform assessment
845 levels as required by Section 59-2-103; and
- 846 (b) improving the efficiency of the property tax system.

847 (8) If collections from the statewide imposition of the multicounty assessing and
848 collecting levy are less than the amount of revenue the levy was expected to generate in a
849 calendar year, the state auditor shall pro rata:

850 (a) decrease each receiving county's multicounty assessing and collecting allocation;
851 and

852 (b) for each contributing county that did not transmit its maximum county contribution
853 to the fund during the same calendar year, increase the contributing county's contribution to the
854 fund.

855 (9) If money remains in the fund after all allocations have been distributed to receiving
856 counties in a calendar year, the state auditor shall retain the money in the fund for distribution
857 the following calendar year.

858 ~~[(6)(a) For purposes of this Subsection (6), "retained funds" means the difference~~
859 ~~between:]~~

860 ~~[(i) the funds transmitted by a county of the first class to the Property Tax Valuation~~
861 ~~Agency Fund under Subsection (1)(a); and]~~

862 ~~[(ii) the disbursement described in Subsection (1)(a).]~~

863 ~~[(b) Notwithstanding Subsection (1)(a), if the retained funds are:]~~

864 ~~[(i) less than \$250,000, the disbursement described in Subsection (1)(a) shall be~~

865 reduced by the difference between:]
866 ~~[(A) \$250,000; and]~~
867 ~~[(B) the retained funds; and]~~
868 ~~[(ii) more than \$500,000, the disbursement described in Subsection (1)(a) shall be~~
869 ~~increased by the difference between:]~~
870 ~~[(A) the retained funds; and]~~
871 ~~[(B) \$500,000;]~~
872 ~~[(7) Notwithstanding Subsection (1)(b):]~~
873 ~~[(a) if the amount transmitted under Subsection (1)(b) by a county of the second class~~
874 ~~is:]~~
875 ~~[(i) less than \$100,000, the amount disbursed under Subsection (1)(b) to a county of~~
876 ~~the second class shall be reduced by the difference between:]~~
877 ~~[(A) \$100,000; and]~~
878 ~~[(B) the amount transmitted under Subsection (1)(b) by a county of the second class;~~
879 ~~and]~~
880 ~~[(ii) more than \$250,000, the amount disbursed under Subsection (1)(b) to a county of~~
881 ~~the second class shall be increased by the difference between:]~~
882 ~~[(A) the amount transmitted under Subsection (1)(b) by a county of the second class;~~
883 ~~and]~~
884 ~~[(B) \$250,000;]~~
885 ~~[(b) if the amount transmitted under Subsection (1)(b) by a county of the third class is~~
886 ~~more than \$250,000, the amount disbursed under Subsection (1)(b) to a county of the third~~
887 ~~class shall be increased by the difference between:]~~
888 ~~[(i) the amount transmitted under Subsection (1)(b) by a county of the third class; and]~~
889 ~~[(ii) \$250,000;]~~
890 ~~[(c) if the amount transmitted under Subsection (1)(b) by a county of the fourth class is~~
891 ~~more than \$100,000, the amount disbursed under Subsection (1)(b) to a county of the fourth~~
892 ~~class shall be increased by the difference between:]~~
893 ~~[(i) the amount transmitted under Subsection (1)(b) by a county of the fourth class;~~
894 ~~and]~~
895 ~~[(ii) \$100,000; and]~~

896 ~~[(d) the amount disbursed under Subsection (1)(b) to a county of the fifth or sixth class~~
897 ~~shall not be less than the amount transmitted under Subsection (1)(b) by a county of the fifth or~~
898 ~~sixth class.]~~

899 Section 8. Section **59-2-1604**, which is renumbered from Section 59-2-906.3 is
900 renumbered and amended to read:

901 ~~[59-2-906.3].~~ **59-2-1604. Additional levies by counties.**

902 (1) (a) A county may levy an additional tax to fund state mandated actions to meet
903 legislative mandates or judicial or administrative orders which relate to promoting the accurate
904 valuation of property, the establishment and maintenance of uniform assessment levels within
905 and among counties, and the administration of the property tax system.

906 (b) An additional rate levied under Subsection (1)(a):

907 (i) shall be stated on the tax notice;

908 (ii) may be included on the tax notice with the county ~~[assessing and collecting levy]~~

909 levies authorized under ~~[Subsection 59-2-906.1(4)]~~ Section 59-2-1602 as part of the

910 countywide aggregate tax rate;

911 (iii) may not be included in determining the maximum allowable levy for the county or
912 other taxing entities; and

913 (iv) is subject to the notice requirements of Sections 59-2-918 and 59-2-919.

914 (2) (a) A county may levy an additional tax for reappraisal programs that:

915 (i) are formally adopted by the county legislative body; and

916 (ii) conform to tax commission rules.

917 (b) An additional rate levied under Subsection (2)(a):

918 (i) shall be stated on the tax notice;

919 (ii) may be included on the tax notice with the county ~~[assessing and collecting levy]~~

920 levies authorized under ~~[Subsection 59-2-906.1(4)]~~ Section 59-2-1602 as part of the

921 countywide aggregate tax rate;

922 (iii) may not be included in determining the maximum allowable levy for the county or
923 other taxing entities; and

924 (iv) is subject to the notice requirements of Sections 59-2-918 and 59-2-919.

925 Section 9. Section **59-2-1605**, which is renumbered from Section 59-2-906.4 is
926 renumbered and amended to read:

927 ~~[59-2-906.4].~~ 59-2-1605. Accounting records for levies.
928 Each county shall separately budget and account for the use of any monies received or
929 expended under a levy imposed under Section [~~59-2-906.1, 59-2-906.2, or 59-2-906.3]~~
930 59-2-1602, 59-2-1603, or 59-2-1604.
931 Section 10. **Effective date.**
932 This bill takes effect on January 1, 2009.

Legislative Review Note
as of 1-31-08 2:16 PM

Office of Legislative Research and General Counsel

H.B. 186 - Property Tax - County Assessment and Collection Amendments

Fiscal Note

2008 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
