

1 **AMENDMENTS TO PROPERTY TAX NOTICE,**
2 **PUBLIC HEARING, AND RESOLUTION**
3 **PROVISIONS**

4 2009 GENERAL SESSION

5 STATE OF UTAH

6 **Chief Sponsor: Dennis E. Stowell**

7 House Sponsor: Gage Froerer

8
9 **LONG TITLE**

10 **General Description:**

11 This bill amends the Property Tax Act to address property tax notice, public hearing,
12 and resolution requirements.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ defines terms;
- 16 ▶ modifies property tax notice, public hearing, and resolution requirements if a taxing
17 entity seeks to levy a tax rate that exceeds the certified tax rate;
- 18 ▶ addresses exceptions to the property tax notice requirements; and
- 19 ▶ makes technical changes.

20 **Monies Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 This bill provides revisor instructions.

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **17B-1-609**, as renumbered and amended by Laws of Utah 2007, Chapter 329

27 **17B-1-627**, as renumbered and amended by Laws of Utah 2007, Chapter 329



- 28 **53A-17a-133**, as last amended by Laws of Utah 2008, Chapters 61, 231, and 236
- 29 **53A-19-102**, as last amended by Laws of Utah 2008, Chapters 61, 231, and 236
- 30 **53A-19-105**, as last amended by Laws of Utah 2008, Chapters 61, 231, 236, and 382
- 31 **59-2-911**, as last amended by Laws of Utah 2008, Chapter 330
- 32 **59-2-918.5**, as last amended by Laws of Utah 2008, Chapters 231 and 301
- 33 **59-2-918.6**, as last amended by Laws of Utah 2008, Chapters 231 and 301
- 34 **59-2-919**, as last amended by Laws of Utah 2008, Chapters 231 and 301
- 35 **59-2-919.1**, as enacted by Laws of Utah 2008, Chapter 301
- 36 **59-2-921**, as last amended by Laws of Utah 1997, Second Special Session, Chapter 2
- 37 **59-2-922**, as last amended by Laws of Utah 1988, Chapter 3
- 38 **59-2-923**, as last amended by Laws of Utah 1988, Chapter 3
- 39 **59-2-924**, as last amended by Laws of Utah 2008, Chapters 61, 118, 231, 236, 330, 360,
- 40 and 382
- 41 **59-2-924.3**, as enacted by Laws of Utah 2008, Chapter 236
- 42 **59-2-924.4**, as enacted by Laws of Utah 2008, Chapter 236
- 43 **59-2-1602**, as renumbered and amended by Laws of Utah 2008, Chapter 330
- 44 **59-2-1604**, as renumbered and amended by Laws of Utah 2008, Chapter 330

45 REPEALS:

- 46 **59-2-918**, as last amended by Laws of Utah 2008, Chapters 61, 231, and 236



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

49 Section 1. Section **17B-1-609** is amended to read:

50 **17B-1-609. Hearing to consider adoption.**

51 (1) At the meeting at which the tentative budget is adopted, the board of trustees shall:

52 (a) establish the time and place of a public hearing to consider its adoption; and

53 (b) order that notice of the hearing:

54 (i) be published at least seven days prior to the hearing in at least one issue of a

55 newspaper of general circulation published in the county or counties in which the district is

56 located; or

57 (ii) if no newspaper is published, be posted in three public places within the district.

58 (2) If the budget hearing is held in conjunction with a tax increase hearing, the notice

59 shall be published in accordance with [~~Sections 59-2-918 and~~] the advertisement provisions of
60 Section 59-2-919.

61 Section 2. Section **17B-1-627** is amended to read:

62 **17B-1-627. Property tax levy -- Time for setting -- Computation of total levy --**
63 **Apportionment of proceeds -- Maximum levy.**

64 (1) The board of trustees of each local district authorized to levy a property tax, at a
65 regular meeting or special meeting called for that purpose, shall, by resolution, set the real and
66 personal property tax rate for various district purposes by the date set under Section 59-2-912,
67 but the rate may be set at an appropriate later date in accordance with Sections [~~59-2-918~~]
68 59-2-919 through 59-2-923.

69 (2) In its computation of the total levy, the board of trustees shall determine the
70 requirements of each fund for which property taxes are to be levied and shall specify in its
71 resolution adopting the tax rate the amount apportioned to each fund.

72 (3) The proceeds of the levy apportioned for general fund purposes shall be credited as
73 revenue in the general fund.

74 (4) The proceeds of the levy apportioned for special fund purposes shall be credited to
75 the appropriate accounts in the applicable special funds.

76 (5) The combined levies for each district for all purposes in any year, excluding the
77 retirement of general obligation bonds and the payment of any interest on the bonds, and any
78 taxes expressly authorized by law to be levied in addition, may not exceed the limit enumerated
79 by the laws governing each district.

80 Section 3. Section **53A-17a-133** is amended to read:

81 **53A-17a-133. State-supported voted leeway program authorized -- Election**
82 **requirements -- State guarantee -- Reconsideration of the program.**

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

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

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

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

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

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

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

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

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

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

111 (ii) Subsection (3)(d)(i) applies for a period of five years following any such change in
112 the certified tax rate.

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

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

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

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

124 (5) Notwithstanding Section [~~59-2-918~~] 59-2-919, a school district may budget an
125 increased amount of ad valorem property tax revenue derived from a voted leeway imposed
126 under this section in addition to revenue from new growth as defined in Subsection
127 59-2-924(4), without having to comply with the [~~advertisement~~] notice requirements of Section
128 [~~59-2-918~~] 59-2-919, if:

129 (a) the voted leeway is approved:

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

131 (ii) within the four-year period immediately preceding the year in which the school
132 district seeks to budget an increased amount of ad valorem property tax revenue derived from
133 the voted leeway; and

134 (b) for a voted leeway approved or modified in accordance with this section on or after
135 January 1, 2009, the school district complies with the requirements of Subsection (7).

136 (6) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this
137 section that exceeds the certified tax rate without having to comply with the [~~advertisement~~]
138 notice requirements of Section 59-2-919 if:

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

142 (b) if the voted leeway was approved:

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

144 (ii) within the four-year period immediately preceding the year in which the school
145 district seeks to budget an increased amount of ad valorem property tax revenue derived from
146 the voted leeway; and

147 (c) for a voted leeway approved or modified in accordance with this section on or after
148 January 1, 2009, the school district complies with requirements of Subsection (7).

149 (7) For purposes of Subsection (5)(b) or (6)(c), the proposition submitted to the
150 electors regarding the adoption or modification of a voted leeway program shall contain the
151 following statement:

152 "A vote in favor of this tax means that (name of the school district) may increase
153 revenue from this property tax without advertising the increase for the next five years."

154 Section 4. Section **53A-19-102** is amended to read:

155 **53A-19-102. Local school boards budget procedures.**

156 (1) (a) Prior to June 22 of each year, each local school board shall adopt a budget and
157 make appropriations for the next fiscal year.

158 (b) If the tax rate in the proposed budget exceeds the certified tax rate defined in
159 Section 59-2-924, the board shall comply with [~~Sections 59-2-918 and~~] Section 59-2-919 in
160 adopting the budget, except as provided by Section 53A-17a-133.

161 (2) (a) Prior to the adoption of a budget containing a tax rate which does not exceed the
162 certified tax rate, the board shall hold a public hearing, as defined in Section 10-9a-103, on the
163 proposed budget.

164 (b) In addition to complying with Title 52, Chapter 4, Open and Public Meetings Act,
165 in regards to the public hearing described in Subsection (2)(a), the board shall [~~do the~~
166 following]:

167 [~~(a)~~] (i) publish the required newspaper notice at least ten days prior to the hearing; and

168 [~~(b)~~] (ii) file a copy of the proposed budget with the board's business administrator for
169 public inspection at least ten days prior to the hearing.

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

172 Section 5. Section **53A-19-105** is amended to read:

173 **53A-19-105. School district interfund transfers.**

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

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

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

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

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

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

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

188 (5) The board shall develop standards for defining and aiding financially distressed
189 school districts under this section in accordance with Title 63G, Chapter 3, Utah
190 Administrative Rulemaking Act.

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

193 (b) Debt service levies under Subsection 59-2-924(3)(e)(iii) that are not subject to the
194 [~~certified tax rate~~] public hearing [~~requirements~~] provisions of [~~Sections 59-2-918 and~~] Section
195 59-2-919 may not be used for any purpose other than retiring general obligation debt.

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

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

201 Section 6. Section **59-2-911** is amended to read:

202 **59-2-911. Exceptions to maximum levy limitation.**

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

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

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

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

208 (d) levies made for county library services;

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

210 (f) levies made to share disaster recovery expenses for public facilities and structures as
211 a condition of state assistance when a Presidential Declaration has been issued under the
212 Disaster Relief Act of 1974, 42 U.S.C. Sec. 5121;

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

214 bonded or voter authorized indebtedness, including the bonded or voter authorized
215 indebtedness of county service areas, special service districts, and special improvement
216 districts;

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

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

219 (j) levies made to establish, maintain, and replenish special improvement guaranty
220 funds;

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

222 (l) levies made to fund municipal-type services to unincorporated areas of counties
223 under Title 17, Chapter 34, Municipal-Type Services to Unincorporated Areas;

224 (m) levies made to fund the purchase of paramedic or ambulance facilities and
225 equipment and to defray administration, personnel, and other costs of providing emergency
226 medical and paramedic services, but this exception only applies to those counties in which a
227 resolution setting forth the intention to make those levies has been duly adopted by the county
228 legislative body and approved by a majority of the voters of the county voting at a special or
229 general election;

230 (n) levies made to pay for the costs of state legislative mandates or judicial or
231 administrative orders under Section 59-2-1604;

232 (o) the multicounty and county assessing and collecting levies made to promote
233 accurate property valuations, uniform assessment levels, and the efficient administration of the
234 property tax system under Section 59-2-1602; and

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

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

240 (b) Notwithstanding that the imposition of the levy [~~set forth~~ described] in Subsection
241 (2)(a) may not result in an increased amount of ad valorem tax revenue, [~~it~~ the levy] is subject
242 to the notice requirements of [~~Sections 59-2-918 and~~] Section 59-2-919.

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

245 Section 7. Section **59-2-918.5** is amended to read:

246 **59-2-918.5. Hearings on judgment levies -- Advertisement.**

247 (1) A taxing entity may not impose a judgment levy unless it first advertises its
248 intention to do so and holds a public hearing in accordance with the requirements of this
249 section.

250 (2) (a) The advertisement required by this section may be combined with the
251 advertisement [~~required by either Section 59-2-918 or~~ described in Section 59-2-919.

252 (b) The advertisement shall be at least 1/8 of a page in size and shall meet the type,
253 placement, and frequency requirements established under Section 59-2-919.

254 (c) (i) For taxing entities operating under a July 1 through June 30 fiscal year the public
255 hearing shall be held at the same time as the hearing at which the annual budget is adopted.

256 (ii) For taxing entities operating under a January 1 through December 31 fiscal year:

257 (A) for eligible judgments issued from June 1 through December 15, the public hearing
258 shall be held at the same time as the hearing at which the annual budget is adopted; and

259 (B) for eligible judgments issued from December 16 through May 31, the public
260 hearing shall be held at the same time as the hearing at which property tax levies are set.

261 (3) The advertisement shall specify the date, time, and location of the public hearing at
262 which the levy will be considered and shall set forth the total amount of the eligible judgment
263 and the tax impact on an average residential and business property located within the taxing
264 entity.

265 (4) If a final decision regarding the judgment levy is not made at the public hearing, the
266 taxing entity shall announce at the public hearing the scheduled time and place for
267 consideration and adoption of the judgment levy.

268 (5) The date, time, and place of public hearings required by Subsections
269 [~~59-2-918.5~~](2)(c)(i) and [~~59-2-918.5~~](2)(c)(ii)(B) shall be included on the notice mailed to
270 property owners pursuant to Section 59-2-919.1.

271 Section 8. Section **59-2-918.6** is amended to read:

272 **59-2-918.6. New and remaining school district budgets -- Advertisement -- Public**
273 **hearing.**

274 (1) As used in this section, "existing school district," "new school district," and
275 "remaining school district" are as defined in Section 53A-2-117.

276 (2) For the first fiscal year in which a new school district created under Section
277 53A-2-118.1 assumes responsibility for providing student instruction, the new school district
278 and the remaining school district or districts may not impose a property tax unless the district
279 imposing the tax:

280 (a) advertises its intention to do so in accordance with Subsection (3); and

281 (b) holds a public hearing in accordance with Subsection (4).

282 (3) The advertisement required by this section:

283 (a) may be combined with the advertisement [~~required by either~~] described in Section
284 [~~59-2-918 or~~] 59-2-919;

285 (b) shall be at least 1/4 of a page in size and shall meet the type, placement, and
286 frequency requirements established under Section 59-2-919; and

287 (c) shall specify the date, time, and location of the public hearing at which the levy will
288 be considered and shall set forth the total amount of the district's proposed property tax levy
289 and the tax impact on an average residential and business property located within the taxing
290 entity compared to the property tax levy imposed in the prior year by the existing school
291 district.

292 (4) (a) The date, time, and place of public hearings required by this section shall be
293 included on the notice mailed to property owners pursuant to Section 59-2-919.1.

294 (b) If a final decision regarding the property tax levy is not made at the public hearing,
295 the school district shall announce at the public hearing the scheduled time and place for
296 consideration and adoption of the budget and property tax levies.

297 Section 9. Section **59-2-919** is amended to read:

298 **59-2-919. Notice, public hearing, and resolution requirements for certain tax**
299 **increases -- Exceptions -- Applicability of provisions.**

300 [~~(1) A tax rate in excess of the certified tax rate may not be levied until a resolution has~~
301 ~~been approved by the taxing entity in accordance with this section.]~~

302 [~~(2) (a) (i) The taxing entity shall advertise its intent to exceed the certified tax rate in a~~
303 ~~newspaper or combination of newspapers of general circulation in the taxing entity.]~~

304 (1) As used in this section:

305 (a) "Ad valorem tax revenue" means ad valorem property tax revenue not including
306 revenue from new growth as defined in Section 59-2-924.

307 (b) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year
308 that begins on January 1 and ends on December 31.

309 (c) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year
310 that begins on July 1 and ends on June 30.

311 (2) A taxing entity may not levy a tax rate that exceeds the taxing entity's certified tax
312 rate unless the taxing entity:

313 (a) to the extent required by this section, meets the:

314 (i) notice requirements of this section; and

315 (ii) public hearing requirements of this section; and

316 (b) adopts a resolution in accordance with this section.

317 (3) (a) Except as provided in Subsection (5), a calendar year taxing entity may levy a
318 tax rate that exceeds the calendar year taxing entity's certified tax rate if the calendar year
319 taxing entity:

320 (i) (A) provides notice by meeting the advertisement requirements of Subsections (6)
321 and (7) before the calendar year taxing entity conducts the public hearing at which the calendar
322 year taxing entity's annual budget is adopted; and

323 (B) (I) provides notice by meeting the advertisement requirements of Subsections (6)
324 and (7) before the calendar year taxing entity levies a tax rate that exceeds the calendar year
325 taxing entity's certified tax rate; or

326 (II) provides a notice by mail:

327 (Aa) on or no earlier than 14 days before the date the treasurer furnishes the notice
328 required by Section 59-2-1317 for the calendar year immediately preceding the calendar year
329 for which the calendar year taxing entity seeks to levy a tax rate that exceeds the calendar year
330 taxing entity's certified tax rate;

331 (Bb) before the calendar year taxing entity conducts the public hearing at which the
332 calendar year taxing entity's annual budget is adopted; and

333 (Cc) as provided in Subsection (3)(b); and

334 (ii) conducts a public hearing in accordance with Subsections (8) and (9):

335 (A) on or before the calendar year taxing entity conducts the public hearing at which
336 the calendar year taxing entity's annual budget is adopted; and

337 (B) if the calendar year taxing entity provides the notice described in Subsection

338 (3)(a)(i)(B)(I), before the calendar year taxing entity levies a tax rate that exceeds the calendar
339 year taxing entity's certified tax rate.

340 (b) For a calendar year taxing entity that provides the notice described in Subsection
341 (3)(a)(i)(B)(II), the notice:

342 (i) shall be mailed to each owner of property:

343 (A) within the calendar year taxing entity; and

344 (B) listed on the assessment roll;

345 (ii) shall be printed on a form:

346 (A) developed by the commission; and

347 (B) that, as determined by the commission, may be combined with:

348 (I) a notice described in Subsection (3)(a)(i)(B)(II) provided by one or more other
349 calendar year taxing entities; or

350 (II) the notice required by Section 59-2-1317;

351 (iii) shall contain for each property described in Subsection (3)(b)(i):

352 (A) the value of the property for the calendar year immediately preceding the calendar
353 year for which the calendar year taxing entity seeks to levy a tax rate that exceeds the calendar
354 year taxing entity's certified tax rate;

355 (B) the tax on the property for the calendar year immediately preceding the calendar
356 year for which the calendar year taxing entity seeks to levy a tax rate that exceeds the calendar
357 year taxing entity's certified tax rate; and

358 (C) the estimated tax on the property:

359 (I) for the calendar year for which the calendar year taxing entity seeks to levy a tax
360 rate that exceeds the calendar year taxing entity's certified tax rate; and

361 (II) calculated on the basis of data for the calendar year immediately preceding the
362 calendar year for which the calendar year taxing entity seeks to levy a tax rate that exceeds the
363 calendar year taxing entity's certified tax rate;

364 (iv) shall contain the following statement:

365 "[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar
366 year]. This notice contains estimates of the tax on your property and the proposed tax increase
367 on your property as a result of this tax increase. These estimates are calculated on the basis of
368 [insert previous applicable calendar year] data. The actual tax on your property and proposed

369 tax increase on your property may vary from this estimate."

370 (v) shall state the date, time, and place of the public hearing that will be held to discuss
371 the calendar year taxing entity's annual budget; and

372 (vi) may contain other property tax information approved by the commission.

373 (4) Except as provided in Subsection (5), a fiscal year taxing entity may levy a tax rate
374 that exceeds the fiscal year taxing entity's certified tax rate if the fiscal year taxing entity:

375 (a) provides notice by meeting the advertisement requirements of Subsections (6) and
376 (7) before the fiscal year taxing entity conducts the public hearing at which the fiscal year
377 taxing entity's annual budget is adopted; and

378 (b) conducts a public hearing in accordance with Subsections (8) and (9) before the
379 fiscal year taxing entity's annual budget is adopted.

380 ~~[(ii)]~~ (5) (a) [Notwithstanding Subsection (2)(a)(i), a] A taxing entity is not required to
381 meet the [advertisement] notice or public hearing requirements of [this section] Subsection (3)
382 or (4) if [:(A)] the taxing entity is expressly exempted by law from complying with the
383 requirements of this section[; or].

384 (b) (i) Except as provided in Subsection (5)(b)(ii), a taxing entity is not required to
385 meet the notice or public hearing requirements of Subsection (3) or (4) if:

386 ~~[(B)-(F)]~~ (A) the taxing entity is a party to an interlocal agreement under Title 11,
387 Chapter 13, Interlocal Cooperation Act, that creates an interlocal entity to provide fire
388 protection, emergency, and emergency medical services;

389 ~~[(H)]~~ (B) the tax rate increase is approved by the taxing entity's voters at an election
390 held for that purpose on or before December 31, 2010;

391 ~~[(HH)]~~ (C) the purpose of the tax rate increase is to pay for fire protection, emergency,
392 and emergency medical services provided by the interlocal entity; and

393 ~~[(IV)]~~ (D) at least 30 days before [its] the taxing entity's annual budget hearing, the
394 taxing entity:

395 ~~[(Aa)]~~ (I) adopts a resolution certifying that:

396 (Aa) the taxing entity will dedicate all revenue from the tax rate increase exclusively to
397 pay for fire protection, emergency, and emergency medical services provided by the interlocal
398 entity; and [that]

399 (Bb) the amount of other revenues, independent of the revenue generated from the tax

400 rate increase, that the taxing entity spends for fire protection, emergency, and emergency
401 medical services each year after the tax rate increase will not decrease below the amount spent
402 by the taxing entity during the year immediately before the tax rate increase without a
403 corresponding decrease in the taxing entity's property tax revenues used in calculating the
404 taxing entity's certified tax rate; and

405 ~~[(Bb)]~~ (II) sends a copy of the resolution to the commission.

406 ~~[(iii)]~~ (ii) The exception under Subsection ~~[(2)(a)(ii)(B)]~~ (5)(b)(i) from the
407 ~~[advertisement]~~ notice and public hearing requirements of ~~[this section]~~ Subsection (3) or (4)
408 does not apply to an increase in a taxing entity's tax rate that occurs after December 31, 2010,
409 even if the tax rate increase is approved by the taxing entity's voters before that date.

410 ~~[(iv)]~~ (c) ~~[Notwithstanding Subsection (2)(a)(i), a]~~ A taxing entity is not required to
411 meet the ~~[advertisement]~~ notice requirements of ~~[this section]~~ Subsection (3) or (4) if:

412 ~~[(A)]~~ (i) Section 53A-17a-133 allows the taxing entity to levy a tax rate that exceeds
413 that certified tax rate without having to comply with the ~~[advertisement requirements]~~ notice
414 provisions of this section; or

415 ~~[(B)]~~ (ii) the taxing entity:

416 ~~[(F) collected]~~ (A) budgeted less than \$20,000 in ad valorem tax revenues for the
417 previous fiscal year; and

418 ~~[(H)]~~ (B) sets a budget during the current fiscal year of less than \$20,000 of ad valorem
419 tax revenues.

420 (6) (a) Subject to Subsections (6)(d) and (7)(b), the advertisement described in this
421 section shall be published in a newspaper or combination of newspapers of general circulation
422 in the taxing entity.

423 (b) The advertisement described in this section shall:

424 (i) be no less than 1/4 page in size;

425 (ii) use type no smaller than 18 point; and

426 (iii) be surrounded by a 1/4-inch border.

427 (c) The advertisement described in this section may not be placed in that portion of the
428 newspaper where legal notices and classified advertisements appear.

429 (d) It is the intent of the Legislature that:

430 (i) whenever possible, the advertisement described in this section appear in a

431 newspaper that is published at least one day per week; and

432 (ii) the newspaper or combination of newspapers selected:

433 (A) be of general interest and readership in the taxing entity; and

434 (B) not be of limited subject matter.

435 (e) The advertisement described in this section shall:

436 (i) be run once each week for the two weeks [~~preceding the adoption of the final~~
437 before a taxing entity conducts a public hearing at which the taxing entity's annual budget is
438 discussed; and

439 (ii) state that the taxing entity will meet on a certain day, time, and place fixed in the
440 advertisement, which shall be not less than seven days after the day the first advertisement is
441 published, for the purpose of hearing comments regarding any proposed increase and to explain
442 the reasons for the proposed increase.

443 [~~(f) The meeting on the proposed increase may coincide with the hearing on the~~
444 ~~proposed budget of the taxing entity.~~]

445 (f) (i) For purposes of Subsection (3)(a)(i)(A) or (4)(a), the form and content of an
446 advertisement shall be as follows:

447 "NOTICE OF PROPOSED TAX INCREASE
448 (NAME OF TAXING ENTITY)

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

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

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

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

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

459 PUBLIC HEARING

460 Date/Time: (date) (time)

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

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

464 [~~(3)~~The] (ii) For purposes of Subsection (3)(a)(i)(B)(I), the form and content of [~~the~~
465 ~~notice~~] an advertisement shall be [~~substantially~~] as follows:

466 "NOTICE OF PROPOSED TAX INCREASE
467 (NAME OF TAXING ENTITY)

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

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

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

474 • The (name of the taxing entity) tax on a (insert the value of a business having
475 the same value as the average value of a residence in the taxing entity) business
476 would increase from \$_____ to \$_____, which is \$_____ per year.

477 (Name of taxing entity) property tax revenue from new growth and other sources will
478 increase from \$_____ to \$_____.

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

480 PUBLIC HEARING

481 Date/Time: (date) (time)

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

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

485 [~~(4)~~] (7) The commission:

486 (a) shall adopt rules in accordance with Title 63G, Chapter 3, Utah Administrative
487 Rulemaking Act, governing the joint use of one advertisement [~~under this section or Section~~
488 ~~59-2-918~~] described in Subsection (6) by two or more taxing entities; and

489 (b) may[~~, upon petition by any taxing entity,~~] authorize [~~either~~]:

490 (i) the use of a weekly [newspapers] newspaper:

491 (A) in [~~counties~~] a county having both daily and weekly newspapers [~~where~~] if the
492 weekly newspaper would provide equal or greater notice to the taxpayer; and

493 (B) if the county petitions the commission for the use of the weekly newspaper; or
494 (ii) the use by a taxing entity except for a calendar year taxing entity that provides the
495 notice described in Subsection (3)(a)(i)(B)(II) of a commission[=]approved direct notice to each
496 taxpayer if [the]:

497 (A) the cost of the advertisement would cause undue hardship; [and]

498 (B) the direct notice is different and separate from that provided for in Section
499 59-2-919.1[-]; and

500 (C) the taxing entity petitions the commission for the use of a commission approved
501 direct notice.

502 (8) (a) (i) A taxing entity shall on or before March 1 notify the county legislative body
503 in which the taxing entity is located of the date, time, and place of the first public hearing at
504 which the taxing entity's annual budget will be discussed.

505 (ii) A county that receives notice from a taxing entity under Subsection (8)(a)(i) shall
506 include on the notice required by Section 59-2-919.1 the date, time, and place of the public
507 hearing described in Subsection (8)(a)(i).

508 (b) (i) A public hearing described in this section shall be open to the public.

509 (ii) The governing body of a taxing entity conducting a public hearing described in this
510 section shall provide an interested party desiring to be heard an opportunity to present oral
511 testimony within reasonable time limits.

512 (c) (i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a
513 public hearing described in this section at the same time as the public hearing of another
514 overlapping taxing entity in the same county.

515 (ii) The taxing entities in which the power to set tax levies is vested in the same
516 governing board or authority may consolidate the public hearings described in this section into
517 one public hearing.

518 (d) A county legislative body shall resolve any conflict in public hearing dates and
519 times after consultation with each affected taxing entity.

520 (e) A taxing entity shall hold a public hearing described in this section beginning at or
521 after 6 p.m.

522 (9) (a) If a taxing entity does not make a final decision on budgeting an increased
523 amount of ad valorem tax revenue at a public hearing described in this section, the taxing entity

524 shall announce at that public hearing the scheduled time and place of the next public hearing at
525 which the taxing entity will consider budgeting the increased amount of ad valorem tax
526 revenue.

527 (b) (i) If a calendar year taxing entity that conducts a public hearing in accordance with
528 Subsection (3)(b)(ii) does not adopt a resolution levying a tax rate on the day of the public
529 hearing, the taxing entity shall announce at that public hearing the scheduled time and place of
530 the next public hearing at which the taxing entity will consider adopting a resolution levying
531 the tax rate.

532 (ii) If a taxing entity except for a taxing entity described in Subsection (5)(a) or (b) will
533 consider adopting a resolution levying a tax rate at a day and time that is more than two weeks
534 after the public hearing described in Subsection 59-2-919.1(2)(c)(v), the taxing entity shall
535 meet the notice requirements of Subsection (3)(a)(ii).

536 ~~[(5)] (10) (a) [The] A taxing entity[; after holding a hearing as provided in this section;]~~
537 ~~may adopt a resolution levying a tax rate [in excess of the] that exceeds the taxing entity's~~
538 ~~certified tax rate[;] if the taxing entity, to the extent required by this section, meets the:~~

539 ~~(i) notice requirements of this section; and~~

540 ~~(ii) public hearing requirements of this section.~~

541 (b) A public hearing on levying a tax rate that exceeds a taxing entity's certified tax rate
542 may coincide with a public hearing on the taxing entity's proposed annual budget.

543 (11) The amendments to this section in this bill apply to:

544 (a) for a fiscal year taxing entity, the fiscal year that begins on July 1, 2009; or

545 (b) for a calendar year taxing entity, the fiscal year that begins on January 1, 2010.

546 ~~[(b) If a resolution adopting a tax rate is not adopted on the day of the public hearing;~~
547 ~~the scheduled time and place for consideration and adoption of the resolution shall be~~
548 ~~announced at the public hearing.]~~

549 ~~[(c) If a resolution adopting a tax rate is to be considered at a day and time that is more~~
550 ~~than two weeks after the public hearing described in Subsection 59-2-919.1(2)(c)(v), a taxing~~
551 ~~entity, other than a taxing entity described in Subsection (2)(a)(ii), shall advertise the date of~~
552 ~~the proposed adoption of the resolution in the same manner as provided under Subsections (2)~~
553 ~~and (3).]~~

554 ~~[(6) (a) All hearings described in this section shall be open to the public.]~~

555 ~~[(b) The governing body of a taxing entity conducting a hearing shall permit all~~
556 ~~interested parties desiring to be heard an opportunity to present oral testimony within~~
557 ~~reasonable time limits.]~~

558 ~~[(7) (a) Each taxing entity shall notify the county legislative body by March 1 of each~~
559 ~~year of the date, time, and place a public hearing is held by the taxing entity pursuant to this~~
560 ~~section.]~~

561 ~~[(b) A taxing entity may not schedule a hearing described in this section at the same~~
562 ~~time as another overlapping taxing entity in the same county, but all taxing entities in which the~~
563 ~~power to set tax levies is vested in the same governing board or authority may consolidate the~~
564 ~~required hearings into one hearing.]~~

565 ~~[(c) The county legislative body shall resolve any conflicts in hearing dates and times~~
566 ~~after consultation with each affected taxing entity.]~~

567 ~~[(8) A taxing entity shall hold a public hearing under this section beginning at or after 6~~
568 ~~p.m.]~~

569 Section 10. Section **59-2-919.1** is amended to read:

570 **59-2-919.1. Notice of property valuation and tax changes.**

571 (1) In addition to ~~[providing]~~ the notice ~~[required by Sections 59-2-918 and]~~
572 requirements of Section 59-2-919, the county auditor, on or before July 22 of each year, shall
573 notify, by mail, each owner of real estate as defined in Section 59-2-102 who is listed on the
574 assessment roll.

575 (2) The notice described in Subsection (1) shall:

576 (a) be sent to all owners of real property by mail not less than ten days before the day
577 on which:

578 (i) the county board of equalization meets; and

579 (ii) the taxing entity holds a public hearing on the proposed increase in the certified tax
580 rate;

581 (b) be printed on a form that is:

582 (i) approved by the commission; and

583 (ii) uniform in content in all counties in the state; and

584 (c) contain for each property:

585 (i) the value of the property;

586 (ii) the date the county board of equalization will meet to hear complaints on the
587 valuation;

588 (iii) itemized tax information for all taxing entities, including a separate statement for
589 the minimum school levy under Section 53A-17a-135 stating:

590 (A) the dollar amount the taxpayer would have paid based on last year's rate; and

591 (B) the amount of the taxpayer's liability under the current rate;

592 (iv) the tax impact on the property;

593 (v) the time and place of the required public hearing for each entity;

594 (vi) property tax information pertaining to:

595 (A) taxpayer relief;

596 (B) options for payment of taxes; and

597 (C) collection procedures;

598 (vii) information specifically authorized to be included on the notice under Title 59,
599 Chapter 2, Property Tax Act;

600 (viii) the last property review date of the property as described in Subsection
601 59-2-303.1(1)(c); and

602 (ix) other property tax information approved by the commission.

603 Section 11. Section **59-2-921** is amended to read:

604 **59-2-921. Changes in assessment roll -- Rate adjustments -- Exemption from**
605 **notice and public hearing provisions.**

606 (1) On or before September 15 the county board of equalization and, in cases involving
607 the original jurisdiction of the commission or an appeal from the county board of equalization,
608 the commission, shall annually notify each taxing entity of the following changes resulting
609 from actions by the commission or the county board of equalization:

610 (a) a change in the taxing entity's assessment roll; and

611 (b) a change in the taxing entity's adopted tax rate.

612 (2) A taxing entity is not required to comply with the notice and public hearing [~~and~~
613 ~~advertisement requirements of Sections 59-2-918 and~~] provisions of Section 59-2-919 if the
614 commission, the county board of equalization, or a court of competent jurisdiction:

615 (a) changes a taxing entity's adopted tax rate; or

616 (b) (i) makes a reduction in the taxing entity's assessment roll; and

617 (ii) the taxing entity adopts by resolution an increase in its tax rate above the certified
618 tax rate as a result of the reduction under Subsection (2)(b)(i).

619 (3) A rate adjustment under this section for:

620 (a) a taxing entity shall be:

621 (i) made by the county auditor;

622 (ii) aggregated;

623 (iii) reported by the county auditor to the commission; and

624 (iv) certified by the commission; and

625 (b) the state shall be made by the commission.

626 Section 12. Section **59-2-922** is amended to read:

627 **59-2-922. Replacement resolution for greater tax rate.**

628 [~~If, after approval of the~~] Except as provided in Section 59-2-921, if, after a taxing
629 entity approves an initial tax rate [as provided for under Section 59-2-919 or 59-2-924, the
630 governing body of], the taxing entity determines that a greater tax rate is required [other than
631 that allowed under Section 59-2-921, it shall readvertise and], the taxing entity shall adopt a
632 replacement resolution [under the procedures established under Section 59-2-919] after the
633 taxing entity meets the notice and public hearing requirements of Section 59-2-919 to the
634 extent required by Section 59-2-919.

635 Section 13. Section **59-2-923** is amended to read:

636 **59-2-923. Expenditures of money prior to adoption of budget or tax rate.**

637 [~~Notwithstanding other provisions of law to the contrary, a taxing entity which intends~~
638 ~~to exceed its certified tax levy may not adopt its final budget until the public hearing specified~~
639 ~~in Section 59-2-919 has been held. The]~~

640 A taxing entity may, [until the hearing is held and a final budget and tax rate are
641 adopted] before the taxing entity adopts a final annual budget or a tax rate, expend moneys
642 [based (1) on its] on the basis of the taxing entity's:

643 (1) tentative budget after adoption[; or (2) on its] of the tentative budget; or

644 (2) prior year's adopted final budget as amended, which shall be readopted by

645 resolution at a [duly constituted] meeting of the taxing entity's governing body.

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

647 **59-2-924. Report of valuation of property to county auditor and commission --**

648 **Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified**
649 **tax rate -- Rulemaking authority -- Adoption of tentative budget.**

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

652 (a) a statement containing the aggregate valuation of all taxable real property assessed
653 by a county assessor in accordance with Part 3, County Assessment, for each taxing entity; and

654 (b) a statement containing the taxable value of all personal property assessed by a
655 county assessor in accordance with Part 3, County Assessment, from the prior year end values.

656 (2) The county auditor shall, on or before June 8, transmit to the governing body of
657 each taxing entity:

658 (a) the statements described in Subsections (1)(a) and (b);

659 (b) an estimate of the revenue from personal property;

660 (c) the certified tax rate; and

661 (d) all forms necessary to submit a tax levy request.

662 (3) (a) The "certified tax rate" means a tax rate that will provide the same ad valorem
663 property tax revenues for a taxing entity as were budgeted by that taxing entity for the prior
664 year.

665 (b) For purposes of this Subsection (3):

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

667 (A) collections from redemptions;

668 (B) interest;

669 (C) penalties; and

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

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

672 (II) semiconductor manufacturing equipment.

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

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

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

678 (C) the aggregate taxable value of all real and personal property assessed by the

679 commission in accordance with Part 2, Assessment of Property, for the current year.

680 (c) (i) Except as otherwise provided in this section, the certified tax rate shall be
681 calculated by dividing the ad valorem property tax revenues budgeted for the prior year by the
682 taxing entity by the amount calculated under Subsection (3)(c)(ii).

683 (ii) For purposes of Subsection (3)(c)(i), the legislative body of a taxing entity shall
684 calculate an amount as follows:

685 (A) calculate for the taxing entity the difference between:

686 (I) the aggregate taxable value of all property taxed; and

687 (II) any redevelopment adjustments for the current calendar year;

688 (B) after making the calculation required by Subsection (3)(c)(ii)(A), calculate an
689 amount determined by increasing or decreasing the amount calculated under Subsection
690 (3)(c)(ii)(A) by the average of the percentage net change in the value of taxable property for the
691 equalization period for the three calendar years immediately preceding the current calendar
692 year;

693 (C) after making the calculation required by Subsection (3)(c)(ii)(B), calculate the
694 product of:

695 (I) the amount calculated under Subsection (3)(c)(ii)(B); and

696 (II) the percentage of property taxes collected for the five calendar years immediately
697 preceding the current calendar year; and

698 (D) after making the calculation required by Subsection (3)(c)(ii)(C), calculate an
699 amount determined by subtracting from the amount calculated under Subsection (3)(c)(ii)(C)
700 any new growth as defined in this section:

701 (I) within the taxing entity; and

702 (II) for the following calendar year:

703 (Aa) for new growth from real property assessed by a county assessor in accordance
704 with Part 3, County Assessment and all property assessed by the commission in accordance
705 with Section 59-2-201, the current calendar year; and

706 (Bb) for new growth from personal property assessed by a county assessor in
707 accordance with Part 3, County Assessment, the prior calendar year.

708 (iii) For purposes of Subsection (3)(c)(ii)(A), the aggregate taxable value of all
709 property taxed:

710 (A) except as provided in Subsection (3)(c)(iii)(B) or (3)(c)(ii)(C), is as defined in
711 Subsection (3)(b)(ii);

712 (B) does not include the total taxable value of personal property contained on the tax
713 rolls of the taxing entity that is:

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

715 (II) semiconductor manufacturing equipment; and

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

719 (iv) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or after
720 January 1, 2007, the value of taxable property does not include the value of personal property
721 that is:

722 (A) within the taxing entity assessed by a county assessor in accordance with Part 3,
723 County Assessment; and

724 (B) semiconductor manufacturing equipment.

725 (v) For purposes of Subsection (3)(c)(ii)(C)(II), for calendar years beginning on or after
726 January 1, 2007, the percentage of property taxes collected does not include property taxes
727 collected from personal property that is:

728 (A) within the taxing entity assessed by a county assessor in accordance with Part 3,
729 County Assessment; and

730 (B) semiconductor manufacturing equipment.

731 (vi) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or after
732 January 1, 2009, the value of taxable property does not include the value of personal property
733 that is within the taxing entity assessed by a county assessor in accordance with Part 3, County
734 Assessment.

735 (vii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
736 the commission may prescribe rules for calculating redevelopment adjustments for a calendar
737 year.

738 (d) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
739 the commission shall make rules determining the calculation of ad valorem property tax
740 revenues budgeted by a taxing entity.

741 (ii) For purposes of Subsection (3)(d)(i), ad valorem property tax revenues budgeted by
742 a taxing entity shall be calculated in the same manner as budgeted property tax revenues are
743 calculated for purposes of Section 59-2-913.

744 (e) The certified tax rates for the taxing entities described in this Subsection (3)(e) shall
745 be calculated as follows:

746 (i) except as provided in Subsection (3)(e)(ii), for new taxing entities the certified tax
747 rate is zero;

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

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

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

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

757 (A) school leeways provided for under Sections 11-2-7, 53A-16-110, 53A-17a-125,
758 53A-17a-127, 53A-17a-133, 53A-17a-134, 53A-17a-143, and 53A-17a-145~~[, and~~
759 ~~53A-21-103]~~; and

760 (B) levies to pay for the costs of state legislative mandates or judicial or administrative
761 orders under Section 59-2-1604.

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

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

767 (g) The ad valorem property tax revenue generated by the capital outlay levy described
768 in Section 53A-16-107 within a taxing entity in a county of the first class:

769 (i) may not be considered in establishing the school district's aggregate certified tax
770 rate; and

771 (ii) shall be included by the commission in establishing a certified tax rate for that

772 capital outlay levy determined in accordance with the calculation described in Subsection
773 59-2-913(3).

774 (4) (a) For the purpose of calculating the certified tax rate, the county auditor shall use:

775 (i) the taxable value of real property assessed by a county assessor contained on the
776 assessment roll;

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

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

780 (b) For purposes of Subsection (4)(a)(i), the taxable value of real property on the
781 assessment roll does not include new growth as defined in Subsection (4)(c).

782 (c) "New growth" means:

783 (i) the difference between the increase in taxable value of the following property of the
784 taxing entity from the previous calendar year to the current year:

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

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

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

791 (iii) the amount of an increase in taxable value described in Subsection (4)(e).

792 (d) For purposes of Subsection (4)(c)(ii), the taxable value of personal property of the
793 taxing entity does not include the taxable value of personal property that is:

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

796 (ii) semiconductor manufacturing equipment.

797 (e) Subsection (4)(c)(iii) applies to the following increases in taxable value:

798 (i) the amount of increase to locally assessed real property taxable values resulting
799 from factoring, reappraisal, or any other adjustments; or

800 (ii) the amount of an increase in the taxable value of property assessed by the
801 commission under Section 59-2-201 resulting from a change in the method of apportioning the
802 taxable value prescribed by:

- 803 (A) the Legislature;
- 804 (B) a court;
- 805 (C) the commission in an administrative rule; or
- 806 (D) the commission in an administrative order.
- 807 (f) For purposes of Subsection (4)(a)(ii), the taxable year end value of personal
- 808 property on the prior year's assessment roll does not include:
 - 809 (i) new growth as defined in Subsection (4)(c); or
 - 810 (ii) the total taxable year end value of personal property contained on the prior year's
 - 811 tax rolls of the taxing entity that is:
 - 812 (A) assessed by a county assessor in accordance with Part 3, County Assessment; and
 - 813 (B) semiconductor manufacturing equipment.
- 814 (5) (a) On or before June 22, each taxing entity shall annually adopt a tentative budget.
- 815 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county
- 816 auditor of:
 - 817 (i) its intent to exceed the certified tax rate; and
 - 818 (ii) the amount by which it proposes to exceed the certified tax rate.
- 819 (c) The county auditor shall notify ~~all~~ property owners of any intent to ~~exceed~~ levy a
- 820 tax rate that exceeds the certified tax rate in accordance with ~~[Subsection 59-2-919(3)]~~
- 821 Sections 59-2-919 and 59-2-919.1.
- 822 Section 15. Section **59-2-924.3** is amended to read:
- 823 **59-2-924.3. Adjustment of the calculation of the certified tax rate for a school**
- 824 **district imposing a capital outlay levy in a county of the first class.**
 - 825 (1) As used in this section:
 - 826 (a) "Capital outlay increment" means the amount of revenue equal to the difference
 - 827 between:
 - 828 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value
 - 829 within a school district during a fiscal year; and
 - 830 (ii) the amount of revenue the school district received during the same fiscal year from
 - 831 the distribution described in Subsection 53A-16-107.1(1).
 - 832 (b) "Contributing school district" means a school district in a county of the first class
 - 833 that in a fiscal year receives less revenue from the distribution described in Subsection

834 53A-16-107.1(1) than it would have received during the same fiscal year from a levy imposed
835 within the school district of .0006 per dollar of taxable value.

836 (c) "Receiving school district" means a school district in a county of the first class that
837 in a fiscal year receives more revenue from the distribution described in Subsection
838 53A-16-107.1(1) than it would have received during the same fiscal year from a levy imposed
839 within the school district of .0006 per dollar of taxable value.

840 (2) For fiscal year 2009-10, a receiving school district shall decrease its capital outlay
841 certified tax rate under Subsection 59-2-924(3)(g)(ii) by an amount required to offset the
842 receiving school district's estimated capital outlay increment for the current fiscal year.

843 (3) Beginning with fiscal year 2010-11, a receiving school district shall decrease its
844 capital outlay certified tax rate under Subsection 59-2-924(3)(g)(ii) by the amount required to
845 offset the receiving school district's capital outlay increment for the prior fiscal year.

846 (4) For fiscal year 2009-10, a contributing school district is exempt from the notice and
847 public [notice and] hearing [requirements] provisions of [~~Sections 59-2-918 and~~] Section
848 59-2-919 for the school district's capital outlay levy certified tax rate calculated pursuant to
849 Subsection 59-2-924(3)(g)(ii) if:

850 (a) the contributing school district budgets an increased amount of ad valorem property
851 tax revenue exclusive of new growth as defined in Subsection 59-2-924(4) for the capital
852 outlay levy described in Section 53A-16-107; and

853 (b) the increased amount of ad valorem property tax revenue described in Subsection
854 (4)(a) is less than or equal to that contributing school district's estimated capital outlay
855 increment for the current fiscal year.

856 (5) Beginning with fiscal year 2010-11, a contributing school district is exempt from
857 the [~~public~~] notice and public hearing [requirements] provisions of [~~Sections 59-2-918 and~~]
858 Section 59-2-919 for the school district's capital outlay levy certified tax rate calculated
859 pursuant to Subsection 59-2-924(3)(g)(ii) if:

860 (a) the contributing school district budgets an increased amount of ad valorem property
861 tax revenue exclusive of new growth as defined in Subsection 59-2-924(4) for the capital
862 outlay levy described in Section 53A-16-107; and

863 (b) the increased amount of ad valorem property tax revenue described in Subsection
864 (5)(a) is less than or equal to that contributing school district's capital outlay increment for the

865 prior year.

866 (6) Beginning with fiscal year 2011-12, a contributing school district is exempt from
867 the [public] notice and public hearing [requirements] provisions of [~~Sections 59-2-918 and~~
868 Section 59-2-919 for the school district's capital outlay levy certified tax rate calculated
869 pursuant to Subsection 59-2-924(3)(g)(ii) if:

870 (a) the contributing school district budgets an increased amount of ad valorem property
871 tax revenue exclusive of new growth as defined in Subsection 59-2-924(4) for the capital
872 outlay levy described in Section 53A-16-107; and

873 (b) the increased amount of ad valorem property tax revenue described in Subsection
874 (6)(a) is less than or equal to the difference between:

875 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value
876 imposed within the contributing school district during the current taxable year; and

877 (ii) the amount of revenue generated by a levy of .0006 per dollar of taxable value
878 imposed within the contributing school district during the prior taxable year.

879 (7) Regardless of the amount a school district receives from the revenue collected from
880 the .0006 portion of the capital outlay levy required in Subsection 53A-16-107(3), the revenue
881 generated within the school district from the .0006 portion of the capital outlay levy required in
882 Subsection 53A-16-107(3) shall be considered to be budgeted ad valorem property tax
883 revenues of the school district that levies the .0006 portion of the capital outlay levy for
884 purposes of calculating the school district's certified tax rate in accordance with Subsection
885 59-2-924(3)(g)(ii).

886 Section 16. Section **59-2-924.4** is amended to read:

887 **59-2-924.4. Adjustment of the calculation of the certified tax rate for certain**
888 **divided school districts.**

889 (1) As used in this section:

890 (a) "Capital outlay increment" means the amount of revenue equal to the difference
891 between:

892 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value
893 within a qualifying divided school district during a fiscal year; and

894 (ii) the amount of revenue the qualifying divided school district received during the
895 same fiscal year from the distribution described in Section 53A-2-118.3.

896 (b) "Contributing divided school district" means a school district located within a
897 qualifying divided school district that in a fiscal year receives less revenue from the distribution
898 described in Section 53A-2-118.3 than it would have received during the same fiscal year from
899 a levy imposed within the school district of .0006 per dollar of taxable value.

900 (c) "Divided school district" means a school district from which a new school district is
901 created.

902 (d) "New school district" means a school district:

903 (i) created under Section 53A-2-118.1;

904 (ii) that begins to provide educational services after July 1, 2008; and

905 (iii) located in a qualifying divided school district.

906 (e) "Qualifying divided school district" means a divided school district:

907 (i) located within a county of the second through sixth class; and

908 (ii) with a new school district created under Section 53A-2-118.1 that begins to provide
909 educational services after July 1, 2008.

910 (f) "Qualifying fiscal year" means the first fiscal year that a new school district begins
911 to provide educational services.

912 (g) "Receiving divided school district" means a school district located within a
913 qualifying divided school district that in a fiscal year receives more revenue from the
914 distribution described in Section 53A-2-118.3 than it would have received during the same
915 fiscal year from a levy imposed within the school district of .0006 per dollar of taxable value.

916 (2) A receiving divided school district shall decrease its certified tax rate calculated in
917 accordance with Section 59-2-924 by the amount required to offset the receiving divided
918 school district's capital outlay increment for the prior fiscal year.

919 (3) Beginning with the fiscal year after the qualifying fiscal year, a contributing divided
920 school district is exempt from the notice and public [~~notice and~~] hearing [~~requirements~~]
921 provisions of [~~Sections 59-2-918 and~~] Section 59-2-919 for the contributing divided school
922 district's certified tax rate calculated pursuant to Section 59-2-924 if:

923 (a) the contributing divided school district budgets an increased amount of ad valorem
924 property tax revenue exclusive of new growth as defined in Subsection 59-2-924(4) for the
925 capital outlay levy required in Section 53A-2-118.3; and

926 (b) the increased amount of ad valorem property tax revenue described in Subsection

927 (3)(a) is less than or equal to that contributing divided school district's capital outlay increment
928 for the prior year.

929 (4) Beginning with the fiscal year after the qualifying fiscal year, a contributing divided
930 school district is exempt from the notice and public [~~notice and~~] hearing [~~requirements~~]
931 provisions of [~~Sections 59-2-918 and~~] Section 59-2-919 for the contributing divided school
932 district's certified tax rate calculated pursuant to Section 59-2-924 if:

933 (a) the contributing divided school district budgets an increased amount of ad valorem
934 property tax revenue exclusive of new growth as defined in Subsection 59-2-924(4) for the
935 capital outlay levy described in Section 53A-2-118.3; and

936 (b) the increased amount of ad valorem property tax revenue described in Subsection
937 (4)(a) is less than or equal to the difference between:

938 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value
939 imposed within the contributing divided school district during the current taxable year; and

940 (ii) the amount of revenue generated by a levy of .0006 per dollar of taxable value
941 imposed within the contributing divided school district during the prior taxable year.

942 (5) Regardless of the amount a school district receives from the revenue collected from
943 the .0006 portion of the capital outlay levy described in Section 53A-2-118.3, the revenue
944 generated within the school district from the .0006 portion of the capital outlay levy described
945 in Section 53A-2-118.3 shall be considered to be budgeted ad valorem property tax revenues of
946 the school district that levies the .0006 portion of the capital outlay levy for purposes of
947 calculating the school district's certified tax rate in accordance with Section 59-2-924.

948 Section 17. Section **59-2-1602** is amended to read:

949 **59-2-1602. Property Tax Valuation Agency Fund -- Creation -- Statewide levy --**
950 **Additional county levy permitted.**

951 (1) (a) There is created the Property Tax Valuation Agency Fund, to be funded by the
952 revenue collected from the multicounty assessing and collecting levy as provided in Subsection
953 (3)(c) and Section 59-2-1603.

954 (b) The purpose of the multicounty assessing and collecting levy required under
955 Subsection (2) and the disbursement formulas established in Section 59-2-1603 is to promote
956 the:

957 (i) accurate valuation of property;

958 (ii) establishment and maintenance of uniform assessment levels within and among
959 counties; and

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

962 (c) Income derived from the investment of money in the fund created in this Subsection
963 (1) shall be deposited in and become part of the fund.

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

967 (b) Subject to Subsections (2)(c), and (5), in order to fund the Property Tax Valuation
968 Agency Fund, the Legislature shall authorize the amount of the multicounty assessing and
969 collecting levy.

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

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

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

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

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

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

981 (ii) in addition to and exempt from the maximum levies allowable under Section
982 59-2-908; and

983 (iii) exempt from the notice requirements of [~~Sections 59-2-918 and~~] Section 59-2-919.

984 (c) (i) Each contributing county shall transmit quarterly to the state treasurer the
985 portion of the multicounty assessing and collecting levy which is above the amount to which
986 that county is entitled to under Section 59-2-1603.

987 (ii) The revenue transmitted under Subsection (3)(c)(i) shall be transmitted no later
988 than the tenth day of the month following the end of the quarter in which the revenue is

989 collected.

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

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

996 (d) The state treasurer shall deposit in the fund the:

997 (i) revenue transmitted to the fund by contributing counties;

998 (ii) interest accrued from that levy; and

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

1000 (4) (a) A county may levy a county additional property tax in accordance with this
1001 Subsection (4).

1002 (b) A receiving county may not receive funds from the Property Tax Valuation Agency
1003 Fund unless the receiving county levies a county additional property tax of at least .0003 per
1004 dollar of taxable value of taxable property as reported by each county.

1005 (c) The county additional property tax described in Subsection (4)(a) shall be levied by
1006 the county and stated on the tax notice as a county assessing and collecting levy.

1007 (d) The purpose of the county additional property tax established in this Subsection (4)
1008 is to promote the:

1009 (i) accurate valuation of property;

1010 (ii) establishment and maintenance of uniform assessment levels within and among
1011 counties; and

1012 (iii) efficient administration of the property tax system, including the costs of
1013 assessment, collection, and distribution of property taxes.

1014 (e) A county additional property tax levy established in Subsection (4)(a) is:

1015 (i) exempt from the provisions of Sections 17C-1-403 and 17C-1-404;

1016 (ii) in addition to and exempt from the maximum levies allowable under Section
1017 59-2-908; and

1018 (iii) beginning on January 1, 2009:

1019 (A) for a county that was designated as a receiving county by the state auditor during

1020 the prior calendar year, subject to the notice and public hearing [requirements] provisions of
1021 [~~Sections 59-2-918 and~~] Section 59-2-919 only if the county additional property tax levied by
1022 that county levy is raised to a rate in excess of .0003; and

1023 (B) except as provided in Subsection (4)(f), for a county that was designated as a
1024 contributing county by the state auditor during the prior calendar year, subject to the notice and
1025 public hearing [requirements] provisions of [~~Sections 59-2-918 and~~] Section 59-2-919.

1026 (f) A county additional property tax levy in a county that was not a receiving county
1027 during the prior year shall be subject to the notice and public hearing [requirements] provisions
1028 described in Subsection (4)(e)(iii)(A) if the county would have been designated as a receiving
1029 county during the prior calendar year if the county had levied a county additional property tax
1030 of at least .0003 per dollar of taxable value.

1031 (5) Subject to Subsection (6), for calendar years beginning on or after January 1, 2007,
1032 the amount of the multicounty assessing and collecting levy described in this section shall be
1033 reduced by an amount equal to the difference between:

1034 (a) the amount of revenue budgeted:

1035 (i) by each receiving county for that calendar year; and

1036 (ii) for the county additional property tax levy described in Subsection (4)(a); and

1037 (b) the amount of revenue budgeted:

1038 (i) by each receiving county for the calendar year immediately preceding the calendar
1039 year described in Subsection (7)(a); and

1040 (ii) for the county additional property tax levy described in Subsection (4)(a).

1041 (6) The amounts described in the calculations required by Subsection (5) are exclusive
1042 of new growth.

1043 Section 18. Section **59-2-1604** is amended to read:

1044 **59-2-1604. Additional levies by counties.**

1045 (1) (a) A county may levy an additional tax to fund state mandated actions to meet
1046 legislative mandates or judicial or administrative orders which relate to promoting the accurate
1047 valuation of property, the establishment and maintenance of uniform assessment levels within
1048 and among counties, and the administration of the property tax system.

1049 (b) An additional rate levied under Subsection (1)(a):

1050 (i) shall be stated on the tax notice;

1051 (ii) may be included on the tax notice with the county levies authorized under Section
1052 59-2-1602 as part of the countywide aggregate tax rate;

1053 (iii) may not be included in determining the maximum allowable levy for the county or
1054 other taxing entities; and

1055 (iv) is subject to the notice requirements of [~~Sections 59-2-918 and~~] Section 59-2-919.

1056 (2) (a) A county may levy an additional tax for reappraisal programs that:

1057 (i) are formally adopted by the county legislative body; and

1058 (ii) conform to tax commission rules.

1059 (b) An additional rate levied under Subsection (2)(a):

1060 (i) shall be stated on the tax notice;

1061 (ii) may be included on the tax notice with the county levies authorized under Section
1062 59-2-1602 as part of the countywide aggregate tax rate;

1063 (iii) may not be included in determining the maximum allowable levy for the county or
1064 other taxing entities; and

1065 (iv) is subject to the notice requirements of [~~Sections 59-2-918 and~~] Section 59-2-919.

1066 Section 19. **Repealer.**

1067 This bill repeals:

1068 Section **59-2-918, Advertisement of proposed tax increase -- Notice -- Contents.**

1069 Section 20. **Revisor instructions.**

1070 It is the intent of the Legislature that, in preparing the Utah Code database for
1071 publication, the Office of Legislative Research and General Counsel shall replace the reference
1072 in Subsection 59-2-919(11) from "this bill" to the bill's designated chapter and section number
1073 in the Laws of Utah.

Legislative Review Note
as of 2-18-09 4:51 PM

Office of Legislative Research and General Counsel

Fiscal Note**S.B. 65 - Amendments to Property Tax Notice, Public Hearing, and
Resolution Provisions**

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Local taxing entities may experience decreased or increased costs to increase property taxes.
Individuals and businesses are unaffected.
