

59 district remains subject to the levy of taxes to pay a proportionate share of the ~~[existing]~~
60 divided school district's outstanding indebtedness.

61 (b) The proportionate share of the ~~[existing]~~ divided school district's outstanding
62 indebtedness for which property within the new district remains subject to the levy of taxes
63 shall be calculated by determining the proportion that the total assessed valuation of the
64 property within the new district bears to the total assessed valuation of the ~~[existing]~~ divided
65 school district:

66 (i) in the year immediately preceding the date the new district was created; or

67 (ii) at a time mutually agreed upon by the ~~[school district board]~~ local school boards of
68 the new district and ~~[the school district board of]~~ the remaining district.

69 (c) The agreement reflecting the determinations made under this Subsection (1) shall
70 take effect upon being filed with the county legislative body and the State Board of Education.

71 (2) ~~Ĥ→ [The] (a) Except as provided in Subsection (2)(b), the ←Ĥ~~ local school board of
71a ~~[the] a~~ ~~Ĥ→ [remaining] new ←Ĥ~~ district ~~Ĥ→ created prior to May 10, 2011 ←Ĥ~~ shall

71b ~~Ĥ→ [-continue to] ←Ĥ~~ levy a tax on

72 property within ~~Ĥ→ [f] the [t] [a] ←Ĥ~~ new district

72a ~~Ĥ→ [created prior to May 10, 2011] ←Ĥ~~ sufficient to pay the new

73 district's proportionate share of the indebtedness determined under ~~[this section]~~ Subsection

74 (1) Ĥ→ [; and shall annually report the amount of the proceeds of the tax to the business

75 administrator of the new district] ←Ĥ .

75a ~~Ĥ→~~ (b) If a new district has money available to pay the new district's proportionate share of
75b the indebtedness determined under Subsection (1), the new district may abate a property tax to
75c the extent of money available. ←Ĥ

76 (3) As used in Subsections (4) and (5), "outstanding bonded indebtedness" means debt
77 owed for a general obligation bond issued by the divided school district:

78 (a) prior to the creation of the new district; or

79 (b) in accordance with a mutual agreement of the local school boards of the remaining
80 and new districts under Subsection (6).

81 (4) If a new district is created on or after May 10, 2011 ~~Ĥ→ [;]~~ ,

82 ~~[a)] ←Ĥ~~ property within the new district and the remaining district is subject to the levy of a

83 tax to pay the divided school district's outstanding bonded indebtedness ~~Ĥ→ [; and]~~ as provided in

83a Subsection (5).

84 ~~[(b) the local school board of the remaining district shall:~~

85 ~~(i) levy a tax each taxable year on property within the new district and remaining~~

86 ~~district until the outstanding bonded indebtedness of the divided school district is retired; and~~
87 ~~—— (ii) annually report the amount of the proceeds of the tax to the business administrator~~
88 ~~of the new district.] ←H~~

89 (5) H→ [The] (a) Except as provided in Subsection (5)(b), the local school board of the
89a ~~new district and the ←H~~ local school board of the remaining district shall impose a tax levy
89b H→ [~~under~~]

90 ~~[Subsection (4)]~~ ~~↔~~ at a rate that:

91 ~~↔~~ ~~[(a)]~~ (i) ~~↔~~ generates ~~↔~~ from the combined districts ~~↔~~ the amount of revenue
 91a required each year to meet the outstanding bonded
 92 indebtedness of the divided school district; and

93 ~~↔~~ ~~[(b)]~~ (ii) ~~↔~~ is uniform within the new district and remaining district.

93a ~~↔~~ (b) A local school board of a new district may abate a property tax required to be imposed
 93b under Subsection (5)(a) to the extent the new district has money available to pay to the
 93c remaining district the amount of revenue that would be generated within the new district from
 93d the tax rate specified in Subsection (5)(a). ~~↔~~

94 ~~[(3)]~~ (6) (a) The local school boards of the remaining and new districts shall determine
 95 by mutual agreement the disposition of bonds approved but not issued by the ~~[existing]~~ divided
 96 school district before the creation of the new district based primarily on the representation
 97 made to the voters at the time of the bond election.

98 (b) Before a determination is made under Subsection ~~[(3)]~~ ~~(a)~~ (6)(a), a remaining
 99 district may not issue bonds approved but not issued before the creation of the new district if
 100 property in the new district would be subject to the levy of a tax to pay the bonds.

Legislative Review Note
 as of 12-3-10 12:02 PM

Office of Legislative Research and General Counsel