

# H.B. 195

## DEBT SERVICE OBLIGATIONS OF A DIVIDED SCHOOL DISTRICT

HOUSE COMMITTEE AMENDMENTS

AMENDMENT 2

FEBRUARY 1, 2011 3:41 PM

Representative **Kenneth W. Sumsion** proposes the following amendments:

1. Page 3, Lines 71 through 75:

71 (2) ~~{The}~~ (a) Except as provided in Subsection (2)(b), the local school board of ~~[the]~~ a  
72 ~~{remaining}~~ new district created prior to May 10, 2011 shall ~~{continue to}~~ levy a tax on  
73 property within ~~{+}~~ the ~~{+}~~ ~~{a}~~ new district {created prior to May 10, 2011} sufficient to  
74 pay the new  
75 district's proportionate share of the indebtedness determined under ~~[this section]~~ Subsection  
(1) ~~{, and shall annually report the amount of the proceeds of the tax to the business  
administrator of the new district}~~ . =

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

2. Page 3, Line 81 through Page 4, Line 93:

81 (4) If a new district is created on or after May 10, 2011 ~~{,}~~ ,  
82 ~~{(a)}~~ 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 ~~{, and}~~ as provided in  
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.}~~

89 (5) ~~{The}~~ (a) Except as provided in Subsection (5)(b), the local school board of the new  
district and the local school board of the remaining district shall impose a tax levy ~~{under~~  
90 Subsection (4)} at a rate that:

91 ~~{(a)}~~ (i) generates from the combined districts the amount of revenue 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. =

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

**Subsection (5)(a).**