

1 **EXPANDED USES OF SCHOOL DISTRICT PROPERTY TAX**
2 **REVENUE**

3 2013 GENERAL SESSION

4 STATE OF UTAH

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

6 Senate Sponsor: David P. Hinkins

8 **LONG TITLE**

9 **General Description:**

10 This bill amends provisions related to certain uses of school district property tax
11 revenue.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ allows local school boards to use revenue collected from certain capital property tax
- 15 levies for certain general fund purposes for fiscal ~~Œ→ [years 2013-14 and 2014-15] year 2013-14 ←Œ;~~
- 16 ▶ requires a local school board to notify taxpayers of certain uses of property tax
- 17 revenue; and
- 18 ▶ makes technical changes.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **53A-16-113**, as enacted by Laws of Utah 2011, Chapter 371

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



28 Section 1. Section **53A-16-113** is amended to read:

29 **53A-16-113. Capital local levy -- First class county required levy -- Allowable**
 30 **uses of collected revenue.**

31 (1) (a) Subject to the other requirements of this section, [~~for a calendar year beginning~~
 32 ~~on or after January 1, 2012;~~] a local school board may levy a tax to fund the school district's
 33 capital projects.

34 (b) A tax rate imposed by a school district pursuant to this section may not exceed
 35 .0030 per dollar of taxable value in any calendar year.

36 (2) A school district that imposes a capital local levy in the calendar year beginning on
 37 January 1, 2012, is exempt from the public notice and hearing requirements of Section
 38 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to
 39 or less than the sum of the following amounts:

40 (a) the amount of revenue generated during the calendar year beginning on January 1,
 41 2011, from the sum of the following levies of a school district:

42 (i) a capital outlay levy imposed under Section 53A-16-107; and

43 (ii) the portion of the 10% of basic levy described in Section 53A-17a-145 that is
 44 budgeted for debt service or capital outlay; and

45 (b) revenue from new growth as defined in Subsection 59-2-924(4)(c).

46 (3) Beginning January 1, 2012, in order to qualify for receipt of the state contribution
 47 toward the minimum school program described in Section 53A-17a-103, a local school board
 48 in a county of the first class shall impose a capital local levy of [a] at least .0006 per dollar of
 49 taxable value.

50 (4) (a) The county treasurer of a county of the first class shall distribute revenues
 51 generated by the .0006 portion of the capital local levy required in Subsection (2) to school
 52 districts within the county in accordance with Section 53A-16-114.

53 (b) If a school district in a county of the first class imposes a capital local levy pursuant
 54 to this section that exceeds .0006 per dollar of taxable value, the county treasurer shall
 55 distribute revenues generated by the portion of the capital local levy that exceeds .0006 to the
 56 school district imposing the levy.

57 (5) (a) Subject to Subsections (5)(b), (c), and (d), for fiscal \$→ [years 2013-14 and 2014-15]
 57a year 2013-14 ←\$.

58 a local school board may utilize the proceeds of a maximum of .0024 per dollar of taxable