

Representative Daniel McCay proposes the following substitute bill:

TAX CHANGES

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions related to the calculation of property tax rates.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ modifies the calculation of certain property tax rates;
- ▶ repeals obsolete language; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

20A-7-613, as enacted by Laws of Utah 2014, Chapter 395

53A-16-106, as last amended by Laws of Utah 2008, Chapters 61, 231, and 236

53A-16-113, as last amended by Laws of Utah 2013, Chapter 287

53A-17a-103, as last amended by Laws of Utah 2014, Chapter 389



26 **53A-17a-133**, as last amended by Laws of Utah 2014, Chapter 189
 27 **53A-17a-164**, as last amended by Laws of Utah 2013, Chapters 178 and 313
 28 **53A-19-105**, as last amended by Laws of Utah 2009, Chapter 204
 29 **59-2-102**, as last amended by Laws of Utah 2014, Chapters 65 and 411
 30 **59-2-913**, as last amended by Laws of Utah 2014, Chapter 279
 31 **59-2-919**, as and further amended by Revisor Instructions, Laws of Utah 2014, Chapter
 32 256 and last amended by Laws of Utah 2014, Chapter 256
 33 **59-2-924**, as last amended by Laws of Utah 2014, Chapter 270
 34 **59-2-924.2**, as and further amended by Revisor Instructions, Laws of Utah 2014,
 35 Chapter 270 and last amended by Laws of Utah 2014, Chapter 270
 36 **59-2-924.3**, as last amended by Laws of Utah 2011, Chapter 371
 37 **59-2-926**, as last amended by Laws of Utah 2009, Chapter 388
 38 **59-2-1330**, as last amended by Laws of Utah 2008, Chapters 61, 231, 236, and 301
 39 **63I-1-259**, as last amended by Laws of Utah 2014, Chapter 54

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

42 Section 1. Section **20A-7-613** is amended to read:

43 **20A-7-613. Property tax referendum petition.**

44 (1) As used in this section:

45 (a) "Certified tax rate" [~~is~~ as] means the same as that term is defined in [Subsection]
 46 Section 59-2-924[~~(3)~~(a)].

47 (b) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year
 48 that begins on July 1 and ends on June 30.

49 (2) Except as provided in this section, the requirements of this part apply to a
 50 referendum petition challenging a fiscal year taxing entity's legislative body's vote to impose a
 51 tax rate that exceeds the certified tax rate.

52 (3) Notwithstanding Subsection **20A-7-604(5)**, the local clerk shall number each of the
 53 referendum packets and return them to the sponsors within two working days.

54 (4) Notwithstanding Subsection **20A-7-606(1)**, the sponsors shall deliver each signed
 55 and verified referendum packet to the county clerk of the county in which the packet was
 56 circulated no later than 40 days after the day on which the local clerk complies with Subsection

57 (3).

58 (5) Notwithstanding Subsections 20A-7-606(2) and (3), the county clerk shall take the
59 actions required in Subsections 20A-7-606(2) and (3) within 10 working days after the day on
60 which the county clerk receives the signed and verified referendum packet as described in
61 Subsection (4).

62 (6) The local clerk shall take the actions required by Section 20A-7-607 within two
63 working days after the day on which the local clerk receives the referendum packets from the
64 county clerk.

65 (7) Notwithstanding Subsection 20A-7-608(2), the local attorney shall prepare the
66 ballot title within two working days after the day on which the referendum petition is declared
67 sufficient for submission to a vote of the people.

68 (8) Notwithstanding Subsection 20A-7-609(2)(d), a referendum that qualifies for the
69 ballot under this section shall appear on the ballot for the earlier of the next regular general
70 election or the next municipal general election unless a special election is called.

71 (9) Notwithstanding the requirements related to absentee ballots under this title:

72 (a) the election officer shall prepare absentee ballots for those voters who have
73 requested an absentee ballot as soon as possible after the ballot title is prepared as described in
74 Subsection (7); and

75 (b) the election officer shall mail absentee ballots on a referendum under this section
76 the later of:

77 (i) the time provided in Section 20A-3-305 or 20A-16-403; or

78 (ii) the time that absentee ballots are prepared for mailing under this section.

79 (10) Section 20A-7-402 does not apply to a referendum described in this section.

80 (11) (a) If a majority of voters does not vote against imposing the tax at a rate
81 calculated to generate the increased revenue budgeted, adopted, and approved by the fiscal year
82 taxing entity's legislative body:

83 (i) the certified tax rate for the fiscal year during which the referendum petition is filed
84 is its most recent certified tax rate; and

85 (ii) the proposed increased revenues for purposes of establishing the certified tax rate
86 for the fiscal year after the fiscal year described in Subsection (11)(a)(i) are the proposed

87 increased revenues budgeted, adopted, and approved by the fiscal year taxing entity's legislative

88 body before the filing of the referendum petition.

89 (b) If a majority of voters votes against imposing a tax at the rate established by the
90 vote of the fiscal year taxing entity's legislative body, the certified tax rate for the fiscal year
91 taxing entity is its most recent certified tax rate.

92 (c) If the tax rate is set in accordance with Subsection (11)(a)(ii), a fiscal year taxing
93 entity is not required to comply with the notice and public hearing requirements of Section
94 59-2-919 if the fiscal year taxing entity complies with those notice and public hearing
95 requirements before the referendum petition is filed.

96 (12) The ballot title shall, at a minimum, include in substantially this form the
97 following: "Shall the [name of the taxing entity] be authorized to levy a tax rate in the amount
98 sufficient to generate an increased property tax revenue of [amount] for fiscal year [year] as
99 budgeted, adopted, and approved by the [name of the taxing entity]".

100 (13) A fiscal year taxing entity shall pay the county the costs incurred by the county
101 that are directly related to meeting the requirements of this section and that the county would
102 not have incurred but for compliance with this section.

103 (14) (a) An election officer shall include on a ballot a referendum that has not yet
104 qualified for placement on the ballot, if:

105 (i) sponsors file an application for a referendum described in this section;

106 (ii) the ballot will be used for the election for which the sponsors are attempting to
107 qualify the referendum; and

108 (iii) the deadline for qualifying the referendum for placement on the ballot occurs after
109 the day on which the ballot will be printed.

110 (b) If an election officer includes on a ballot a referendum described in Subsection
111 (14)(a), the ballot title shall comply with Subsection (12).

112 (c) If an election officer includes on a ballot a referendum described in Subsection
113 (14)(a) that does not qualify for placement on the ballot, the election officer shall inform the
114 voters by any practicable method that the referendum has not qualified for the ballot and that
115 votes cast in relation to the referendum will not be counted.

116 Section 2. Section 53A-16-106 is amended to read:

117 **53A-16-106. Annual certification of tax rate proposed by local school board --**
118 **Inclusion of school district budget -- Modified filing date.**

119 (1) Prior to June 22 of each year, each local school board shall certify to the county
120 legislative body in which the district is located, on forms prescribed by the State Tax
121 Commission, the proposed tax rate approved by the local school board.

122 (2) A copy of the district's budget, including items under Section 53A-19-101, and a
123 certified copy of the local school board's resolution which approved the budget and set the tax
124 rate for the subsequent school year beginning July 1 shall accompany the tax rate.

125 (3) If the tax rate approved by the board is in excess of the ["]certified tax rate["], as
126 defined [~~under Subsection~~] in Section 59-2-924[~~(3)(a)~~], the date for filing the tax rate and
127 budget adopted by the board shall be that established under Section 59-2-919.

128 Section 3. Section 53A-16-113 is amended to read:

129 **53A-16-113. Capital local levy -- First class county required levy -- Allowable**
130 **uses of collected revenue.**

131 (1) (a) Subject to the other requirements of this section, a local school board may levy a
132 tax to fund the school district's capital projects.

133 (b) A tax rate imposed by a school district pursuant to this section may not exceed
134 .0030 per dollar of taxable value in any calendar year.

135 (2) A school district that imposes a capital local levy in the calendar year beginning on
136 January 1, 2012, is exempt from the public notice and hearing requirements of Section
137 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to
138 or less than the sum of the following amounts:

139 (a) the amount of revenue generated during the calendar year beginning on January 1,
140 2011, from the sum of the following levies of a school district:

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

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

144 (b) revenue from eligible new growth as defined in [~~Subsection~~] Section
145 59-2-924[~~(4)(c)~~].

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

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

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

157 (5) (a) Subject to Subsections (5)(b), (c), and (d), for fiscal year 2013-14, a local school
158 board may utilize the proceeds of a maximum of .0024 per dollar of taxable value of the local
159 school board's annual capital local levy for general fund purposes if the proceeds are not
160 committed or dedicated to pay debt service or bond payments.

161 (b) If a local school board uses the proceeds described in Subsection (5)(a) for general
162 fund purposes, the local school board shall notify the public of the local school board's use of
163 the capital local levy proceeds for general fund purposes:

164 (i) prior to the local school board's budget hearing in accordance with the notification
165 requirements described in Section 53A-19-102; and

166 (ii) at a budget hearing required in Section 53A-19-102.

167 (c) A local school board may not use the proceeds described in Subsection (5)(a) to
168 fund the following accounting function classifications as provided in the Financial Accounting
169 for Local and State School Systems guidelines developed by the National Center for Education
170 Statistics:

171 (i) 2300 Support Services - General District Administration; or

172 (ii) 2500 Support Services - Central Services.

173 (d) A local school board may not use the proceeds from a distribution described in
174 Subsection (4) for general fund purposes.

175 Section 4. Section 53A-17a-103 is amended to read:

176 **53A-17a-103. Definitions.**

177 As used in this chapter:

178 (1) "Basic state-supported school program" or "basic program" means public education
179 programs for kindergarten, elementary, and secondary school students that are operated and
180 maintained for the amount derived by multiplying the number of weighted pupil units for each

181 school district or charter school by the value established each year in statute, except as
182 otherwise provided in this chapter.

183 (2) (a) "Certified revenue levy" means a property tax levy that provides an amount of
184 ad valorem property tax revenue equal to the sum of:

185 (i) the amount of ad valorem property tax revenue to be generated statewide in the
186 previous year from imposing a minimum basic tax rate, as specified in Subsection
187 [53A-17a-135\(1\)\(a\)](#); and

188 (ii) the product of:

189 (A) eligible new growth, as defined in:

190 (I) Section [59-2-924](#); and

191 (II) rules of the State Tax Commission; and

192 (B) the minimum basic tax rate certified by the State Tax Commission for the previous
193 year.

194 (b) For purposes of this Subsection (2), "ad valorem property tax revenue" does not
195 include property tax revenue received statewide from personal property that is:

196 (i) assessed by a county assessor in accordance with Title 59, Chapter 2, Part 3, County
197 Assessment; and

198 (ii) semiconductor manufacturing equipment.

199 (c) For purposes of calculating the certified revenue levy described in this Subsection
200 (2), the State Tax Commission shall use:

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

203 (ii) the taxable value of real and personal property assessed by the State Tax
204 Commission; and

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

207 (3) "Pupil in average daily membership (ADM)" means a full-day equivalent pupil.

208 (4) (a) "State-supported minimum school program" or "Minimum School Program"
209 means public school programs for kindergarten, elementary, and secondary schools as
210 described in this Subsection (4).

211 (b) The minimum school program established in school districts and charter schools

212 shall include the equivalent of a school term of nine months as determined by the State Board
213 of Education.

214 (c) (i) The board shall establish the number of days or equivalent instructional hours
215 that school is held for an academic school year.

216 (ii) Education, enhanced by utilization of technologically enriched delivery systems,
217 when approved by local school boards or charter school governing boards, shall receive full
218 support by the State Board of Education as it pertains to fulfilling the attendance requirements,
219 excluding time spent viewing commercial advertising.

220 (d) (i) A local school board or charter school governing board may reallocate up to 32
221 instructional hours or 4 school days established under Subsection (4)(c) for teacher preparation
222 time or teacher professional development.

223 (ii) A reallocation of instructional hours or school days under Subsection (4)(d)(i) is
224 subject to the approval of two-thirds of the members of a local school board or charter school
225 governing board voting in a regularly scheduled meeting:

226 (A) at which a quorum of the local school board or charter school governing board is
227 present; and

228 (B) held in compliance with Title 52, Chapter 4, Open and Public Meetings Act.

229 (iii) If a local school board or charter school governing board reallocates instructional
230 hours or school days as provided by this Subsection (4)(d), the school district or charter school
231 shall notify students' parents and guardians of the school calendar at least 90 days before the
232 beginning of the school year.

233 (iv) Instructional hours or school days reallocated for teacher preparation time or
234 teacher professional development pursuant to this Subsection (4)(d) is considered part of a
235 school term referred to in Subsection (4)(b).

236 (e) The Minimum School Program includes a program or allocation funded by a line
237 item appropriation or other appropriation designated as follows:

238 (i) Basic School Program;

239 (ii) Related to Basic Programs;

240 (iii) Voted and Board Levy Programs; or

241 (iv) Minimum School Program.

242 (5) "Weighted pupil unit or units or WPU or WPUs" means the unit of measure of

243 factors that is computed in accordance with this chapter for the purpose of determining the
244 costs of a program on a uniform basis for each district.

245 Section 5. Section **53A-17a-133** is amended to read:

246 **53A-17a-133. State-supported voted local levy authorized -- Election**
247 **requirements -- State guarantee -- Reconsideration of the program.**

248 (1) As used in this section, "voted and board local levy funding balance" means the
249 difference between:

250 (a) the amount appropriated for the voted and board local levy program in a fiscal year;

251 and

252 (b) the amount necessary to provide the state guarantee per weighted pupil unit as
253 determined under this section and Section [53A-17a-164](#) in the same fiscal year.

254 (2) An election to consider adoption or modification of a voted local levy is required if
255 initiative petitions signed by 10% of the number of electors who voted at the last preceding
256 general election are presented to the local school board or by action of the board.

257 (3) (a) (i) To impose a voted local levy, a majority of the electors of a district voting at
258 an election in the manner set forth in Subsections (9) and (10) must vote in favor of a special
259 tax.

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

261 (b) Except as provided in Subsection (3)(c), in order to receive state support the first
262 year, a district must receive voter approval no later than December 1 of the year prior to
263 implementation.

264 (c) Beginning on or after January 1, 2012, a school district may receive state support in
265 accordance with Subsection (4) without complying with the requirements of Subsection (3)(b)
266 if the local school board imposed a tax in accordance with this section during the taxable year
267 beginning on January 1, 2011 and ending on December 31, 2011.

268 (4) (a) In addition to the revenue a school district collects from the imposition of a levy
269 pursuant to this section, the state shall contribute an amount sufficient to guarantee \$27.36 per
270 weighted pupil unit for each .0001 of the first .0016 per dollar of taxable value.

271 (b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar
272 of taxable value under Subsection (4)(a) shall apply to the portion of the board local levy
273 authorized in Section [53A-17a-164](#), so that the guarantee shall apply up to a total of .002 per

274 dollar of taxable value if a school district levies a tax rate under both programs.

275 (c) (i) Beginning July 1, 2014, the \$27.36 guarantee under Subsections (4)(a) and (b)
276 shall be indexed each year to the value of the weighted pupil unit for the grades 1 through 12
277 program by making the value of the guarantee equal to .00963 times the value of the prior
278 year's weighted pupil unit for the grades 1 through 12 program.

279 (ii) The guarantee shall increase by .0005 times the value of the prior year's weighted
280 pupil unit for the grades 1 through 12 program for each succeeding year subject to the
281 Legislature appropriating funds for an increase in the guarantee.

282 (d) (i) The amount of state guarantee money to which a school district would otherwise
283 be entitled to receive under this Subsection (4) may not be reduced for the sole reason that the
284 district's levy is reduced as a consequence of changes in the certified tax rate under Section
285 [59-2-924](#) pursuant to changes in property valuation.

286 (ii) Subsection (4)(d)(i) applies for a period of five years following any such change in
287 the certified tax rate.

288 (e) The guarantee provided under this section does not apply to the portion of a voted
289 local levy rate that exceeds the voted local levy rate that was in effect for the previous fiscal
290 year, unless an increase in the voted local levy rate was authorized in an election conducted on
291 or after July 1 of the previous fiscal year and before December 2 of the previous fiscal year.

292 (f) (i) If a voted and board local levy funding balance exists for the prior fiscal year, the
293 State Board of Education shall:

294 (A) use the voted and board local levy funding balance to increase the value of the state
295 guarantee per weighted pupil unit described in Subsection (4)(c) in the current fiscal year; and

296 (B) distribute the state contribution to the voted and board local levy programs to
297 school districts based on the increased value of the state guarantee per weighted pupil unit
298 described in Subsection (4)(f)(i)(A).

299 (ii) The State Board of Education shall report action taken under this Subsection (4)(f)
300 to the Office of the Legislative Fiscal Analyst and the Governor's Office of Planning and
301 Budget.

302 (5) (a) An election to modify an existing voted local levy is not a reconsideration of the
303 existing authority unless the proposition submitted to the electors expressly so states.

304 (b) A majority vote opposing a modification does not deprive the district of authority to

305 continue the levy.

306 (c) If adoption of a voted local levy is contingent upon an offset reducing other local
307 school board levies, the board must allow the electors, in an election, to consider modifying or
308 discontinuing the imposition of the levy prior to a subsequent increase in other levies that
309 would increase the total local school board levy.

310 (d) Nothing contained in this section terminates, without an election, the authority of a
311 school district to continue imposing an existing voted local levy previously authorized by the
312 voters as a voted leeway program.

313 (6) Notwithstanding Section 59-2-919, a school district may budget an increased
314 amount of ad valorem property tax revenue derived from a voted local levy imposed under this
315 section in addition to revenue from eligible new growth, as defined in [~~Subsection~~] Section
316 59-2-924~~[(4)]~~, without having to comply with the notice requirements of Section 59-2-919, if:

317 (a) the voted local levy is approved:

318 (i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

319 (ii) within the four-year period immediately preceding the year in which the school
320 district seeks to budget an increased amount of ad valorem property tax revenue derived from
321 the voted local levy; and

322 (b) for a voted local levy approved or modified in accordance with this section on or
323 after January 1, 2009, the school district complies with the requirements of Subsection (8).

324 (7) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this
325 section that exceeds the certified tax rate without having to comply with the notice
326 requirements of Section 59-2-919 if:

327 (a) the levy exceeds the certified tax rate as the result of a school district budgeting an
328 increased amount of ad valorem property tax revenue derived from a voted local levy imposed
329 under this section;

330 (b) the voted local levy was approved:

331 (i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

332 (ii) within the four-year period immediately preceding the year in which the school
333 district seeks to budget an increased amount of ad valorem property tax revenue derived from
334 the voted local levy; and

335 (c) for a voted local levy approved or modified in accordance with this section on or

336 after January 1, 2009, the school district complies with requirements of Subsection (8).

337 (8) For purposes of Subsection (6)(b) or (7)(c), the proposition submitted to the
338 electors regarding the adoption or modification of a voted local levy shall contain the following
339 statement:

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

342 (9) (a) Before imposing a property tax levy pursuant to this section, a school district
343 shall submit an opinion question to the school district's registered voters voting on the
344 imposition of the tax rate so that each registered voter has the opportunity to express the
345 registered voter's opinion on whether the tax rate should be imposed.

346 (b) The election required by this Subsection (9) shall be held:

347 (i) at a regular general election conducted in accordance with the procedures and
348 requirements of Title 20A, Election Code, governing regular elections;

349 (ii) at a municipal general election conducted in accordance with the procedures and
350 requirements of Section 20A-1-202; or

351 (iii) at a local special election conducted in accordance with the procedures and
352 requirements of Section 20A-1-203.

353 (c) Notwithstanding the requirements of Subsections (9)(a) and (b), beginning on or
354 after January 1, 2012, a school district may levy a tax rate in accordance with this section
355 without complying with the requirements of Subsections (9)(a) and (b) if the school district
356 imposed a tax in accordance with this section at any time during the taxable year beginning on
357 January 1, 2011, and ending on December 31, 2011.

358 (10) If a school district determines that a majority of the school district's registered
359 voters voting on the imposition of the tax rate have voted in favor of the imposition of the tax
360 rate in accordance with Subsection (9), the school district may impose the tax rate.

361 Section 6. Section 53A-17a-164 is amended to read:

362 **53A-17a-164. Board local levy -- State guarantee.**

363 (1) Subject to the other requirements of this section, for a calendar year beginning on
364 or after January 1, 2012, a local school board may levy a tax to fund the school district's
365 general fund.

366 (2) (a) Except as provided in Subsection (2)(b), a tax rate imposed by a school district

367 pursuant to this section may not exceed .0018 per dollar of taxable value in any calendar year.

368 (b) A tax rate imposed by a school district pursuant to this section may not exceed
369 .0025 per dollar of taxable value in any calendar year if, during the calendar year beginning on
370 January 1, 2011, the school district's combined tax rate for the following levies was greater
371 than .0018 per dollar of taxable value:

372 (i) a recreation levy imposed under Section 11-2-7;

373 (ii) a transportation levy imposed under Section 53A-17a-127;

374 (iii) a board-authorized levy imposed under Section 53A-17a-134;

375 (iv) an impact aid levy imposed under Section 53A-17a-143;

376 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is
377 budgeted for purposes other than capital outlay or debt service;

378 (vi) a reading levy imposed under Section 53A-17a-151; and

379 (vii) a tort liability levy imposed under Section 63G-7-704.

380 (3) (a) In addition to the revenue a school district collects from the imposition of a levy
381 pursuant to this section, the state shall contribute an amount sufficient to guarantee that each
382 .0001 of the first .0004 per dollar of taxable value generates an amount equal to the state
383 guarantee per weighted pupil unit described in Subsection 53A-17a-133(4).

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

388 (ii) Subsection (3)(b)(i) applies for a period of five years following any changes in the
389 certified tax rate.

390 (4) A school district that imposes a board local levy in the calendar year beginning on
391 January 1, 2012, is exempt from the public notice and hearing requirements of Section
392 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to
393 or less than the sum of the following amounts:

394 (a) the amount of revenue generated during the calendar year beginning on January 1,
395 2011, from the sum of the following levies of a school district:

396 (i) a recreation levy imposed under Section 11-2-7;

397 (ii) a transportation levy imposed under Section 53A-17a-127;

- 398 (iii) a board-authorized levy imposed under Section 53A-17a-134;
- 399 (iv) an impact aid levy imposed under Section 53A-17a-143;
- 400 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is
- 401 budgeted for purposes other than capital outlay or debt service;
- 402 (vi) a reading levy imposed under Section 53A-17a-151; and
- 403 (vii) a tort liability levy imposed under Section 63G-7-704; and
- 404 (b) revenue from eligible new growth as defined in [~~Subsection~~] Section
- 405 59-2-924~~[(4)(c)]~~.

406 Section 7. Section 53A-19-105 is amended to read:

407 **53A-19-105. School district interfund transfers.**

408 (1) A school district shall spend revenues only within the fund for which they were

409 originally authorized, levied, collected, or appropriated.

410 (2) Except as otherwise provided in this section, school district interfund transfers of

411 residual equity are prohibited.

412 (3) The State Board of Education may authorize school district interfund transfers of

413 residual equity when a district states its intent to create a new fund or expand, contract, or

414 liquidate an existing fund.

415 (4) The State Board of Education may also authorize school district interfund transfers

416 of residual equity for a financially distressed district if the board determines the following:

417 (a) the district has a significant deficit in its maintenance and operations fund caused

418 by circumstances not subject to the administrative decisions of the district;

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

420 (c) without the transfer, the school district will not be capable of meeting statewide

421 educational standards adopted by the State Board of Education.

422 (5) The board shall develop standards for defining and aiding financially distressed

423 school districts under this section in accordance with Title 63G, Chapter 3, Utah

424 Administrative Rulemaking Act.

425 (6) (a) All debt service levies not subject to certified tax rate hearings shall be recorded

426 and reported in the debt service fund.

427 (b) Debt service levies under Subsection 59-2-924~~[(3)(e)(iii)]~~(5)(c) that are not subject

428 to the public hearing provisions of Section 59-2-919 may not be used for any purpose other

429 than retiring general obligation debt.

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

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

435 Section 8. Section **59-2-102** is amended to read:

436 **59-2-102. Definitions.**

437 As used in this chapter and title:

438 (1) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of
439 engaging in dispensing activities directly affecting agriculture or horticulture with an
440 airworthiness certificate from the Federal Aviation Administration certifying the aircraft or
441 rotorcraft's use for agricultural and pest control purposes.

442 (2) "Air charter service" means an air carrier operation which requires the customer to
443 hire an entire aircraft rather than book passage in whatever capacity is available on a scheduled
444 trip.

445 (3) "Air contract service" means an air carrier operation available only to customers
446 who engage the services of the carrier through a contractual agreement and excess capacity on
447 any trip and is not available to the public at large.

448 (4) "Aircraft" is as defined in Section [72-10-102](#).

449 (5) (a) Except as provided in Subsection (5)(b), "airline" means an air carrier that:

450 (i) operates:

451 (A) on an interstate route; and

452 (B) on a scheduled basis; and

453 (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a
454 regularly scheduled route.

455 (b) "Airline" does not include an:

456 (i) air charter service; or

457 (ii) air contract service.

458 (6) "Assessment roll" means a permanent record of the assessment of property as
459 assessed by the county assessor and the commission and may be maintained manually or as a

460 computerized file as a consolidated record or as multiple records by type, classification, or
461 categories.

462 (7) (a) "Certified revenue levy" means a property tax levy that provides an amount of
463 ad valorem property tax revenue equal to the sum of:

464 (i) the amount of ad valorem property tax revenue to be generated statewide in the
465 previous year from imposing a school minimum basic tax rate, as specified in Subsection
466 53A-17a-135(1)(a), or multicounty assessing and collecting levy, as specified in Section
467 59-2-1602; and

468 (ii) the product of:

469 (A) eligible new growth, as defined in:

470 (I) Section 59-2-924; and

471 (II) rules of the commission; and

472 (B) the school minimum basic tax rate or multicounty assessing and collecting levy
473 certified by the commission for the previous year.

474 (b) For purposes of this Subsection (7), "ad valorem property tax revenue" does not
475 include property tax revenue received by a taxing entity from personal property that is:

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

477 (ii) semiconductor manufacturing equipment.

478 (c) For purposes of calculating the certified revenue levy described in this Subsection
479 (7), the commission shall use:

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

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

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

485 (8) "County-assessed commercial vehicle" means:

486 (a) any commercial vehicle, trailer, or semitrailer which is not apportioned under
487 Section 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or
488 property in furtherance of the owner's commercial enterprise;

489 (b) any passenger vehicle owned by a business and used by its employees for
490 transportation as a company car or vanpool vehicle; and

- 491 (c) vehicles that are:
492 (i) especially constructed for towing or wrecking, and that are not otherwise used to
493 transport goods, merchandise, or people for compensation;
494 (ii) used or licensed as taxicabs or limousines;
495 (iii) used as rental passenger cars, travel trailers, or motor homes;
496 (iv) used or licensed in this state for use as ambulances or hearses;
497 (v) especially designed and used for garbage and rubbish collection; or
498 (vi) used exclusively to transport students or their instructors to or from any private,
499 public, or religious school or school activities.

500 (9) (a) Except as provided in Subsection (9)(b), for purposes of Section 59-2-801,
501 "designated tax area" means a tax area created by the overlapping boundaries of only the
502 following taxing entities:

- 503 (i) a county; and
504 (ii) a school district.

505 (b) Notwithstanding Subsection (9)(a), "designated tax area" includes a tax area created
506 by the overlapping boundaries of:

- 507 (i) the taxing entities described in Subsection (9)(a); and
508 (ii) (A) a city or town if the boundaries of the school district under Subsection (9)(a)
509 and the boundaries of the city or town are identical; or
510 (B) a special service district if the boundaries of the school district under Subsection
511 (9)(a) are located entirely within the special service district.

512 (10) "Eligible judgment" means a final and unappealable judgment or order under
513 Section 59-2-1330:

514 (a) that became a final and unappealable judgment or order no more than 14 months
515 prior to the day on which the notice required by Section 59-2-919.1 is required to be mailed;
516 and

517 (b) for which a taxing entity's share of the final and unappealable judgment or order is
518 greater than or equal to the lesser of:

- 519 (i) \$5,000; or
520 (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the
521 previous fiscal year.

522 (11) (a) "Escaped property" means any property, whether personal, land, or any
523 improvements to the property, subject to taxation and is:

524 (i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed
525 to the wrong taxpayer by the assessing authority;

526 (ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to
527 comply with the reporting requirements of this chapter; or

528 (iii) undervalued because of errors made by the assessing authority based upon
529 incomplete or erroneous information furnished by the taxpayer.

530 (b) Property that is undervalued because of the use of a different valuation
531 methodology or because of a different application of the same valuation methodology is not
532 "escaped property."

533 (12) "Fair market value" means the amount at which property would change hands
534 between a willing buyer and a willing seller, neither being under any compulsion to buy or sell
535 and both having reasonable knowledge of the relevant facts. For purposes of taxation, "fair
536 market value" shall be determined using the current zoning laws applicable to the property in
537 question, except in cases where there is a reasonable probability of a change in the zoning laws
538 affecting that property in the tax year in question and the change would have an appreciable
539 influence upon the value.

540 (13) "Farm machinery and equipment," for purposes of the exemption provided under
541 Section [59-2-1101](#), means tractors, milking equipment and storage and cooling facilities, feed
542 handling equipment, irrigation equipment, harvesters, choppers, grain drills and planters, tillage
543 tools, scales, combines, spreaders, sprayers, haying equipment, including balers and cubers,
544 and any other machinery or equipment used primarily for agricultural purposes; but does not
545 include vehicles required to be registered with the Motor Vehicle Division or vehicles or other
546 equipment used for business purposes other than farming.

547 (14) "Geothermal fluid" means water in any form at temperatures greater than 120
548 degrees centigrade naturally present in a geothermal system.

549 (15) "Geothermal resource" means:

550 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade;
551 and

552 (b) the energy, in whatever form, including pressure, present in, resulting from, created

553 by, or which may be extracted from that natural heat, directly or through a material medium.

554 (16) (a) "Goodwill" means:

555 (i) acquired goodwill that is reported as goodwill on the books and records:

556 (A) of a taxpayer; and

557 (B) that are maintained for financial reporting purposes; or

558 (ii) the ability of a business to:

559 (A) generate income:

560 (I) that exceeds a normal rate of return on assets; and

561 (II) resulting from a factor described in Subsection (16)(b); or

562 (B) obtain an economic or competitive advantage resulting from a factor described in

563 Subsection (16)(b).

564 (b) The following factors apply to Subsection (16)(a)(ii):

565 (i) superior management skills;

566 (ii) reputation;

567 (iii) customer relationships;

568 (iv) patronage; or

569 (v) a factor similar to Subsections (16)(b)(i) through (iv).

570 (c) "Goodwill" does not include:

571 (i) the intangible property described in Subsection (20)(a) or (b);

572 (ii) locational attributes of real property, including:

573 (A) zoning;

574 (B) location;

575 (C) view;

576 (D) a geographic feature;

577 (E) an easement;

578 (F) a covenant;

579 (G) proximity to raw materials;

580 (H) the condition of surrounding property; or

581 (I) proximity to markets;

582 (iii) value attributable to the identification of an improvement to real property,

583 including:

- 584 (A) reputation of the designer, builder, or architect of the improvement;
- 585 (B) a name given to, or associated with, the improvement; or
- 586 (C) the historic significance of an improvement; or
- 587 (iv) the enhancement or assemblage value specifically attributable to the interrelation
- 588 of the existing tangible property in place working together as a unit.

589 (17) "Governing body" means:

- 590 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 591 (b) for a local district under Title 17B, Limited Purpose Local Government Entities -
- 592 Local Districts, the local district's board of trustees;
- 593 (c) for a school district, the local board of education; or
- 594 (d) for a special service district under Title 17D, Chapter 1, Special Service District

595 Act:

596 (i) the legislative body of the county or municipality that created the special service

597 district, to the extent that the county or municipal legislative body has not delegated authority

598 to an administrative control board established under Section 17D-1-301; or

599 (ii) the administrative control board, to the extent that the county or municipal

600 legislative body has delegated authority to an administrative control board established under

601 Section 17D-1-301.

602 (18) (a) For purposes of Section 59-2-103:

603 (i) "household" means the association of persons who live in the same dwelling,

604 sharing its furnishings, facilities, accommodations, and expenses; and

605 (ii) "household" includes married individuals, who are not legally separated, that have

606 established domiciles at separate locations within the state.

607 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

608 commission may make rules defining the term "domicile."

609 (19) (a) Except as provided in Subsection (19)(c), "improvement" means a building,

610 structure, fixture, fence, or other item that is permanently attached to land, regardless of

611 whether the title has been acquired to the land, if:

612 (i) (A) attachment to land is essential to the operation or use of the item; and

613 (B) the manner of attachment to land suggests that the item will remain attached to the

614 land in the same place over the useful life of the item; or

- 615 (ii) removal of the item would:
- 616 (A) cause substantial damage to the item; or
- 617 (B) require substantial alteration or repair of a structure to which the item is attached.
- 618 (b) "Improvement" includes:
- 619 (i) an accessory to an item described in Subsection (19)(a) if the accessory is:
- 620 (A) essential to the operation of the item described in Subsection (19)(a); and
- 621 (B) installed solely to serve the operation of the item described in Subsection (19)(a);
- 622 and
- 623 (ii) an item described in Subsection (19)(a) that:
- 624 (A) is temporarily detached from the land for repairs; and
- 625 (B) remains located on the land.
- 626 (c) Notwithstanding Subsections (19)(a) and (b), "improvement" does not include:
- 627 (i) an item considered to be personal property pursuant to rules made in accordance
- 628 with Section [59-2-107](#);
- 629 (ii) a moveable item that is attached to land:
- 630 (A) for stability only; or
- 631 (B) for an obvious temporary purpose;
- 632 (iii) (A) manufacturing equipment and machinery; or
- 633 (B) essential accessories to manufacturing equipment and machinery;
- 634 (iv) an item attached to the land in a manner that facilitates removal without substantial
- 635 damage to:
- 636 (A) the land; or
- 637 (B) the item; or
- 638 (v) a transportable factory-built housing unit as defined in Section [59-2-1502](#) if that
- 639 transportable factory-built housing unit is considered to be personal property under Section
- 640 [59-2-1503](#).
- 641 (20) "Intangible property" means:
- 642 (a) property that is capable of private ownership separate from tangible property,
- 643 including:
- 644 (i) money;
- 645 (ii) credits;

- 646 (iii) bonds;
- 647 (iv) stocks;
- 648 (v) representative property;
- 649 (vi) franchises;
- 650 (vii) licenses;
- 651 (viii) trade names;
- 652 (ix) copyrights; and
- 653 (x) patents;
- 654 (b) a low-income housing tax credit;
- 655 (c) goodwill; or
- 656 (d) a renewable energy tax credit or incentive, including:
 - 657 (i) a federal renewable energy production tax credit under Section 45, Internal Revenue
 - 658 Code;
 - 659 (ii) a federal energy credit for qualified renewable electricity production facilities under
 - 660 Section 48, Internal Revenue Code;
 - 661 (iii) a federal grant for a renewable energy property under American Recovery and
 - 662 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and
 - 663 (iv) a tax credit under Subsection 59-7-614(2)(c).
- 664 (21) "Livestock" means:
 - 665 (a) a domestic animal;
 - 666 (b) a fur-bearing animal;
 - 667 (c) a honeybee; or
 - 668 (d) poultry.
- 669 (22) "Low-income housing tax credit" means:
 - 670 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;
 - 671 or
 - 672 (b) a low-income housing tax credit under:
 - 673 (i) Section 59-7-607; or
 - 674 (ii) Section 59-10-1010.
- 675 (23) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.
- 676 (24) "Mine" means a natural deposit of either metalliferous or nonmetalliferous

677 valuable mineral.

678 (25) "Mining" means the process of producing, extracting, leaching, evaporating, or
679 otherwise removing a mineral from a mine.

680 (26) (a) "Mobile flight equipment" means tangible personal property that is:

681 (i) owned or operated by an:

682 (A) air charter service;

683 (B) air contract service; or

684 (C) airline; and

685 (ii) (A) capable of flight;

686 (B) attached to an aircraft that is capable of flight; or

687 (C) contained in an aircraft that is capable of flight if the tangible personal property is
688 intended to be used:

689 (I) during multiple flights;

690 (II) during a takeoff, flight, or landing; and

691 (III) as a service provided by an air charter service, air contract service, or airline.

692 (b) (i) "Mobile flight equipment" does not include a spare part other than a spare
693 engine that is rotated:

694 (A) at regular intervals; and

695 (B) with an engine that is attached to the aircraft.

696 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
697 commission may make rules defining the term "regular intervals."

698 (27) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,
699 sand, rock, gravel, and all carboniferous materials.

700 (28) "Part-year residential property" means property that is not residential property on
701 January 1 of a calendar year but becomes residential property after January 1 of the calendar
702 year.

703 (29) "Personal property" includes:

704 (a) every class of property as defined in Subsection (30) that is the subject of
705 ownership and not included within the meaning of the terms "real estate" and "improvements";

706 (b) gas and water mains and pipes laid in roads, streets, or alleys;

707 (c) bridges and ferries;

708 (d) livestock; and
709 (e) outdoor advertising structures as defined in Section [72-7-502](#).
710 (30) (a) "Property" means property that is subject to assessment and taxation according
711 to its value.
712 (b) "Property" does not include intangible property as defined in this section.
713 (31) "Public utility," for purposes of this chapter, means the operating property of a
714 railroad, gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline
715 company, electrical corporation, telephone corporation, sewerage corporation, or heat
716 corporation where the company performs the service for, or delivers the commodity to, the
717 public generally or companies serving the public generally, or in the case of a gas corporation
718 or an electrical corporation, where the gas or electricity is sold or furnished to any member or
719 consumers within the state for domestic, commercial, or industrial use. Public utility also
720 means the operating property of any entity or person defined under Section [54-2-1](#) except water
721 corporations.
722 (32) (a) Subject to Subsection (32)(b), "qualifying exempt primary residential rental
723 personal property" means household furnishings, furniture, and equipment that:
724 (i) are used exclusively within a dwelling unit that is the primary residence of a tenant;
725 (ii) are owned by the owner of the dwelling unit that is the primary residence of a
726 tenant; and
727 (iii) after applying the residential exemption described in Section [59-2-103](#), are exempt
728 from taxation under this chapter in accordance with Subsection [59-2-1115\(2\)](#).
729 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
730 commission may by rule define the term "dwelling unit" for purposes of this Subsection (32)
731 and Subsection (35).
732 (33) "Real estate" or "real property" includes:
733 (a) the possession of, claim to, ownership of, or right to the possession of land;
734 (b) all mines, minerals, and quarries in and under the land, all timber belonging to
735 individuals or corporations growing or being on the lands of this state or the United States, and
736 all rights and privileges appertaining to these; and
737 (c) improvements.
738 (34) "Relationship with an owner of the property's land surface rights" means a

739 relationship described in Subsection 267(b), Internal Revenue Code:

740 (a) except that notwithstanding Subsection 267(b), Internal Revenue Code, the term
741 25% shall be substituted for the term 50% in Subsection 267(b), Internal Revenue Code; and

742 (b) using the ownership rules of Subsection 267(c), Internal Revenue Code, for
743 determining the ownership of stock.

744 (35) (a) Subject to Subsection (35)(b), "residential property," for the purposes of the
745 reductions and adjustments under this chapter, means any property used for residential
746 purposes as a primary residence.

747 (b) Subject to Subsection (35)(c), "residential property":

748 (i) except as provided in Subsection (35)(b)(ii), includes household furnishings,
749 furniture, and equipment if the household furnishings, furniture, and equipment are:

750 (A) used exclusively within a dwelling unit that is the primary residence of a tenant;

751 and

752 (B) owned by the owner of the dwelling unit that is the primary residence of a tenant;

753 and

754 (ii) does not include property used for transient residential use.

755 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
756 commission may by rule define the term "dwelling unit" for purposes of Subsection (32) and
757 this Subsection (35).

758 (36) "Split estate mineral rights owner" means a person who:

759 (a) has a legal right to extract a mineral from property;

760 (b) does not hold more than a 25% interest in:

761 (i) the land surface rights of the property where the wellhead is located; or

762 (ii) an entity with an ownership interest in the land surface rights of the property where
763 the wellhead is located;

764 (c) is not an entity in which the owner of the land surface rights of the property where
765 the wellhead is located holds more than a 25% interest; and

766 (d) does not have a relationship with an owner of the land surface rights of the property
767 where the wellhead is located.

768 (37) (a) "State-assessed commercial vehicle" means:

769 (i) any commercial vehicle, trailer, or semitrailer which operates interstate or intrastate

770 to transport passengers, freight, merchandise, or other property for hire; or

771 (ii) any commercial vehicle, trailer, or semitrailer which operates interstate and
772 transports the vehicle owner's goods or property in furtherance of the owner's commercial
773 enterprise.

774 (b) "State-assessed commercial vehicle" does not include vehicles used for hire which
775 are specified in Subsection (8)(c) as county-assessed commercial vehicles.

776 (38) "Taxable value" means fair market value less any applicable reduction allowed for
777 residential property under Section 59-2-103.

778 (39) "Tax area" means a geographic area created by the overlapping boundaries of one
779 or more taxing entities.

780 (40) "Taxing entity" means any county, city, town, school district, special taxing
781 district, local district under Title 17B, Limited Purpose Local Government Entities - Local
782 Districts, or other political subdivision of the state with the authority to levy a tax on property.

783 (41) "Tax roll" means a permanent record of the taxes charged on property, as extended
784 on the assessment roll and may be maintained on the same record or records as the assessment
785 roll or may be maintained on a separate record properly indexed to the assessment roll. It
786 includes tax books, tax lists, and other similar materials.

787 Section 9. Section 59-2-913 is amended to read:

788 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**
789 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**
790 **establishing tax levies -- Format of statement.**

791 (1) As used in this section, "budgeted property tax revenues" does not include property
792 tax revenue received by a taxing entity from personal property that is:

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

794 (b) semiconductor manufacturing equipment.

795 (2) (a) The legislative body of each taxing entity shall file a statement as provided in
796 this section with the county auditor of the county in which the taxing entity is located.

797 (b) The auditor shall annually transmit the statement to the commission:

798 (i) before June 22; or

799 (ii) with the approval of the commission, on a subsequent date prior to the date
800 required by Section 59-2-1317 for the county treasurer to provide the notice under Section

801 59-2-1317.

802 (c) The statement shall contain the amount and purpose of each levy fixed by the
803 legislative body of the taxing entity.

804 (3) For purposes of establishing the levy set for each of a taxing entity's applicable
805 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing
806 the budgeted property tax revenues, specified in a budget which has been adopted and
807 approved prior to setting the levy, by the amount calculated under Subsections
808 59-2-924~~[(3)(c)(ii)(A) through (C)](4)(b)(i) through (iii).~~

809 (4) The format of the statement under this section shall:

810 (a) be determined by the commission; and

811 (b) cite any applicable statutory provisions that:

812 (i) require a specific levy; or

813 (ii) limit the property tax levy for any taxing entity.

814 (5) The commission may require certification that the information submitted on a
815 statement under this section is true and correct.

816 Section 10. Section 59-2-919 is amended to read:

817 **59-2-919. Notice and public hearing requirements for certain tax increases --**
818 **Exceptions.**

819 (1) As used in this section:

820 ~~[(b)]~~ (a) "Additional ad valorem tax revenue" means ad valorem property tax revenue
821 generated by the portion of the tax rate that exceeds the taxing entity's certified tax rate.

822 ~~[(a)]~~ (b) "Ad valorem tax revenue" means ad valorem property tax revenue not
823 including revenue from eligible new growth as defined in Section 59-2-924.

824 (c) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year
825 that begins on January 1 and ends on December 31.

826 (d) "County executive calendar year taxing entity" means a calendar year taxing entity
827 that operates under the county executive-council form of government described in Section
828 17-52-504.

829 (e) "Current calendar year" means the calendar year immediately preceding the
830 calendar year for which a calendar year taxing entity seeks to levy a tax rate that exceeds the
831 calendar year taxing entity's certified tax rate.

832 (f) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that
833 begins on July 1 and ends on June 30.

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

836 (a) the requirements of this section that apply to the taxing entity; and

837 (b) all other requirements as may be required by law.

838 (3) (a) Subject to Subsection (3)(b) and except as provided in Subsection (5), a calendar
839 year taxing entity may levy a tax rate that exceeds the calendar year taxing entity's certified tax
840 rate if the calendar year taxing entity:

841 (i) 14 or more days before the date of the regular general election or municipal general
842 election held in the current calendar year, states at a public meeting:

843 (A) that the calendar year taxing entity intends to levy a tax rate that exceeds the
844 calendar year taxing entity's certified tax rate;

845 (B) the dollar amount of and purpose for additional ad valorem tax revenue that would
846 be generated by the proposed increase in the certified tax rate; and

847 (C) the approximate percentage increase in ad valorem tax revenue for the taxing entity
848 based on the proposed increase described in Subsection (3)(a)(i)(B);

849 (ii) provides notice for the public meeting described in Subsection (3)(a)(i) in
850 accordance with Title 52, Chapter 4, Open and Public Meetings Act, including providing a
851 separate item on the meeting agenda that notifies the public that the calendar year taxing entity
852 intends to make the statement described in Subsection (3)(a)(i);

853 (iii) meets the advertisement requirements of Subsections (6) and (7) before the
854 calendar year taxing entity conducts the public hearing required by Subsection (3)(a)(v);

855 (iv) provides notice by mail:

856 (A) seven or more days before the regular general election or municipal general
857 election held in the current calendar year; and

858 (B) as provided in Subsection (3)(c); and

859 (v) conducts a public hearing that is held:

860 (A) in accordance with Subsections (8) and (9); and

861 (B) in conjunction with the public hearing required by Section [17-36-13](#) or [17B-1-610](#).

862 (b) (i) For a county executive calendar year taxing entity, the statement described in

863 Subsection (3)(a)(i) shall be made by the:

864 (A) county council;

865 (B) county executive; or

866 (C) both the county council and county executive.

867 (ii) If the county council makes the statement described in Subsection (3)(a)(i) or the
868 county council states a dollar amount of additional ad valorem tax revenue that is greater than
869 the amount of additional ad valorem tax revenue previously stated by the county executive in
870 accordance with Subsection (3)(a)(i), the county executive calendar year taxing entity shall:

871 (A) make the statement described in Subsection (3)(a)(i) 14 or more days before the
872 county executive calendar year taxing entity conducts the public hearing under Subsection
873 (3)(a)(v); and

874 (B) provide the notice required by Subsection (3)(a)(iv) 14 or more days before the
875 county executive calendar year taxing entity conducts the public hearing required by
876 Subsection (3)(a)(v).

877 (c) The notice described in Subsection (3)(a)(iv):

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

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

880 (B) listed on the assessment roll;

881 (ii) shall be printed on a separate form that:

882 (A) is developed by the commission;

883 (B) states at the top of the form, in bold upper-case type no smaller than 18 point
884 "NOTICE OF PROPOSED TAX INCREASE"; and

885 (C) may be mailed with the notice required by Section [59-2-1317](#);

886 (iii) shall contain for each property described in Subsection (3)(c)(i):

887 (A) the value of the property for the current calendar year;

888 (B) the tax on the property for the current calendar year; and

889 (C) subject to Subsection (3)(d), for the calendar year for which the calendar year
890 taxing entity seeks to levy a tax rate that exceeds the calendar year taxing entity's certified tax
891 rate, the estimated tax on the property;

892 (iv) shall contain the following statement:

893 "[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar

894 year]. This notice contains estimates of the tax on your property and the proposed tax increase
895 on your property as a result of this tax increase. These estimates are calculated on the basis of
896 [insert previous applicable calendar year] data. The actual tax on your property and proposed
897 tax increase on your property may vary from this estimate.";

898 (v) shall state the date, time, and place of the public hearing described in Subsection
899 (3)(a)(v); and

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

901 (d) For purposes of Subsection (3)(c)(iii)(C), a calendar year taxing entity shall
902 calculate the estimated tax on property on the basis of:

903 (i) data for the current calendar year; and

904 (ii) the amount of additional ad valorem tax revenue stated in accordance with this
905 section.

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

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

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

913 (5) (a) A taxing entity is not required to meet the notice or public hearing requirements
914 of Subsection (3) or (4) if the taxing entity is expressly exempted by law from complying with
915 the requirements of this section.

916 (b) A taxing entity is not required to meet the notice requirements of Subsection (3) or
917 (4) if:

918 (i) Section [53A-17a-133](#) allows the taxing entity to levy a tax rate that exceeds that
919 certified tax rate without having to comply with the notice provisions of this section; or

920 (ii) the taxing entity:

921 (A) budgeted less than \$20,000 in ad valorem tax revenues for the previous fiscal year;
922 and

923 (B) sets a budget during the current fiscal year of less than \$20,000 of ad valorem tax
924 revenues.

925 (6) (a) Subject to Subsections (6)(d) and (7)(b), the advertisement described in this
926 section shall be published:

927 (i) subject to Section 45-1-101, in a newspaper or combination of newspapers of
928 general circulation in the taxing entity;

929 (ii) electronically in accordance with Section 45-1-101; and

930 (iii) on the Utah Public Notice Website created in Section 63F-1-701.

931 (b) The advertisement described in Subsection (6)(a)(i) shall:

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

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

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

935 (c) The advertisement described in Subsection (6)(a)(i) may not be placed in that
936 portion of the newspaper where legal notices and classified advertisements appear.

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

938 (i) whenever possible, the advertisement described in Subsection (6)(a)(i) appear in a
939 newspaper that is published at least one day per week; and

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

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

942 (B) not be of limited subject matter.

943 (e) (i) The advertisement described in Subsection (6)(a)(i) shall:

944 (A) except as provided in Subsection (6)(f), be run once each week for the two weeks
945 before a taxing entity conducts a public hearing described under Subsection (3)(a)(v) or (4)(b);
946 and

947 (B) state that the taxing entity will meet on a certain day, time, and place fixed in the
948 advertisement, which shall be seven or more days after the day the first advertisement is
949 published, for the purpose of hearing comments regarding any proposed increase and to explain
950 the reasons for the proposed increase.

951 (ii) The advertisement described in Subsection (6)(a)(ii) shall:

952 (A) be published two weeks before a taxing entity conducts a public hearing described
953 in Subsection (3)(a)(v) or (4)(b); and

954 (B) state that the taxing entity will meet on a certain day, time, and place fixed in the
955 advertisement, which shall be seven or more days after the day the first advertisement is

956 published, for the purpose of hearing comments regarding any proposed increase and to explain
957 the reasons for the proposed increase.

958 (f) If a fiscal year taxing entity's public hearing information is published by the county
959 auditor in accordance with Section 59-2-919.2, the fiscal year taxing entity is not subject to the
960 requirement to run the advertisement twice, as required by Subsection (6)(e)(i), but shall run
961 the advertisement once during the week before the fiscal year taxing entity conducts a public
962 hearing at which the taxing entity's annual budget is discussed.

963 (g) For purposes of Subsection (3)(a)(iii) or (4)(a), the form and content of an
964 advertisement shall be substantially as follows:

965 "NOTICE OF PROPOSED TAX INCREASE

966 (NAME OF TAXING ENTITY)

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

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

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

974 ● If the proposed budget is approved, (name of the taxing entity) would increase
975 its property tax budgeted revenue by ___% above last year's property tax
976 budgeted revenue excluding eligible new growth.

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

978 PUBLIC HEARING

979 Date/Time: (date) (time)

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

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

983 (7) The commission:

984 (a) shall adopt rules in accordance with Title 63G, Chapter 3, Utah Administrative
985 Rulemaking Act, governing the joint use of one advertisement described in Subsection (6) by
986 two or more taxing entities; and

987 (b) subject to Section 45-1-101, may authorize:

988 (i) the use of a weekly newspaper:

989 (A) in a county having both daily and weekly newspapers if the weekly newspaper
990 would provide equal or greater notice to the taxpayer; and

991 (B) if the county petitions the commission for the use of the weekly newspaper; or

992 (ii) the use by a taxing entity of a commission approved direct notice to each taxpayer
993 if:

994 (A) the cost of the advertisement would cause undue hardship;

995 (B) the direct notice is different and separate from that provided for in Section
996 59-2-919.1; and

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

999 (8) (a) (i) (A) A fiscal year taxing entity shall, on or before March 1, notify the county
1000 legislative body in which the fiscal year taxing entity is located of the date, time, and place of
1001 the first public hearing at which the fiscal year taxing entity's annual budget will be discussed.

1002 (B) A county that receives notice from a fiscal year taxing entity under Subsection
1003 (8)(a)(i)(A) shall include on the notice required by Section 59-2-919.1 the date, time, and place
1004 of the public hearing described in Subsection (8)(a)(i)(A).

1005 (ii) A calendar year taxing entity shall, on or before October 1 of the current calendar
1006 year, notify the county legislative body in which the calendar year taxing entity is located of the
1007 date, time, and place of the first public hearing at which the calendar year taxing entity's annual
1008 budget will be discussed.

1009 (b) (i) A public hearing described in Subsection (3)(a)(v) or (4)(b) shall be open to the
1010 public.

1011 (ii) The governing body of a taxing entity conducting a public hearing described in
1012 Subsection (3)(a)(v) or (4)(b) shall provide an interested party desiring to be heard an
1013 opportunity to present oral testimony within reasonable time limits.

1014 (c) (i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a
1015 public hearing described in Subsection (3)(a)(v) or (4)(b) at the same time as the public hearing
1016 of another overlapping taxing entity in the same county.

1017 (ii) The taxing entities in which the power to set tax levies is vested in the same

1018 governing board or authority may consolidate the public hearings described in Subsection
1019 (3)(a)(v) or (4)(b) into one public hearing.

1020 (d) A county legislative body shall resolve any conflict in public hearing dates and
1021 times after consultation with each affected taxing entity.

1022 (e) A taxing entity shall hold a public hearing described in Subsection (3)(a)(v) or
1023 (4)(b) beginning at or after 6 p.m.

1024 (9) (a) If a taxing entity does not make a final decision on budgeting additional ad
1025 valorem tax revenue at a public hearing described in Subsection (3)(a)(v) or (4)(b), the taxing
1026 entity shall announce at that public hearing the scheduled time and place of the next public
1027 meeting at which the taxing entity will consider budgeting the additional ad valorem tax
1028 revenue.

1029 (b) A calendar year taxing entity may not adopt a final budget that budgets an amount
1030 of additional ad valorem tax revenue that exceeds the largest amount of additional ad valorem
1031 tax revenue stated at a public meeting under Subsection (3)(a)(i).

1032 (c) A public hearing on levying a tax rate that exceeds a fiscal year taxing entity's
1033 certified tax rate may coincide with a public hearing on the fiscal year taxing entity's proposed
1034 annual budget.

1035 (10) Notwithstanding any other provision of this section, the amendments to this
1036 section in Laws of Utah 2014, Chapter 256, Section 2, apply to:

1037 (a) actions a fiscal year taxing entity is required to take with respect to the fiscal year
1038 taxing entity's budgetary process for a fiscal year that begins on or after July 1, 2014; or

1039 (b) actions a calendar year taxing entity is required to take with respect to the calendar
1040 year taxing entity's budgetary process for a fiscal year that begins on or after January 1, 2015.

1041 Section 11. Section **59-2-924** is amended to read:

1042 **59-2-924. Definitions -- Report of valuation of property to county auditor and**
1043 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**
1044 **rate -- Rulemaking authority -- Adoption of tentative budget.**

1045 (1) As used in this section:

1046 (a) (i) "Ad valorem property tax revenue" means revenue collected in accordance with
1047 this chapter.

1048 (ii) "Ad valorem property tax revenue" does not include:

- 1049 (A) interest;
1050 (B) a penalty;
1051 (C) collections from redemptions; or
1052 (D) revenue received by a taxing entity from personal property that is semiconductor
1053 manufacturing equipment assessed by a county assessor in accordance with Part 3, County
1054 Assessment.
- 1055 (b) (i) "Aggregate taxable value of all property taxed" means:
1056 (A) the aggregate taxable value of all real property a county assessor assesses in
1057 accordance with Part 3, County Assessment, for the current year;
1058 (B) the aggregate year end taxable value of all personal property a county assessor
1059 assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls
1060 of the taxing entity; and
1061 (C) the aggregate taxable value of all real and personal property the commission
1062 assesses in accordance with Part 2, Assessment of Property, for the current year.
- 1063 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year
1064 end taxable value of personal property that is:
1065 (A) semiconductor manufacturing equipment assessed by a county assessor in
1066 accordance with Part 3, County Assessment; and
1067 (B) contained on the prior year's tax rolls of the taxing entity.
1068 (c) "Certified tax rate" means a tax rate that will provide the same ad valorem property
1069 tax revenue for a taxing entity as the taxing entity budgeted for the prior year.
- 1070 (d) (i) "Eligible new growth" means the sum of:
1071 (A) the difference between the taxable value of real property the county assessor
1072 assesses in accordance with Part 3, County Assessment, for the current year, adjusted for
1073 redevelopment, and the year end taxable value of real property the county assessor assesses in
1074 accordance with Part 3, County Assessment, for the previous year, adjusted for redevelopment;
1075 (B) the difference between the taxable value of real and personal property the
1076 commission assesses in accordance with Subsections [59-2-201\(1\)\(a\)\(i\)](#) through (iii), that is not
1077 property described in Subsections [59-2-201\(1\)\(a\)\(iv\)](#) through (vi), for the current year, adjusted
1078 for redevelopment, and the year end taxable value of the real and personal property the
1079 commission assesses in accordance with Subsections [59-2-201\(1\)\(a\)\(i\)](#) through (iii), that is not

1080 property described in Subsections 59-2-201(1)(a)(iv) through (vi), for the previous year,
1081 adjusted for redevelopment; and

1082 (C) revenue from an increase in taxable value that a taxing entity receives as a result of
1083 an agency, as defined in Section 17C-1-102, no longer receiving tax increment as defined in
1084 Section 17C-1-102.

1085 (ii) "Eligible new growth" does not include:

1086 (A) with respect to property described in Subsection (1)(d)(i)(A), a change in value as a
1087 result of factoring in accordance with Section 59-2-704, reappraisal, or another adjustment; or

1088 (B) with respect to property described in Subsection (1)(d)(i)(B), a change in value as a
1089 result of a change in the method of apportioning the value prescribed by the Legislature, a
1090 court, or the commission in an administrative rule or administrative order.

1091 ~~[(+)]~~ (2) Before June 1 of each year, the county assessor of each county shall deliver to
1092 the county auditor and the commission the following statements:

1093 (a) a statement containing the aggregate valuation of all taxable real property ~~[assessed~~
1094 ~~by]~~ a county assessor assesses in accordance with Part 3, County Assessment, for each taxing
1095 entity; and

1096 (b) a statement containing the taxable value of all personal property ~~[assessed by]~~ a
1097 county assessor assesses in accordance with Part 3, County Assessment, from the prior year
1098 end values.

1099 ~~[(2)]~~ (3) The county auditor shall, on or before June 8, transmit to the governing body
1100 of each taxing entity:

1101 (a) the statements described in Subsections ~~[(+)]~~ (2)(a) and (b);

1102 (b) an estimate of the revenue from personal property;

1103 (c) the certified tax rate calculated in accordance with this section; and

1104 (d) all forms necessary to submit a tax levy request.

1105 ~~[(3)]~~ ~~(a) The "certified tax rate" means a tax rate that will provide the same ad valorem~~
1106 ~~property tax revenues for a taxing entity as were budgeted by that taxing entity for the prior~~
1107 ~~year.]~~

1108 ~~[(b) For purposes of this Subsection (3):]~~

1109 ~~[(i) "Ad valorem property tax revenues" do not include:]~~

1110 ~~[(A) interest;]~~

1111 ~~[(B) penalties; and]~~
1112 ~~[(C) revenue received by a taxing entity from personal property that is:]~~
1113 ~~[(F) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~
1114 ~~[(H) semiconductor manufacturing equipment.]~~
1115 ~~[(ii) "Aggregate taxable value of all property taxed" means:]~~
1116 ~~[(A) the aggregate taxable value of all real property assessed by a county assessor in~~
1117 ~~accordance with Part 3, County Assessment, for the current year;]~~
1118 ~~[(B) the aggregate taxable year end value of all personal property assessed by a county~~
1119 ~~assessor in accordance with Part 3, County Assessment, for the prior year; and]~~
1120 ~~[(C) the aggregate taxable value of all real and personal property assessed by the~~
1121 ~~commission in accordance with Part 2, Assessment of Property, for the current year.]~~
1122 ~~[(e)(i) (4) (a) Except as otherwise provided in this section, the certified tax rate shall~~
1123 ~~be calculated by dividing the ad valorem property tax revenues budgeted for the prior year by~~
1124 ~~[the] a taxing entity by the amount calculated under Subsection ~~[(3)(c)(ii)] (4)(b).~~~~
1125 ~~[(ii) (b) For purposes of Subsection ~~[(3)(c)(i)] (4)(a), the legislative body of a taxing~~~~
1126 ~~entity shall calculate an amount as follows:~~
1127 ~~[(A) (i) calculate for the taxing entity the difference between:~~
1128 ~~[(H) (A) the aggregate taxable value of all property taxed; and~~
1129 ~~[(H) (B) any redevelopment adjustments for the current calendar year;~~
1130 ~~[(B) (ii) after making the calculation required by Subsection ~~[(3)(c)(ii)(A)] (4)(b)(i),~~~~
1131 ~~calculate an amount determined by increasing or decreasing the amount calculated under~~
1132 ~~Subsection ~~[(3)(c)(ii)(A)] (4)(b)(i) by the average of the percentage net change in the value of~~~~
1133 ~~taxable property for the equalization period for the three calendar years immediately preceding~~
1134 ~~the current calendar year; and~~
1135 ~~[(C) (iii) after making the calculation required by Subsection ~~[(3)(c)(ii)(B)] (4)(b)(ii),~~~~
1136 ~~calculate the product of:~~
1137 ~~[(H) (A) the amount calculated under Subsection ~~[(3)(c)(ii)(B)] (4)(b)(ii); and~~~~
1138 ~~[(H) (B) the percentage of property taxes collected for the five calendar years~~
1139 ~~immediately preceding the current calendar year; and~~
1140 ~~[(D) (iv) after making the calculation required by Subsection ~~[(3)(c)(ii)(C)] (4)(b)(iii),~~~~
1141 ~~calculate an amount determined by subtracting eligible new growth from the amount calculated~~

1142 under [~~Subsection (3)(c)(ii)(C) any new growth as defined in this section:~~] Subsection
1143 (4)(b)(iii).

1144 [~~(f) within the taxing entity; and]~~
1145 [~~(H) for the following calendar year:]~~
1146 [~~(Aa) for new growth from real property assessed by a county assessor in accordance~~
1147 ~~with Part 3, County Assessment and all property assessed by the commission in accordance~~
1148 ~~with Section 59-2-201, the current calendar year; and]~~
1149 [~~(Bb) for new growth from personal property assessed by a county assessor in~~
1150 ~~accordance with Part 3, County Assessment, the prior calendar year:]~~
1151 [~~(iii) For purposes of Subsection (3)(c)(ii)(A), the aggregate taxable value of all~~
1152 ~~property taxed:]~~
1153 [~~(A) except as provided in Subsection (3)(c)(iii)(B) or (3)(c)(ii)(C), is as defined in~~
1154 ~~Subsection (3)(b)(ii);]~~
1155 [~~(B) does not include the total taxable value of personal property contained on the tax~~
1156 ~~rolls of the taxing entity that is:]~~
1157 [~~(f) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~
1158 [~~(H) semiconductor manufacturing equipment; and]~~
1159 [~~(C) for personal property assessed by a county assessor in accordance with Part 3,~~
1160 ~~County Assessment, the taxable value of personal property is the year end value of the personal~~
1161 ~~property contained on the prior year's tax rolls of the entity:]~~
1162 [~~(iv) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or after~~
1163 ~~January 1, 2007, the value of taxable property does not include the value of personal property~~
1164 ~~that is:]~~
1165 [~~(A) within the taxing entity assessed by a county assessor in accordance with Part 3,~~
1166 ~~County Assessment; and]~~
1167 [~~(B) semiconductor manufacturing equipment:]~~
1168 [~~(v) For purposes of Subsection (3)(c)(ii)(C)(H), for calendar years beginning on or~~
1169 ~~after January 1, 2007, the percentage of property taxes collected does not include property taxes~~
1170 ~~collected from personal property that is:]~~
1171 [~~(A) within the taxing entity assessed by a county assessor in accordance with Part 3,~~
1172 ~~County Assessment; and]~~

1173 ~~[(B) semiconductor manufacturing equipment.]~~

1174 ~~[(vi) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or after~~
1175 ~~January 1, 2009, the value of taxable property does not include the value of personal property~~
1176 ~~that is within the taxing entity assessed by a county assessor in accordance with Part 3, County~~
1177 ~~Assessment.]~~

1178 ~~[(vii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,~~
1179 ~~the commission may prescribe rules for calculating redevelopment adjustments for a calendar~~
1180 ~~year.]~~

1181 ~~[(viii) (A) Except as provided in Subsections (3)(c)(ix) and (x), for purposes of~~
1182 ~~Subsection (3)(c)(i), a taxing entity's ad valorem property tax revenues budgeted for the prior~~
1183 ~~year shall be decreased by an amount of revenue equal to the five-year average of the most~~
1184 ~~recent prior five years of redemptions adjusted by the five-year average redemption calculated~~
1185 ~~for the prior year as reported on the county treasurer's final annual settlement required under~~
1186 ~~Subsection 59-2-1365(2).]~~

1187 ~~[(B) A decrease under Subsection (3)(c)(viii)(A) does not apply to the multicounty~~
1188 ~~assessing and collecting levy authorized in Subsection 59-2-1602(2)(a), the certified revenue~~
1189 ~~levy, or the minimum basic tax rate established in Section 53A-17a-135.]~~

1190 ~~[(ix) As used in Subsection (3)(c)(x):]~~

1191 ~~[(A) "One-fourth of qualifying redemptions excess amount" means a qualifying~~
1192 ~~redemptions excess amount divided by four.]~~

1193 ~~[(B) "Qualifying redemptions" means that, for a calendar year, a taxing entity's total~~
1194 ~~amount of redemptions is greater than three times the five-year average of the most recent prior~~
1195 ~~five years of redemptions calculated for the prior year under Subsection (3)(c)(viii)(A).]~~

1196 ~~[(C) "Qualifying redemptions base amount" means an amount equal to three times the~~
1197 ~~five-year average of the most recent prior five years of redemptions for a taxing entity, as~~
1198 ~~reported on the county treasurer's final annual settlement required under Subsection~~
1199 ~~59-2-1365(2).]~~

1200 ~~[(D) "Qualifying redemptions excess amount" means the amount by which a taxing~~
1201 ~~entity's qualifying redemptions for a calendar year exceed the qualifying redemptions base~~
1202 ~~amount for that calendar year.]~~

1203 ~~[(x) (A) If, for a calendar year, a taxing entity has qualifying redemptions, the~~

1204 ~~redemption amount for purposes of calculating the five-year redemption average required by~~
1205 ~~Subsection (3)(c)(viii)(A) is as provided in Subsections (3)(c)(x)(B) and (C).]~~

1206 ~~[(B) For the initial calendar year a taxing entity has qualifying redemptions, the taxing~~
1207 ~~entity's redemption amount for that calendar year is the qualifying redemptions base amount.]~~

1208 ~~[(C) For each of the four calendar years after the calendar year described in Subsection~~
1209 ~~(3)(c)(x)(B), one-fourth of the qualifying redemptions excess amount shall be added to the~~
1210 ~~redemption amount.]~~

1211 ~~[(d) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,~~
1212 ~~the commission shall make rules determining the calculation of ad valorem property tax~~
1213 ~~revenues budgeted by a taxing entity.]~~

1214 ~~[(ii) For purposes of Subsection (3)(d)(i), ad valorem property tax revenues budgeted~~
1215 ~~by a taxing entity shall be calculated in the same manner as budgeted property tax revenues are~~
1216 ~~calculated for purposes of Section 59-2-913.]~~

1217 ~~[(e) (5) The certified tax rates for the taxing entities described in this Subsection~~
1218 ~~[(3)(e) (5) shall be calculated as follows:~~

1219 ~~[(i) (a) except as provided in Subsection [(3)(e)(ii) (5)(b), for a new taxing [entities]~~
1220 ~~entity the certified tax rate is zero;~~

1221 ~~[(ii) (b) for [each] a municipality incorporated on or after July 1, 1996, the certified~~
1222 ~~tax rate is:~~

1223 ~~[(A) (i) in a county of the first, second, or third class, the levy imposed for~~
1224 ~~municipal-type services under Sections 17-34-1 and 17-36-9; and~~

1225 ~~[(B) (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general~~
1226 ~~county purposes and such other levies imposed solely for the municipal-type services identified~~
1227 ~~in Section 17-34-1 and Subsection 17-36-3(22); and~~

1228 ~~[(iii) (c) for debt service voted on by the public, the certified tax rate [shall be] is the~~
1229 ~~actual levy imposed by that section, except that the certified tax rates for the following levies~~
1230 ~~shall be calculated in accordance with Section 59-2-913 and this section:~~

1231 ~~[(A) (i) a school [levies] levy provided for under [Sections] Section 53A-16-113,~~
1232 ~~53A-17a-133, [and] or 53A-17a-164; [and] or~~

1233 ~~[(B) levies] (ii) a levy to pay for the costs of state legislative mandates or judicial or~~
1234 ~~administrative orders under Section 59-2-1602.~~

1235 ~~[(f)(i)]~~ (6) (a) A judgment levy imposed under Section [59-2-1328](#) or [59-2-1330](#) shall
 1236 be ~~[established at that]~~ imposed at a rate ~~[which]~~ that is sufficient to generate only the revenue
 1237 required to satisfy one or more eligible judgments~~[, as defined in Section [59-2-102](#)].~~

1238 ~~[(ii)]~~ (b) The ad valorem property tax revenue generated by ~~[the]~~ a judgment levy
 1239 ~~[shall]~~ described in Subsection (6)(a) may not be considered in establishing ~~[the]~~ a taxing
 1240 entity's aggregate certified tax rate.

1241 ~~[(g)]~~ (7) The ad valorem property tax revenue generated by the capital local levy
 1242 described in Section [53A-16-113](#) within a taxing entity in a county of the first class:

1243 ~~[(i)]~~ (a) may not be considered in establishing the school district's aggregate certified
 1244 tax rate; and

1245 ~~[(ii)]~~ (b) shall be included by the commission in establishing a certified tax rate for that
 1246 capital ~~[outlay]~~ local levy determined in accordance with the calculation described in
 1247 Subsection [59-2-913](#)(3).

1248 ~~[(4)]~~ (8) (a) For the purpose of calculating the certified tax rate, the county auditor shall
 1249 use:

1250 (i) the taxable value of real property ~~[assessed by a county assessor contained on the~~
 1251 ~~assessment roll];~~

1252 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

1253 (B) contained on the assessment roll;

1254 (ii) the year end taxable value of personal property:

1255 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

1256 (B) contained on the prior year's assessment roll; and

1257 ~~[(ii)]~~ (iii) the taxable value of real and personal property ~~[assessed by]~~ the
 1258 commission~~[; and]~~ assesses in accordance with Section [59-2-201](#).

1259 ~~[(iii) the taxable year end value of personal property assessed by a county assessor~~
 1260 ~~contained on the prior year's assessment roll.]~~

1261 (b) For purposes of Subsection ~~[(4)(a)(i)]~~ (8)(a), the aggregate taxable value of ~~[real]~~
 1262 all property ~~[on the assessment roll]~~ taxed does not include eligible new growth ~~[as defined in~~
 1263 ~~Subsection (4)(c)].~~

1264 ~~[(c) "New growth" means:]~~

1265 ~~[(i) the difference between the increase in taxable value of the following property of~~

1266 the taxing entity from the previous calendar year to the current year:]
1267 ~~[(A) real property assessed by a county assessor in accordance with Part 3, County~~
1268 ~~Assessment; and]~~
1269 ~~[(B) property assessed by the commission under Section 59-2-201; plus]~~
1270 ~~[(ii) the difference between the increase in taxable year end value of personal property~~
1271 ~~of the taxing entity from the year prior to the previous calendar year to the previous calendar~~
1272 ~~year; minus]~~
1273 ~~[(iii) the amount of an increase in taxable value described in Subsection (4)(c).]~~
1274 ~~[(d) For purposes of Subsection (4)(c)(ii), the taxable value of personal property of the~~
1275 ~~taxing entity does not include the taxable value of personal property that is:]~~
1276 ~~[(i) contained on the tax rolls of the taxing entity if that property is assessed by a~~
1277 ~~county assessor in accordance with Part 3, County Assessment; and]~~
1278 ~~[(ii) semiconductor manufacturing equipment.]~~
1279 ~~[(e) Subsection (4)(c)(iii) applies to the following increases in taxable value:]~~
1280 ~~[(i) the amount of increase to locally assessed real property taxable values resulting~~
1281 ~~from factoring, reappraisal, or any other adjustments; or]~~
1282 ~~[(ii) the amount of an increase in the taxable value of property assessed by the~~
1283 ~~commission under Section 59-2-201 resulting from a change in the method of apportioning the~~
1284 ~~taxable value prescribed by:]~~
1285 ~~[(A) the Legislature;]~~
1286 ~~[(B) a court;]~~
1287 ~~[(C) the commission in an administrative rule; or]~~
1288 ~~[(D) the commission in an administrative order.]~~
1289 ~~[(f) For purposes of Subsection (4)(a)(ii), the taxable year end value of personal~~
1290 ~~property on the prior year's assessment roll does not include:]~~
1291 ~~[(i) new growth as defined in Subsection (4)(c); or]~~
1292 ~~[(ii) the total taxable year end value of personal property contained on the prior year's~~
1293 ~~tax rolls of the taxing entity that is:]~~
1294 ~~[(A) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~
1295 ~~[(B) semiconductor manufacturing equipment.]~~
1296 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

1297 commission may make rules for calculating redevelopment adjustments for a calendar year.

1298 [~~(5)~~] (10) (a) On or before June 22, [~~each~~] a taxing entity shall annually adopt a
1299 tentative budget.

1300 (b) If the taxing entity intends to exceed the certified tax rate, [~~it~~] the taxing entity shall
1301 notify the county auditor of:

1302 (i) its intent to exceed the certified tax rate; and

1303 (ii) the amount by which it proposes to exceed the certified tax rate.

1304 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
1305 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

1306 Section 12. Section 59-2-924.2 is amended to read:

1307 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

1308 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated
1309 in accordance with Section 59-2-924.

1310 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from
1311 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1312 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
1313 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
1314 rate to offset the increased revenues.

1315 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under
1316 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

1317 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
1318 revenue to be distributed to the county under Subsection 59-12-1102(3); and

1319 (ii) increased by the amount necessary to offset the county's reduction in revenue from
1320 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1321 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
1322 (3)(a)(i).

1323 (b) The commission shall determine estimates of sales and use tax distributions for
1324 purposes of Subsection (3)(a).

1325 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
1326 communities sales and use tax under Section 59-12-402, the municipality's certified tax rate
1327 shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of

1328 estimated revenue from the additional resort communities sales and use tax imposed under
1329 Section 59-12-402.

1330 (5) (a) This Subsection (5) applies to each county that:

1331 (i) establishes a countywide special service district under Title 17D, Chapter 1, Special
1332 Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and

1333 (ii) levies a property tax on behalf of the special service district under Section
1334 17D-1-105.

1335 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be
1336 decreased by the amount necessary to reduce county revenues by the same amount of revenues
1337 that will be generated by the property tax imposed on behalf of the special service district.

1338 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
1339 levy on behalf of the special service district under Section 17D-1-105.

1340 (6) (a) As used in this Subsection (6):

1341 (i) "Annexing county" means a county whose unincorporated area is included within a
1342 public safety district by annexation.

1343 (ii) "Annexing municipality" means a municipality whose area is included within a
1344 public safety district by annexation.

1345 (iii) "Equalized public safety protection tax rate" means the tax rate that results from:

1346 (A) calculating, for each participating county and each participating municipality, the
1347 property tax revenue necessary:

1348 (I) in the case of a fire district, to cover all of the costs associated with providing fire
1349 protection, paramedic, and emergency services:

1350 (Aa) for a participating county, in the unincorporated area of the county; and

1351 (Bb) for a participating municipality, in the municipality; or

1352 (II) in the case of a police district, to cover all the costs:

1353 (Aa) associated with providing law enforcement service:

1354 (Ii) for a participating county, in the unincorporated area of the county; and

1355 (IIii) for a participating municipality, in the municipality; and

1356 (Bb) that the police district board designates as the costs to be funded by a property
1357 tax; and

1358 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all

1359 participating counties and all participating municipalities and then dividing that sum by the
1360 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

1361 (I) for participating counties, in the unincorporated area of all participating counties;
1362 and

1363 (II) for participating municipalities, in all the participating municipalities.

1364 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
1365 Area Act:

1366 (A) created to provide fire protection, paramedic, and emergency services; and

1367 (B) in the creation of which an election was not required under Subsection
1368 17B-1-214(3)(c).

1369 (v) "Participating county" means a county whose unincorporated area is included
1370 within a public safety district at the time of the creation of the public safety district.

1371 (vi) "Participating municipality" means a municipality whose area is included within a
1372 public safety district at the time of the creation of the public safety district.

1373 (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
1374 Area Act, within a county of the first class:

1375 (A) created to provide law enforcement service; and

1376 (B) in the creation of which an election was not required under Subsection
1377 17B-1-214(3)(c).

1378 (viii) "Public safety district" means a fire district or a police district.

1379 (ix) "Public safety service" means:

1380 (A) in the case of a public safety district that is a fire district, fire protection,
1381 paramedic, and emergency services; and

1382 (B) in the case of a public safety district that is a police district, law enforcement
1383 service.

1384 (b) In the first year following creation of a public safety district, the certified tax rate of
1385 each participating county and each participating municipality shall be decreased by the amount
1386 of the equalized public safety tax rate.

1387 (c) In the first budget year following annexation to a public safety district, the certified
1388 tax rate of each annexing county and each annexing municipality shall be decreased by an
1389 amount equal to the amount of revenue budgeted by the annexing county or annexing

1390 municipality:

1391 (i) for public safety service; and

1392 (ii) in:

1393 (A) for a taxing entity operating under a January 1 through December 31 fiscal year,

1394 the prior calendar year; or

1395 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior

1396 fiscal year.

1397 (d) Each tax levied under this section by a public safety district shall be considered to

1398 be levied by:

1399 (i) each participating county and each annexing county for purposes of the county's tax

1400 limitation under Section 59-2-908; and

1401 (ii) each participating municipality and each annexing municipality for purposes of the

1402 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a

1403 city.

1404 (e) The calculation of a public safety district's certified tax rate for the year of

1405 annexation shall be adjusted to include an amount of revenue equal to one half of the amount

1406 of revenue budgeted by the annexing entity for public safety service in the annexing entity's

1407 prior fiscal year if:

1408 (i) the public safety district operates on a January 1 through December 31 fiscal year;

1409 (ii) the public safety district approves an annexation of an entity operating on a July 1

1410 through June 30 fiscal year; and

1411 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

1412 [~~(7) For the calendar year beginning on January 1, 2007, the calculation of a taxing~~

1413 ~~entity's certified tax rate, calculated in accordance with Section 59-2-924, shall be adjusted by~~

1414 ~~the amount necessary to offset any change in the certified tax rate that may result from~~

1415 ~~excluding the following from the certified tax rate under Subsection 59-2-924(3) enacted by the~~

1416 ~~Legislature during the 2007 General Session:]~~

1417 [~~(a) personal property tax revenue:]~~

1418 [~~(i) received by a taxing entity;]~~

1419 [~~(ii) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~

1420 [~~(iii) for personal property that is semiconductor manufacturing equipment; or]~~

1421 ~~[(b) the taxable value of personal property:]~~
1422 ~~[(i) contained on the tax rolls of a taxing entity:]~~
1423 ~~[(ii) assessed by a county assessor in accordance with Part 3, County Assessment; and]~~
1424 ~~[(iii) that is semiconductor manufacturing equipment.]~~
1425 ~~[(8)]~~ (7) (a) The base taxable value ~~[for the base year]~~ under Subsection 17C-1-102(6)
1426 shall be reduced for any year to the extent necessary to provide a community development and
1427 renewal agency established under Title 17C, Limited Purpose Local Government Entities -
1428 Community Development and Renewal Agencies Act, with approximately the same amount of
1429 money the agency would have received without a reduction in the county's certified tax rate,
1430 calculated in accordance with Section 59-2-924, if:
1431 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);
1432 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
1433 previous year; and
1434 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1435 Section 17C-1-403 or 17C-1-404.
1436 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any
1437 year to the extent necessary to provide a community development and renewal agency with
1438 approximately the same amount of money as the agency would have received without an
1439 increase in the certified tax rate that year if:
1440 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
1441 a decrease in the certified tax rate under Subsection (2) or (3)(a); and
1442 (ii) the certified tax rate of a city, school district, local district, or special service
1443 district increases independent of the adjustment to the taxable value of the base year.
1444 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),
1445 the amount of money allocated and, when collected, paid each year to a community
1446 development and renewal agency established under Title 17C, Limited Purpose Local
1447 Government Entities - Community Development and Renewal Agencies Act, for the payment
1448 of bonds or other contract indebtedness, but not for administrative costs, may not be less than
1449 that amount would have been without a decrease in the certified tax rate under Subsection (2)
1450 or (3)(a).
1451 ~~[(9)]~~ (8) (a) For the calendar year beginning on January 1, 2014, the calculation of a

1452 county assessing and collecting levy shall be adjusted by the amount necessary to offset:

1453 (i) any change in the certified tax rate that may result from amendments to Part 16,
1454 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3;
1455 and

1456 (ii) the difference in the amount of revenue a taxing entity receives from or contributes
1457 to the Property Tax Valuation Agency Fund, created in Section 59-2-1602, that may result from
1458 amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014,
1459 Chapter 270, Section 3.

1460 (b) A taxing entity is not required to comply with the notice and public hearing
1461 requirements in Section 59-2-919 for an adjustment to the county assessing and collecting levy
1462 described in Subsection ~~[(9)]~~ (8)(a).

1463 Section 13. Section 59-2-924.3 is amended to read:

1464 **59-2-924.3. Adjustment of the calculation of the certified tax rate for a school**
1465 **district imposing a capital local levy in a county of the first class.**

1466 (1) As used in this section:

1467 (a) "Capital local levy increment" means the amount of revenue equal to the difference
1468 between:

1469 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value
1470 within a school district during a fiscal year; and

1471 (ii) the amount of revenue the school district received during the same fiscal year from
1472 the distribution described in Section 53A-16-114.

1473 (b) "Contributing school district" means a school district in a county of the first class
1474 that in a fiscal year receives less revenue from the distribution described in Section
1475 53A-16-114 than it would have received during the same fiscal year from a levy imposed
1476 within the school district of .0006 per dollar of taxable value.

1477 (c) "Receiving school district" means a school district in a county of the first class that
1478 in a fiscal year receives more revenue from the distribution described in Section 53A-16-114
1479 than it would have received during the same fiscal year from a levy imposed within the school
1480 district of .0006 per dollar of taxable value.

1481 (2) A receiving school district shall decrease its capital local levy certified tax rate
1482 under Subsection 59-2-924~~[(3)(g)(ii)]~~(7)(b) by the amount required to offset the receiving

1483 school district's estimated capital local levy increment for the prior fiscal year.

1484 (3) A contributing school district is exempt from the notice and public hearing
1485 provisions of Section 59-2-919 for the school district's capital local levy certified tax rate
1486 calculated pursuant to Subsection 59-2-924~~[(3)(g)(ii)](7)(b)~~ if:

1487 (a) the contributing school district budgets an increased amount of ad valorem property
1488 tax revenue exclusive of eligible new growth as defined in [~~Subsection~~] Section 59-2-924~~[(4)]~~
1489 for the capital local levy described in Section 53A-16-113; and

1490 (b) the increased amount of ad valorem property tax revenue described in Subsection
1491 (3)(a) is less than or equal to the difference between:

1492 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value
1493 imposed within the contributing school district during the current taxable year; and

1494 (ii) the amount of revenue generated by a levy of .0006 per dollar of taxable value
1495 imposed within the contributing school district during the prior taxable year.

1496 (4) Regardless of the amount a school district receives from the revenue collected from
1497 the .0006 portion of the capital local levy required in Section 53A-16-113, the revenue
1498 generated within the school district from the .0006 portion of the capital local levy required in
1499 Section 53A-16-113 shall be considered to be budgeted ad valorem property tax revenues of
1500 the school district that levies the .0006 portion of the capital local levy for purposes of
1501 calculating the school district's certified tax rate in accordance with Subsection
1502 59-2-924~~[(3)(g)(ii)](7)(b)~~.

1503 Section 14. Section 59-2-926 is amended to read:

1504 **59-2-926. Proposed tax increase by state -- Notice -- Contents -- Dates.**

1505 If the state authorizes a levy pursuant to Section 53A-17a-135 that exceeds the certified
1506 revenue levy as defined in Section 53A-17a-103 or authorizes a levy pursuant to Section
1507 59-2-1602 that exceeds the certified revenue levy as defined in Section 59-2-102, the state shall
1508 publish a notice no later than 10 days after the last day of the annual legislative general session
1509 that meets the following requirements:

1510 (1) (a) The Office of the Legislative Fiscal Analyst shall advertise that the state
1511 authorized a levy that generates revenue in excess of the previous year's ad valorem tax
1512 revenue, plus eligible new growth as defined in Section 59-2-924, but exclusive of revenue
1513 from collections from redemptions, interest, and penalties:

1514 (i) in a newspaper of general circulation in the state; and

1515 (ii) as required in Section 45-1-101.

1516 (b) Except an advertisement published on a website, the advertisement described in
1517 Subsection (1)(a):

1518 (i) shall be no less than 1/4 page in size and the type used shall be no smaller than 18
1519 point, and surrounded by a 1/4-inch border:

1520 (ii) may not be placed in that portion of the newspaper where legal notices and
1521 classified advertisements appear; and

1522 (iii) shall be run once.

1523 (2) The form and content of the notice shall be substantially as follows:

1524 "NOTICE OF TAX INCREASE

1525 The state has budgeted an increase in its property tax revenue from \$ _____ to
1526 \$ _____ or ____%. The increase in property tax revenues will come from the following
1527 sources (include all of the following provisions):

1528 (a) \$ _____ of the increase will come from (provide an explanation of the cause
1529 of adjustment or increased revenues, such as reappraisals or factoring orders);

1530 (b) \$ _____ of the increase will come from natural increases in the value of the
1531 tax base due to (explain cause of new growth, such as new building activity, annexation, etc.);

1532 (c) a home valued at \$100,000 in the state of Utah which based on last year's (levy for
1533 the basic state-supported school program, levy for the Property Tax Valuation Agency Fund, or
1534 both) paid \$ _____ in property taxes would pay the following:

1535 (i) \$ _____ if the state of Utah did not budget an increase in property tax revenue
1536 exclusive of new growth; and

1537 (ii) \$ _____ under the increased property tax revenues exclusive of eligible new
1538 growth budgeted by the state of Utah."

1539 Section 15. Section 59-2-1330 is amended to read:

1540 **59-2-1330. Payment of property taxes -- Payments to taxpayer by state or taxing**
1541 **entity -- Refund of penalties paid by taxpayer -- Refund of interest paid by taxpayer --**
1542 **Payment of interest to taxpayer -- Judgment levy -- Objections to assessments by the**
1543 **commission -- Time periods for making payments to taxpayer.**

1544 (1) Unless otherwise specifically provided by statute, property taxes shall be paid

1545 directly to the county assessor or the county treasurer:

1546 (a) on the date that the property taxes are due; and

1547 (b) as provided in this chapter.

1548 (2) A taxpayer shall receive payment as provided in this section if a reduction in the
1549 amount of any tax levied against any property for which the taxpayer paid a tax or any portion
1550 of a tax under this chapter for a calendar year is required by a final and unappealable judgment
1551 or order described in Subsection (3) issued by:

1552 (a) a county board of equalization;

1553 (b) the commission; or

1554 (c) a court of competent jurisdiction.

1555 (3) (a) For purposes of Subsection (2), the state or any taxing entity that has received
1556 property taxes or any portion of property taxes from a taxpayer described in Subsection (2)
1557 shall pay the taxpayer if:

1558 (i) the taxes the taxpayer paid in accordance with Subsection (2) are collected by an
1559 authorized officer of the:

1560 (A) county; or

1561 (B) state; and

1562 (ii) the taxpayer obtains a final and unappealable judgment or order:

1563 (A) from:

1564 (I) a county board of equalization;

1565 (II) the commission; or

1566 (III) a court of competent jurisdiction;

1567 (B) against:

1568 (I) the taxing entity or an authorized officer of the taxing entity; or

1569 (II) the state or an authorized officer of the state; and

1570 (C) ordering a reduction in the amount of any tax levied against any property for which
1571 a taxpayer paid a tax or any portion of a tax under this chapter for the calendar year.

1572 (b) The amount that the state or a taxing entity shall pay a taxpayer shall be determined
1573 in accordance with Subsections (4) through (7).

1574 (4) For purposes of Subsections (2) and (3), the amount the state shall pay to a taxpayer
1575 is equal to the sum of:

1576 (a) if the difference described in this Subsection (4)(a) is greater than \$0, the difference
1577 between:

- 1578 (i) the tax the taxpayer paid to the state in accordance with Subsection (2); and
- 1579 (ii) the amount of the taxpayer's tax liability to the state after the reduction in the
1580 amount of tax levied against the property in accordance with the final and unappealable
1581 judgment or order described in Subsection (3);

1582 (b) if the difference described in this Subsection (4)(b) is greater than \$0, the difference
1583 between:

- 1584 (i) any penalties the taxpayer paid to the state in accordance with Section 59-2-1331;
- 1585 and

1586 (ii) the amount of penalties the taxpayer is liable to pay to the state in accordance with
1587 Section 59-2-1331 after the reduction in the amount of tax levied against the property in
1588 accordance with the final and unappealable judgment or order described in Subsection (3);

1589 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
1590 Section 59-2-1331 on the amounts described in Subsections (4)(a) and (4)(b); and

1591 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

- 1592 (i) Subsection (4)(a);
- 1593 (ii) Subsection (4)(b); and
- 1594 (iii) Subsection (4)(c).

1595 (5) For purposes of Subsections (2) and (3), the amount a taxing entity shall pay to a
1596 taxpayer is equal to the sum of:

1597 (a) if the difference described in this Subsection (5)(a) is greater than \$0, the difference
1598 between:

- 1599 (i) the tax the taxpayer paid to the taxing entity in accordance with Subsection (2); and
- 1600 (ii) the amount of the taxpayer's tax liability to the taxing entity after the reduction in
1601 the amount of tax levied against the property in accordance with the final and unappealable
1602 judgment or order described in Subsection (3);

1603 (b) if the difference described in this Subsection (5)(b) is greater than \$0, the difference
1604 between:

- 1605 (i) any penalties the taxpayer paid to the taxing entity in accordance with Section
1606 59-2-1331; and

1607 (ii) the amount of penalties the taxpayer is liable to pay to the taxing entity in
1608 accordance with Section 59-2-1331 after the reduction in the amount of tax levied against the
1609 property in accordance with the final and unappealable judgment or order described in
1610 Subsection (3);

1611 (c) as provided in Subsection (6)(a), interest the taxpayer paid in accordance with
1612 Section 59-2-1331 on the amounts described in Subsections (5)(a) and (5)(b); and

1613 (d) as provided in Subsection (6)(b), interest on the sum of the amounts described in:

1614 (i) Subsection (5)(a);

1615 (ii) Subsection (5)(b); and

1616 (iii) Subsection (5)(c).

1617 (6) Except as provided in Subsection (7):

1618 (a) interest shall be refunded to a taxpayer on the amount described in Subsection
1619 (4)(c) or (5)(c) in an amount equal to the amount of interest the taxpayer paid in accordance
1620 with Section 59-2-1331; and

1621 (b) interest shall be paid to a taxpayer on the amount described in Subsection (4)(d) or
1622 (5)(d):

1623 (i) beginning on the later of:

1624 (A) the day on which the taxpayer paid the tax in accordance with Subsection (2); or

1625 (B) January 1 of the calendar year immediately following the calendar year for which
1626 the tax was due;

1627 (ii) ending on the day on which the state or a taxing entity pays to the taxpayer the
1628 amount required by Subsection (4) or (5); and

1629 (iii) at the interest rate earned by the state treasurer on public funds transferred to the
1630 state treasurer in accordance with Section 51-7-5.

1631 (7) Notwithstanding Subsection (6):

1632 (a) the state may not pay or refund interest to a taxpayer under Subsection (6) on any
1633 tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax levied
1634 by the state for that calendar year as stated on the notice required by Section 59-2-1317; and

1635 (b) a taxing entity may not pay or refund interest to a taxpayer under Subsection (6) on
1636 any tax the taxpayer paid in accordance with Subsection (2) that exceeds the amount of tax
1637 levied by the taxing entity for that calendar year as stated on the notice required by Section

1638 59-2-1317.

1639 (8) (a) Each taxing entity may levy a tax to pay its share of the final and unappealable
1640 judgment or order described in Subsection (3) if:

1641 (i) the final and unappealable judgment or order is issued no later than 15 days prior to
1642 the date the [levy] certified tax rate is set under [~~Subsection~~] Section 59-2-924[(3)(a)];

1643 (ii) the amount of the judgment levy is included on the notice under Section
1644 59-2-919.1; and

1645 (iii) the final and unappealable judgment or order is an eligible judgment, as defined in
1646 Section 59-2-102.

1647 (b) The levy under Subsection (8)(a) is in addition to, and exempt from, the maximum
1648 levy established for the taxing entity.

1649 (9) (a) A taxpayer that objects to the assessment of property assessed by the
1650 commission shall pay, on or before the date of delinquency established under Subsection
1651 59-2-1331(1) or Section 59-2-1332, the full amount of taxes stated on the notice required by
1652 Section 59-2-1317 if:

1653 (i) the taxpayer has applied to the commission for a hearing in accordance with Section
1654 59-2-1007 on the objection to the assessment; and

1655 (ii) the commission has not issued a written decision on the objection to the assessment
1656 in accordance with Section 59-2-1007.

1657 (b) A taxpayer that pays the full amount of taxes due under Subsection (9)(a) is not
1658 required to pay penalties or interest on an assessment described in Subsection (9)(a) unless:

1659 (i) a final and unappealable judgment or order establishing that the property described
1660 in Subsection (9)(a) has a value greater than the value stated on the notice required by Section
1661 59-2-1317 is issued by:

1662 (A) the commission; or

1663 (B) a court of competent jurisdiction; and

1664 (ii) the taxpayer fails to pay the additional tax liability resulting from the final and
1665 unappealable judgment or order described in Subsection (9)(b)(i) within a 45-day period after
1666 the county bills the taxpayer for the additional tax liability.

1667 (10) (a) Except as provided in Subsection (10)(b), a payment that is required by this
1668 section shall be paid to a taxpayer:

1669 (i) within 60 days after the day on which the final and unappealable judgment or order
1670 is issued in accordance with Subsection (3); or

1671 (ii) if a judgment levy is imposed in accordance with Subsection (8):

1672 (A) if the payment to the taxpayer required by this section is \$5,000 or more, no later
1673 than December 31 of the year in which the judgment levy is imposed; and

1674 (B) if the payment to the taxpayer required by this section is less than \$5,000, within
1675 60 days after the date the final and unappealable judgment or order is issued in accordance with
1676 Subsection (3).

1677 (b) Notwithstanding Subsection (10)(a), a taxpayer may enter into an agreement:

1678 (i) that establishes a time period other than a time period described in Subsection
1679 (10)(a) for making a payment to the taxpayer that is required by this section; and

1680 (ii) with:

1681 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or

1682 (B) an authorized officer of the state for a tax imposed by the state.

1683 Section 16. Section **63I-1-259** is amended to read:

1684 **63I-1-259. Repeal dates, Title 59.**

1685 (1) Subsection [59-2-924](#)~~(3)(g)~~[\(7\)](#) is repealed on December 31, 2016.

1686 (2) Section [59-2-924.3](#) is repealed on December 31, 2016.

1687 (3) Section [59-9-102.5](#) is repealed December 31, 2020.

1688 Section 17. **Effective date.**

1689 This bill takes effect on January 1, 2016.