

Wayne A. Harper proposes the following substitute bill:

Tax Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: R. Neil Walter

LONG TITLE

General Description:

This bill modifies provisions relating to tax.

Highlighted Provisions:

This bill:

▸ creates the Statewide Tax Administration and Technology Solutions program, which includes the following services:

- maintenance and enhancement of the statewide property tax system, including statewide web portals;
- provision of property valuation services;
- valuation of personal property of telecommunications service providers;
- participation in a study on the rate of a recovery fee for rentals of heavy equipment;

and

- collation of information from county auditors on project areas and from entities that seek to receive and receive tax increment financing;

- establishes the program manager;
- transfers responsibilities from the Multicounty Appraisal Trust (MCAT) to the program manager;
- transfers existing MCAT personal property and unexpended revenue to the program manager;
- imposes accounting and reporting obligations on the program manager;
- grants rulemaking authority to the State Tax Commission to establish the requirements for the statewide property tax system and for a county to comply with a factoring order;
- provides the conditions for a county to opt out of use of the statewide property tax system;
- beginning July 1, 2026, requires an entity intending to use tax increment to first:

- 29 • conduct a public meeting; and
- 30 • submit information to the program manager and notice to the taxing entities providing
- 31 tax increment and the entities distributing tax increment;
- 32 ▸ requires most types of entities that receive more revenue from tax increment than
- 33 anticipated to use the revenue to pay off debt;
- 34 ▸ requires an entity that receives tax increment to report annually to the program manager;
- 35 ▸ modifies definitions relating to public service districts to reflect the transition of land
- 36 within the public service districts from unincorporated county to incorporated cities or
- 37 towns since the public service districts formed; and
- 38 ▸ makes technical and conforming changes.

39 **Money Appropriated in this Bill:**

40 None

41 **Other Special Clauses:**

42 This bill provides a special effective date.

43 This bill provides retrospective operation.

44 **Utah Code Sections Affected:**

45 AMENDS:

46 **10-21-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
47 First Special Session, Chapter 15

48 **10-21-504 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
49 First Special Session, Chapter 15

50 **11-58-803 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Second Special
51 Session, Chapter 1

52 **11-59-208 (Effective 05/06/26) (Repealed 01/01/29)**, as enacted by Laws of Utah 2022,
53 Chapter 237

54 **11-70-401 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
55 Session, Chapter 16

56 **17-80-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
57 First Special Session, Chapter 14

58 **17-80-504 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
59 First Special Session, Chapter 14

60 **17C-1-606 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 480

61 **17D-4-205 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2021,
62 Chapter 314

63 **59-2-306.5 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
64 of Utah 2024, Chapter 315

65 **59-2-307 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
66 Utah 2022, Chapter 239

67 **59-2-308 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
68 Utah 2022, Chapter 239

69 **59-2-704 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
70 Utah 2025, Chapter 337

71 **59-2-919.1 (Effective 05/06/26) (Superseded 07/01/26) (Applies beginning 01/01/26)**, as
72 last amended by Laws of Utah 2025, Chapter 518

73 **59-2-919.1 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, Chapter 518

74 **59-2-924.2 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
75 of Utah 2025, Chapter 29

76 **59-2-1601 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
77 of Utah 2024, Chapter 263

78 **59-2-1602 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
79 of Utah 2025, Chapters 337, 484

80 **59-2-1605 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
81 of Utah 2014, Chapter 270

82 **59-2-1606 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
83 of Utah 2025, Chapter 337

84 **59-2-2001 (Effective 05/06/26) (Applies beginning 01/01/26)**, as enacted by Laws of
85 Utah 2025, Chapter 432

86 **59-2-2002 (Effective 05/06/26) (Applies beginning 01/01/26)**, as enacted by Laws of
87 Utah 2025, Chapter 432

88 **63H-1-501 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 514

89 **63I-1-259 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 270

90 **63N-3-602 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29

91 **63N-3-603.1 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 29

92 **63N-3-607 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 404

93 **63N-3-609 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29

94 **63N-3-1601 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 440

95 **63N-3-1606 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537

96 **63N-3-1608 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537

97 **63N-3-1701 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 495

98 **63N-3-1708 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 495

99 ENACTS:

100 **59-1-1901 (Effective 05/06/26)**, Utah Code Annotated 1953

101 **59-1-1902 (Effective 05/06/26)**, Utah Code Annotated 1953

102 **59-35-101 (Effective 05/06/26)**, Utah Code Annotated 1953

103 **59-35-201 (Effective 05/06/26)**, Utah Code Annotated 1953

104 **59-35-202 (Effective 05/06/26)**, Utah Code Annotated 1953

105 **59-35-203 (Effective 05/06/26)**, Utah Code Annotated 1953

106 **59-35-204 (Effective 05/06/26)**, Utah Code Annotated 1953

107 **59-35-301 (Effective 05/06/26)**, Utah Code Annotated 1953

108 **59-35-302 (Effective 05/06/26)**, Utah Code Annotated 1953

109 REPEALS AND REENACTS:

110 **17C-1-603 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 480

111 REPEALS:

112 **59-2-1603 (Effective 05/06/26) (Repealed 07/01/30)**, as last amended by Laws of Utah
113 2022, Chapter 451

114

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

116 Section 1. Section **10-21-101** is amended to read:

117 **10-21-101 (Effective 05/06/26). Definitions.**

118 As used in this part:

- 119 (1) "Affordable housing" means housing offered for sale at 80% or less of the median
120 county home price for housing of that type.
- 121 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 122 (3) "Applicable metropolitan planning organization" means the metropolitan planning
123 organization that has jurisdiction over the area in which a fixed guideway public transit
124 station is located.
- 125 (4) "Applicable public transit district" means the public transit district, as defined in Section
126 17B-2a-802, of which a fixed guideway public transit station is included.
- 127 (5) "Base taxable value" means a property's taxable value as shown upon the assessment
128 roll last equalized during the base year.
- 129 (6) "Base year" means, for a proposed home ownership promotion zone area, a year
130 beginning the first day of the calendar quarter determined by the last equalized tax roll

- 131 before the adoption of the home ownership promotion zone.
- 132 (7) "Division" means the Housing and Community Development Division within the
133 Department of Workforce Services.
- 134 (8) "Existing fixed guideway public transit station" means a fixed guideway public transit
135 station for which construction begins before June 1, 2022.
- 136 (9) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 137 (10) "Home ownership promotion zone" means a home ownership promotion zone created
138 in accordance with this part.
- 139 (11) "Implementation plan" means the implementation plan adopted as part of the moderate
140 income housing element of a specified municipality's general plan as provided in
141 Subsection 10-21-201(4).
- 142 (12) "Initial report" or "initial moderate income housing report" means the one-time report
143 described in Subsection 10-21-202(1).
- 144 (13) "Internal accessory dwelling unit" means an accessory dwelling unit created:
145 (a) within a primary dwelling;
146 (b) within the footprint of the primary dwelling described in Subsection (13)(a) at the
147 time the internal accessory dwelling unit is created; and
148 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.
- 149 (14) "Moderate income housing strategy" means a strategy described in Subsection
150 10-21-201(3)(a)(iii).
- 151 (15) "New fixed guideway public transit station" means a fixed guideway public transit
152 station for which construction begins on or after June 1, 2022.
- 153 (16) "Participant" means the same as that term is defined in Section 17C-1-102.
- 154 (17) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 155 (18)(a) "Primary dwelling" means a single-family dwelling that:
156 (i) is detached; and
157 (ii) is occupied as the primary residence of the owner of record.
- 158 (b) "Primary dwelling" includes a garage if the garage:
159 (i) is a habitable space; and
160 (ii) is connected to the primary dwelling by a common wall.
- 161 (19) "Project improvements" means the same as that term is defined in Section 11-36a-102.
- 162 (20) "Qualifying land use petition" means a petition:
163 (a) that involves land located within a station area for an existing public transit station
164 that provides rail services;

- 165 (b) that involves land located within a station area for which the municipality has not yet
166 satisfied the requirements of Subsection 10-21-203(1)(a);
- 167 (c) that proposes the development of an area greater than five contiguous acres, with no
168 less than 51% of the acreage within the station area;
- 169 (d) that would require the municipality to amend the municipality's general plan or
170 change a zoning designation for the land use application to be approved;
- 171 (e) that would require a higher density than the density currently allowed by the
172 municipality;
- 173 (f) that proposes the construction of new residential units, at least 10% of which are
174 dedicated to moderate income housing; and
- 175 (g) for which the land use applicant requests the municipality to initiate the process of
176 satisfying the requirements of Subsection 10-21-203(1)(a) for the station area in
177 which the development is proposed, subject to Subsection 10-21-203(2)(d).
- 178 (21) "Report" means an initial report or a subsequent progress report.
- 179 (22) "Specified municipality" means:
- 180 (a) a city of the first, second, third, or fourth class; or
- 181 (b) a city of the fifth class with a population of 5,000 or more, if the city is located
182 within a county of the first, second, or third class.
- 183 (23)(a) "Station area" means:
- 184 (i) for a fixed guideway public transit station that provides rail services, the area
185 within a one-half mile radius of the center of the fixed guideway public transit
186 station platform; or
- 187 (ii) for a fixed guideway public transit station that provides bus services only, the
188 area within a one-fourth mile radius of the center of the fixed guideway public
189 transit station platform.
- 190 (b) "Station area" includes any parcel bisected by the radius limitation described in
191 Subsection (a)(i) or (ii).
- 192 (24) "Station area plan" means a plan that:
- 193 (a) establishes a vision, and the actions needed to implement that vision, for the
194 development of land within a station area; and
- 195 (b) is developed and adopted in accordance with this section.
- 196 (25) "Subsequent progress report" means the annual report described in Subsection
197 10-21-202(2).
- 198 (26) "System improvements" means the same as that term is defined in Section 11-36a-102.

- 199 (27) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 200 (28)(a) "Tax increment" means the difference between:
- 201 (i) the amount of property tax revenue generated each tax year by a taxing entity from
- 202 the area within a home ownership promotion zone, using the current assessed
- 203 value and each taxing entity's current certified tax rate as defined in Section
- 204 59-2-924; and
- 205 (ii) the amount of property tax revenue that would be generated from that same area
- 206 using the base taxable value and each taxing entity's current certified tax rate as
- 207 defined in Section 59-2-924.
- 208 (b) "Tax increment" does not include property revenue from~~[:]~~ a multicounty assessing
- 209 and collecting levy or a county additional property tax described in Section 59-2-1602.
- 210 ~~[(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
- 211 ~~or]~~
- 212 ~~[(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~
- 213 (29) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 214 Section 2. Section **10-21-504** is amended to read:
- 215 **10-21-504 (Effective 05/06/26). Payment, use, and administration of revenue**
- 216 **from a home ownership promotion zone.**
- 217 (1)(a) A municipality may receive tax increment and use home ownership promotion
- 218 zone funds in accordance with this section.
- 219 (b) The maximum amount of time that a municipality may receive and use tax increment
- 220 in accordance with a home ownership promotion zone is 15 consecutive years.
- 221 (2) A county that collects property tax on property located within a home ownership
- 222 promotion zone shall distribute, in accordance with Section 59-2-1365, ~~[distribute]~~60%
- 223 of the tax increment ~~[collected]~~ the county collects from property within the home
- 224 ownership promotion zone to the municipality over the home ownership promotion zone
- 225 to ~~[be used]~~ use as described in this section.
- 226 (3)(a) Tax increment distributed to a municipality in accordance with Subsection (2) is
- 227 not revenue of the taxing entity or municipality, but home ownership promotion zone
- 228 funds.
- 229 (b) ~~[Home ownership promotion zone funds may be administered by an agency created~~
- 230 ~~by the municipality within which the home ownership promotion zone is located.]~~ An
- 231 agency created by the municipality within which the home ownership promotion
- 232 zone is located may administer home ownership promotion zone funds.

- 233 (c) Before an agency may receive home ownership promotion zone funds from a
234 municipality, the agency shall enter into an interlocal agreement with the
235 municipality.
- 236 (4)(a) A municipality or agency shall use home ownership promotion zone funds within,
237 or for the direct benefit of, the home ownership promotion zone.
- 238 (b) If any home ownership promotion zone funds will be used outside of the home
239 ownership promotion zone, the legislative body of the municipality shall make a
240 finding that the use of the home ownership promotion zone funds outside of the home
241 ownership promotion zone will directly benefit the home ownership promotion zone.
- 242 (5) A municipality or agency shall use home ownership promotion zone funds to achieve
243 the purposes described in Section 10-21-502 by paying all or part of the costs of any of
244 the following:
- 245 (a) project improvement costs;
246 (b) systems improvement costs;
247 (c) water exaction costs;
248 (d) street lighting costs;
249 (e) environmental remediation costs; or
250 (f) the costs of the municipality or agency to create and administer the home ownership
251 promotion zone, which may not exceed 3% of the total home ownership promotion
252 zone funds.
- 253 (6) Home ownership promotion zone funds may be paid to a participant, if the municipality
254 and participant enter into a participation agreement which requires the participant to [
255 ~~utilize~~] use the home ownership promotion zone funds as allowed in this section.
- 256 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds
257 issued by the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency
258 Bonds, including the cost to issue and repay the bonds including interest.
- 259 (8) A municipality may:
- 260 (a) create one or more public infrastructure districts within a home ownership promotion
261 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and
262 (b) pledge and [~~utilize~~] use the home ownership promotion zone funds to guarantee the
263 payment of public infrastructure bonds issued by a public infrastructure district.
- 264 (9) A municipality, agency, or public infrastructure district that intends to receive or
265 receives tax increment, as defined in Section 59-35-101, shall comply with the
266 requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.

267 Section 3. Section **11-58-803** is amended to read:

268 **11-58-803 (Effective 05/06/26). Port authority reporting.**

269 (1)(a) On or before November 1 of each year, the authority shall prepare and file a report
270 with the county auditor of each county in which the authority jurisdictional land is
271 located, the State Tax Commission, the State Board of Education, and each taxing
272 entity that levies a tax on property from which the authority collects property tax
273 differential.

274 (b) The requirement of Subsection (1)(a) to file a copy of the report with the state as a
275 taxing entity is met if the authority files a copy with the State Tax Commission and
276 the state auditor.

277 (2) Each report under Subsection (1) shall contain:

278 (a) an estimate of the property tax differential to be paid to the authority for the calendar
279 year ending December 31; and

280 (b) an estimate of the property tax differential to be paid to the authority for the calendar
281 year beginning the next January 1.

282 (3) Before November 30 of each year, the board shall present a report to the Executive
283 Appropriations Committee of the Legislature, as the Executive Appropriations
284 Committee directs, that includes:

285 (a) an accounting of how authority funds have been spent, including funds spent on the
286 environmental sustainability component of the authority business plan under
287 Subsection 11-58-202(1)(a);

288 (b) an update about the progress of the development and implementation of the authority
289 business plan under Subsection 11-58-202(1)(a), including the development and
290 implementation of the environmental sustainability component of the plan; and

291 (c) an explanation of the authority's progress in achieving the policies and objectives
292 described in Subsection 11-58-203(1).

293 (4) The authority shall comply with the requirements described in Title 59, Chapter 35, Tax
294 Increment Financing Reporting.

295 Section 4. Section **11-59-208** is amended to read:

296 **11-59-208 (Effective 05/06/26) (Repealed 01/01/29). Portion of property tax**
297 **augmentation to be paid to authority -- Reporting.**

298 (1) As used in this section:

299 (a) "Base taxable value" means the taxable value in the year before the transfer date.

300 (b) "Property tax augmentation":

- 301 (i) means the amount of property tax that is the difference between:
- 302 (A) the amount of property tax revenues generated each tax year by all taxing
- 303 entities from a transferred parcel, using the current assessed value of the
- 304 property; and
- 305 (B) the amount of property tax revenues that would be generated from that same
- 306 transferred parcel using the base taxable value of the property; and
- 307 (ii) does not include property tax revenue from:
- 308 (A) a county additional property tax or multicounty assessing and collecting levy
- 309 imposed in accordance with Section 59-2-1602;
- 310 (B) a judgment levy imposed by a taxing entity under Section 59-2-1328 or
- 311 59-2-1330; or
- 312 (C) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general
- 313 obligation bond.
- 314 (c) "Transfer date" means the date that fee title to land that is part of the point of the
- 315 mountain state land is transferred to a private person.
- 316 (d) "Transferred parcel" means a parcel of land:
- 317 (i) that is part of the point of the mountain state land; and
- 318 (ii) the fee title to which has been transferred to a private person.
- 319 (2) Beginning January 1, 2023, the authority shall be paid 75% of property tax
- 320 augmentation from a transferred parcel:
- 321 (a) for a period of 25 years beginning January 1 of the year immediately following the
- 322 transfer date for the transferred parcel; and
- 323 (b) for a period of an additional 15 years beyond the period stated in Subsection (2)(a) if:
- 324 (i) the board determines by resolution that the additional years will produce a
- 325 significant benefit to the authority; and
- 326 (ii) the resolution is adopted before the end of the 25-year period under Subsection
- 327 (2)(a).
- 328 (3) A county that collects property tax on property within the county in which the point of
- 329 the mountain state land is located shall pay and distribute to the authority the amount of
- 330 property tax augmentation that the authority is entitled to collect under Subsection (2), in
- 331 the manner and at the time provided in Section 59-2-1365.
- 332 (4) The authority shall comply with the requirements described in Title 59, Chapter 35, Tax
- 333 Increment Financing Reporting.
- 334 Section 5. Section **11-70-401** is amended to read:

335 **11-70-401 (Effective 05/06/26). Enhanced property tax revenue to be paid to**
336 **fairpark district -- Reporting.**

- 337 (1) Subject to Subsection (5), the fairpark district shall be paid 90% of enhanced property
338 tax revenue generated from each parcel of privately owned land within the fairpark
339 district boundary:
- 340 (a) beginning the tax year that begins on January 1, 2025; and
 - 341 (b) until the transition date for that parcel.
- 342 (2) Subject to Subsection (5), during the payment period the fairpark district shall be paid
343 up to 100% of enhanced property tax revenue:
- 344 (a) generated from designated parcels of privately owned land within a project area; and
 - 345 (b) as the board specifies in a designation resolution adopted in consultation with a
346 qualified owner.
- 347 (3) For purposes of the payment of enhanced property tax revenue under this section, a
348 payment period shall begin, as specified in the designation resolution, on January 1 of a
349 year that begins after the designation resolution is adopted.
- 350 (4)(a) For purposes of this section, the fairpark district may designate an improved
351 portion of a parcel in a project area as a separate parcel.
- 352 (b) A fairpark district designation of an improved portion of a parcel as a separate parcel
353 under Subsection (4)(a) does not constitute a subdivision, as defined in Section
354 10-20-102 or Section 17-79-102.
 - 355 (c) A county recorder shall assign a separate tax identification number to the improved
356 portion of a parcel designated by the fairpark district as a separate parcel under
357 Subsection (4)(a).
- 358 (5) A host municipality shall be paid a minimum of 25% of the enhanced property tax
359 revenue generated by a property tax imposed by the host municipality to reimburse the
360 host municipality for services the host municipality provides to a project area in
361 accordance with Subsection 11-70-206(6)(c), with the exact amount determined in an
362 agreement between the host municipality and the fairpark district.
- 363 (6) The fairpark district shall comply with the requirements described in Title 59, Chapter
364 35, Tax Increment Financing Reporting.
- 365 Section 6. Section **17-80-101** is amended to read:
- 366 **17-80-101 (Effective 05/06/26). Definitions.**
- 367 As used in this part:
- 368 (1) "Affordable housing" means housing offered for sale at 80% or less of the median

- 369 county home price for housing of that type.
- 370 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 371 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
372 roll last equalized during the base year.
- 373 (4) "Base year" means, for a proposed home ownership promotion zone area, a year
374 beginning the first day of the calendar quarter determined by the last equalized tax roll
375 before the adoption of the home ownership promotion zone.
- 376 (5) "Division" means the Housing and Community Development Division within the
377 Department of Workforce Services.
- 378 (6) "Home ownership promotion zone" means a home ownership promotion zone created in
379 accordance with this part.
- 380 (7) "Implementation plan" means the implementation plan adopted as part of the moderate
381 income housing element of a specified county's general plan.
- 382 (8) "Initial report" means the one-time moderate income housing report described in
383 Subsection 17-80-202(1).
- 384 (9) "Internal accessory dwelling unit" means an accessory dwelling unit created:
385 (a) within a primary dwelling;
386 (b) within the footprint of the detached primary dwelling at the time the internal
387 accessory dwelling unit is created; and
388 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.
- 389 (10) "Moderate income housing strategy" means a strategy described in Section 17-80-201.
- 390 (11) "Participant" means the same as that term is defined in Section 17C-1-102.
- 391 (12) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 392 (13)(a) "Primary dwelling" means a single-family dwelling that:
393 (i) is detached; and
394 (ii) is occupied as the primary residence of the owner of record.
- 395 (b) "Primary dwelling" includes a garage if the garage:
396 (i) is a habitable space; and
397 (ii) is connected to the primary dwelling by a common wall.
- 398 (14) "Project improvements" means the same as that term is defined in Section 11-36a-102.
- 399 (15) "Report" means an initial report or a subsequent report described in Section 17-80-202.
- 400 (16) "Specified county" means a county of the first, second, or third class, which has a
401 population of more than 5,000 in the county's unincorporated areas.
- 402 (17) "Subsequent progress report" means the annual moderate income housing report

403 described in Section 17-80-202.

404 (18) "System improvements" means the same as that term is defined in Section 11-36a-102.

405 (19) "Tax commission" means the State Tax Commission created in Section 59-1-201.

406 (20)(a) "Tax increment" means the difference between:

407 (i) the amount of property tax revenue generated each tax year by a taxing entity from
408 the area within a home ownership promotion zone, using the current assessed
409 value and each taxing entity's current certified tax rate as defined in Section
410 59-2-924; and

411 (ii) the amount of property tax revenue that would be generated from that same area
412 using the base taxable value and each taxing entity's current certified tax rate as
413 defined in Section 59-2-924.

414 (b) "Tax increment" does not include property revenue from~~[:]~~ a multicounty assessing
415 and collecting levy or a county additional property tax described in Section 59-2-1602.

416 ~~[(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
417 ~~or]~~

418 ~~[(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~

419 (21) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

420 Section 7. Section **17-80-504** is amended to read:

421 **17-80-504 (Effective 05/06/26). Payment, use, and administration of revenue**
422 **from a home ownership promotion zone -- Reporting.**

423 (1)(a) A county may receive tax increment and use home ownership promotion zone
424 funds in accordance with this section.

425 (b) The maximum amount of time that a county may receive and use tax increment
426 collected from a home ownership promotion zone is 15 consecutive years.

427 (2) A county that collects property tax on property located within a home ownership
428 promotion zone shall retain, in accordance with Section 59-2-1365,~~[-retain]~~ 60% of the
429 tax increment ~~[collected]~~ the county collects from property within the home ownership
430 promotion zone to ~~[be used]~~ use as described in this section.

431 (3)(a) Tax increment retained by a county in accordance with Subsection (2) is not
432 revenue of the taxing entity or county, but home ownership promotion zone funds.

433 (b) ~~[Home ownership promotion zone funds may be administered by an agency created~~
434 ~~by the county within which the home ownership promotion zone is located.]~~ An
435 agency created by the county within which the home ownership promotion zone is
436 located may administer home ownership promotion zone funds.

- 437 (c) Before an agency may receive home ownership promotion zone funds from a county,
438 the agency shall enter into an interlocal agreement with the county.
- 439 (4)(a) A county or agency shall use home ownership promotion zone funds within, or for
440 the direct benefit of, the home ownership promotion zone.
- 441 (b) If any home ownership promotion zone funds will be used outside of the home
442 ownership promotion zone, the legislative body of the county shall make a finding
443 that the use of the home ownership promotion zone funds outside of the home
444 ownership promotion zone will directly benefit the home ownership promotion zone.
- 445 (5) A county or agency shall use home ownership promotion zone funds to achieve the
446 purposes described in Section 17-80-502 by paying all or part of the costs of any of the
447 following:
- 448 (a) project improvement costs;
449 (b) systems improvement costs;
450 (c) water exaction costs;
451 (d) street lighting costs;
452 (e) environmental remediation costs; or
453 (f) the costs of the county to create and administer the home ownership promotion zone,
454 which may not exceed 3% of the total home ownership promotion zone funds.
- 455 (6) Home ownership promotion zone funds may be paid to a participant, if the county and
456 participant enter into a participation agreement which requires the participant to [~~utilize~~]
457 use the home ownership promotion zone funds as allowed in this section.
- 458 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds
459 issued by the county in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,
460 including the cost to issue and repay the bonds including interest.
- 461 (8) A county may:
- 462 (a) create one or more public infrastructure districts within home ownership promotion
463 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and
464 (b) pledge and [~~utilize~~] use the home ownership promotion zone funds to guarantee the
465 payment of public infrastructure bonds issued by a public infrastructure district.
- 466 (9) A county, an agency, or the public infrastructure district that intends to receive or
467 receives tax increment, as defined in Section 59-35-101, shall comply with the
468 requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.
469 Section 8. Section **17C-1-603** is repealed and reenacted to read:
470 **17C-1-603 (Effective 05/06/26). Reporting requirements.**

471 An agency shall comply with the requirements described in Title 59, Chapter 35, Tax
 472 Increment Financing Reporting.

473 Section 9. Section **17C-1-606** is amended to read:

474 **17C-1-606 (Effective 05/06/26). County auditor report on project areas.**

475 (1)(a) On or before March 31 of each year, the auditor of each county in which an
 476 agency is located shall prepare a report on the project areas within each agency.

477 (b) The county auditor shall send a copy of each report under Subsection (1)(a) to the
 478 agency that is the subject of the report, the State Tax Commission, the State Board of
 479 Education, and each taxing entity from which the agency receives tax increment.

480 ~~Ĥ~~→ [(c) **On or before March 31 of each year, the county auditor shall submit a copy of**
 480a **each**

481 **report under Subsection (1)(a) to the** ←Ĥ Governor's Office of Economic Opportunity]

482 ~~Ĥ~~→ [**program manager, as defined in Section 59-2-1601, for inclusion in the**
 482a **database**

483 **described in** ←Ĥ Section 17C-1-603 ~~Ĥ~~→ **Title 59, Chapter 35, Tax Increment**

483a **Financing.]** ←Ĥ

484 ~~Ĥ~~→ [**Reporting.]**

484a **(c) On or before March 31 of each year, the county auditor shall submit a copy of**
 484b **each report under Subsection (1)(a) to the program manager, as defined in Section**
 484c **59-2-1601, for inclusion in the database described in Title 59, Chapter 35, Tax**
 484d **Increment Financing Reporting.** ←Ĥ

485 (2) Each report under Subsection (1)(a) shall report:

486 (a) the total assessed property value within each project area for the previous tax year;

487 (b) the base taxable value of each project area for the previous tax year;

488 (c) the tax increment available to be paid to the agency for the previous tax year;

489 (d) the tax increment requested by the agency for the previous tax year; and

490 (e) the tax increment paid to the agency for the previous tax year.

491 (3) Within 30 days after a request by an agency, the State Tax Commission, the State Board
 492 of Education, or any taxing entity from which the agency receives tax increment, the
 493 county auditor or the county assessor shall provide access to:

494 (a) the county auditor's method and calculations used to make adjustments under Section
 495 17C-1-408;

496 (b) the unequalized assessed valuation of an existing or proposed project area, or any

497 parcel or parcels within an existing or proposed project area, if the equalized assessed

- 498 valuation has not yet been determined for that year;
- 499 (c) the most recent equalized assessed valuation of an existing or proposed project area
- 500 or any parcel or parcels within an existing or proposed project area; and
- 501 (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax year.
- 502 (4) Each report described in Subsection (1)(a) shall include:
- 503 (a) sufficient detail regarding the calculations performed by a county auditor so that an
- 504 agency or other interested party could repeat and verify the calculations; and
- 505 (b) a detailed explanation of any adjustments made to the base taxable value of each
- 506 project area.

507 Section 10. Section **17D-4-205** is amended to read:

508 **17D-4-205 (Effective 05/06/26). Reporting.**

- 509 (1) A public infrastructure district shall file annual reports with the creating entity
- 510 regarding the public infrastructure district's actions as provided in the governing
- 511 document.
- 512 (2) A public infrastructure district shall comply with the requirements described in Title 59,
- 513 Chapter 35, Tax Increment Financing Reporting.

514 Section 11. Section **59-1-1901** is enacted to read:

515 **Part 19. Statewide Tax Administration and Technology Solutions**

516 **59-1-1901 (Effective 05/06/26). Definitions.**

- 517 (1) "Agency" means a community reinvestment agency, as defined in Section 17C-1-102.
- 518 (2) "Database" means a collection of electronic data to track the information that each TIF
- 519 entity is required to submit, or the program manager collects, in accordance with
- 520 Chapter 35, Tax Increment Financing Reporting.
- 521 (3) "Program manager" means the same as that term is defined in Section 59-2-1601.
- 522 (4) "STATS" means the Statewide Tax Administration and Technology Solutions program,
- 523 created in Section 59-1-1902.
- 524 (5)(a) "TIF entity" means a political subdivision of the state that intends to receive,
- 525 receives, or is authorized to receive tax increment for an approved project area.
- 526 (b) "TIF entity" includes an agency.

527 Section 12. Section **59-1-1902** is enacted to read:

528 **59-1-1902 (Effective 05/06/26). Statewide Tax Administration and Technology**

529 **Solutions -- Duties of program manager.**

- 530 (1) There is created the "Statewide Tax Administration and Technology Solutions"
- 531 program, administered by the program manager.

- 532 (2) STATS services are:
- 533 (a) subject to Subsection (3), the hiring of one or more professional appraisers to provide
- 534 property valuation services within a county of the third, fourth, fifth, or sixth class, as
- 535 classified in Section 17-60-104;
- 536 (b) the performance of the duties related to telecommunications service providers
- 537 described in Sections 59-2-306.5 and 59-2-307;
- 538 (c) the maintenance and enhancement of the statewide property tax system in accordance
- 539 with Section 59-2-1606;
- 540 (d) the coordination with the commission to conduct a study to determine the need for
- 541 adjustment to the rate of the recovery fee as required by Section 59-2-2002; and
- 542 (e) the collation and distribution of the information regarding tax increment financing
- 543 that a TIF entity provides, or the program manager collects, in accordance with Part
- 544 35, Tax Increment Financing Reporting, and a county auditor submits in accordance
- 545 with Section 17C-1-606.
- 546 (3) A professional appraiser hired to provide property valuation services under Subsection
- 547 (2) shall hold an appraiser's certificate or license from the Division of Real Estate in
- 548 accordance with Title 61, Chapter 2g, Real Estate Appraiser Licensing and Certification
- 549 Act.
- 550 (4)(a) The commission shall approve a professional appraiser before the program
- 551 manager hires the professional appraiser.
- 552 (b) The program manager shall determine that hiring a professional appraiser to provide
- 553 property valuation services promotes the objectives described in Subsection
- 554 59-2-1606(2)(a) before hiring a professional appraiser.
- 555 (5)(a) The program manager shall:
- 556 (i) create and maintain a database;
- 557 (ii) summarize and provide analysis of the electronic data within the database; and
- 558 (iii) make the database publicly accessible from the STATS website.
- 559 (b) The program manager may:
- 560 (i) contract with a third party to create and maintain the database; and
- 561 (ii) charge a fee to a TIF entity to cover the program manager's cost of complying
- 562 with Subsection (5)(a).
- 563 (c) The program manager shall determine the amount of the fee described in Subsection
- 564 (5)(b)(ii), provided that the combined fees charged to all TIF entities may not exceed
- 565 the actual cost of complying with Subsection (5)(a).

566 Section 13. Section **59-2-306.5** is amended to read:

567 **59-2-306.5 (Effective 05/06/26) (Applies beginning 01/01/26). Valuation of**
568 **personal property of telecommunications service provider -- Reporting information to**
569 **counties.**

570 (1) As used in this section, [~~"Multicounty Appraisal Trust"~~] "program manager" means the
571 same as that term is defined in Section 59-2-1601.

572 (2) A telecommunications service provider shall provide to the [~~Multicounty Appraisal~~
573 ~~Trust~~] program manager a signed statement setting forth all of the personal property that
574 the telecommunications service provider owns, possesses, manages, or has under the
575 telecommunications service provider's control in the state.

576 (3) The signed statement:

577 (a) may be requested by the [~~Multicounty Appraisal Trust:~~] program manager on or
578 before January 31 of each year;

579 [(i) each year; and]

580 [(ii) if requested, on or before January 31;]

581 (b) shall itemize each item of personal property that the telecommunications service
582 provider owns, possesses, manages, or has under the telecommunications service
583 provider's control:

584 (i) by county and by tax area; and

585 (ii) for the tax year that began on January 1; and

586 (c) shall be submitted:

587 (i) annually on or before March 31; and

588 (ii) electronically in a form [~~approved by~~]the commission approves.

589 (4)(a) Except where an estimate is made in accordance with Subsection [~~59-2-307~~

590 (~~3~~)(b)(i)(C)] 59-2-307(4)(b)(i)(C), the [~~Multicounty Appraisal Trust~~] program manager
591 shall value each item of personal property of a telecommunications service provider
592 according to the personal property valuation guides and schedules [~~established by~~]
593 the commission establishes.

594 (b)(i) Between March 31 and May 31 of each year:

595 (A) the [~~Multicounty Appraisal Trust~~] program manager may communicate with a
596 telecommunications service provider to address any inconsistency or error in
597 the filed signed statement; and

598 (B) the telecommunications service provider may file an amended signed
599 statement with the [~~Multicounty Appraisal Trust~~] program manager regarding

600 the items agreed to by the [~~Multicounty Appraisal Trust~~] program manager and
601 the telecommunications service provider.

602 (ii) The communication described in this Subsection (4)(b) is in addition to the audit
603 authority provided by this chapter.

604 (c) On or before May 31 of each year, the [~~Multicounty Appraisal Trust~~] program
605 manager shall:

606 (i) forward to each county information about the total value of personal property of
607 each telecommunications service provider within the county, by tax area,
608 including a listing of personal property that is exempt; and

609 (ii) issue a tax notice to each telecommunications service provider listing the tax due
610 to each county, by tax area.

611 (d) On or before June 30 of each year, a telecommunications service provider shall pay
612 to the county the tax due on the tax notice.

613 (e) A telecommunications service provider may appeal the valuation of personal
614 property to the county on or before the later of:

615 (i) July 30 of the year the [~~Multicounty Appraisal Trust~~] program manager requests a
616 statement described in Subsection (3)(a); or

617 (ii) 60 days after mailing of a tax notice.

618 (5) The [~~Multicounty Appraisal Trust~~] program manager shall forward to each county
619 information about the total value of personal property of each telecommunications
620 service provider within the county.

621 (6) If a signed statement filed in accordance with this section discloses real property, the [
622 ~~Multicounty Appraisal Trust~~] program manager shall send a copy of the signed statement
623 to the county in which the property is located.

624 Section 14. Section **59-2-307** is amended to read:

625 **59-2-307 (Effective 05/06/26) (Applies beginning 01/01/26). Refusal by taxpayer**
626 **to file signed statement -- Estimation of value -- Penalty.**

627 (1) As used in this section, "program manager" means the same as that term is defined in
628 Section 59-2-1601.

629 [(a)] (2)(a) Each person that fails to file the signed statement required by Section
630 59-2-306 or Section 59-2-306.5, fails to file the signed statement with respect to
631 name and place of residence, or fails to appear and testify when requested by the
632 county assessor[;] shall pay a penalty equal to 10% of the estimated tax due, but not
633 less than \$25 for each failure to file a signed and completed statement.

- 634 (b) The [~~Multicounty Appraisal Trust~~] program manager shall notify the county assessor
 635 of a telecommunications service provider's failure to file the signed statement.
- 636 (c) The county assessor shall collect each penalty under Subsection [~~(1)(a)~~] (2)(a) in the
 637 manner provided by Sections 59-2-1302 and 59-2-1303, except as otherwise provided
 638 for in this section, or by a judicial proceeding brought in the name of the county
 639 assessor.
- 640 (d) The county assessor shall pay all money recovered under this section into the county
 641 treasury.
- 642 [~~(2)~~] (3)(a) Upon a showing of reasonable cause, a county may waive or reduce a penalty
 643 imposed under Subsection [~~(1)(a)~~] (2)(a).
- 644 (b)(i) Except as provided in Subsection [~~(2)(b)(ii)~~] (3)(b)(ii), a county assessor may
 645 impose a penalty under Subsection [~~(1)(a)~~] (2)(a) on or after May 16 of the year
 646 the county assessor requests the statement described in Section 59-2-306 or is due
 647 under Section 59-2-306.5.
- 648 (ii) A county assessor may not impose a penalty under Subsection [~~(1)(a)~~] (2)(a) until
 649 30 days after the postmark date of mailing of a subsequent notice if the signed
 650 statement described in Section 59-2-306 is requested:
- 651 (A) on or after March 16; or
- 652 (B) by a county assessor of a county of the first class, as classified in Section
 653 17-60-104.
- 654 [~~(3)~~] (4)(a) If an owner neglects or refuses to file a signed statement [~~requested by an~~
 655 ~~assessor~~]-as required under Section 59-2-306 after the county assessor makes a
 656 request:
- 657 (i) the county assessor shall:
- 658 (A) make a record of the failure to file; and
- 659 (B) make an estimate of the value of the property of the owner based on known
 660 facts and circumstances; and
- 661 (ii) the county assessor of a county of the first class, as classified in Section 17-60-104:
- 662 (A) shall make a subsequent request by mail for the signed statement, informing
 663 the owner of the consequences of not filing a signed statement; and
- 664 (B) may impose a fee for the actual and necessary expenses of the mailing under
 665 Subsection [~~(3)(a)(ii)(A)~~] (4)(a).
- 666 (b)(i) If a telecommunications service provider neglects or refuses to file a signed
 667 statement in accordance with Section 59-2-306.5, the [~~Multicounty Appraisal Trust~~]

668 program manager shall make:

669 (A) a record of the failure to file;

670 (B) a request by mail for the signed statement, informing the telecommunications
671 service provider of the consequences of not filing a signed statement; and

672 (C) an estimate of the value of the personal property of the telecommunications
673 service provider based on known facts and circumstances.

674 (ii) The [~~Multicounty Appraisal Trust~~] program manager may impose a fee for the
675 actual and necessary expenses of the mailing under Subsection [~~(3)(b)(i)(B)~~] (4)(b).

676 (c) A county board of equalization or the commission may not reduce the value fixed by
677 the county assessor in accordance with Subsection [~~(3)(a)(i)~~] (4)(a)(i) or the [
678 ~~Multicounty Appraisal Trust~~] program manager in accordance with Subsection [
679 ~~(3)(b)(i)~~] (4)(b)(i).

680 Section 15. Section **59-2-308** is amended to read:

681 **59-2-308 (Effective 05/06/26) (Applies beginning 01/01/26). Assessment in name**
682 **of representative -- Assessment of property of decedents -- Assessment of property in**
683 **litigation -- Assessment of personal property valued by program manager.**

684 (1) If a person is assessed as agent, trustee, bailee, guardian, executor, or administrator, a
685 county shall:

686 (a) add the representative designation to the name; and

687 (b) enter the assessment separately from the individual assessment.

688 (2) A county may assess the undistributed or unpartitioned property of a deceased
689 individual to an heir, guardian, executor, or administrator, and the payment of taxes
690 binds all the parties in interest.

691 (3) Property in litigation, which is in the possession of a court or receiver, shall be assessed
692 to the court clerk or receiver, and the taxes shall be paid under the direction of the court.

693 (4) A county shall add the valuation the [~~Multicounty Appraisal Trust~~] program manager, as
694 that term is defined in Section 59-2-1601, gives to personal property of a
695 telecommunications service provider to the valuation of any real property of the
696 telecommunications service provider within the county before making an assessment in
697 accordance with this part.

698 Section 16. Section **59-2-704** is amended to read:

699 **59-2-704 (Effective 05/06/26) (Applies beginning 01/01/26). Assessment studies --**
700 **Sharing of data -- Factoring assessment rates -- Rulemaking.**

701 (1)(a) Each year, to assist in the evaluation of appraisal performance of taxable real

- 702 property, the commission shall conduct and publish studies to determine the
 703 relationship between the market value shown on the assessment roll and the market
 704 value of real property in each county.
- 705 (b) The studies conducted under this Subsection (1) shall include measurements of
 706 uniformity within counties and use statistical methods established by the commission.
- 707 (c) County assessors may provide sales information to the commission for purposes of
 708 the studies conducted under this Subsection (1).
- 709 (d) The commission shall make the sales and appraisal information related to the studies
 710 conducted under this Subsection (1) available to the county assessors upon request.
- 711 (2)(a) ~~[The]~~ Each year, the commission shall ~~[, each year,]~~ order each county to adjust or
 712 factor ~~[its]~~ the county's assessment rates using the most current studies so that the
 713 assessment rate in each county is in accordance with ~~[that prescribed in]~~ Section
 714 59-2-103.
- 715 (b) The adjustment or factoring ordered under this Subsection (2) may include an entire
 716 county, geographical areas within a county, and separate classes of properties.
- 717 (3) If the commission determines that sales data in any county is insufficient to perform the
 718 studies required under Subsection (1), the commission may conduct appraisals of
 719 property within ~~[that]~~ the county.
- 720 (4) If a county fails to implement factoring ~~[ordered]~~ the commission orders under
 721 Subsection (2), the commission shall:
- 722 (a) implement the factoring; and
- 723 (b) charge an amount equal to the reasonable implementation costs of the factoring to
 724 that county.
- 725 ~~[(5) If a county disputes the factoring ordered under Subsection (2), the matter may be~~
 726 ~~mediated by the Multicounty Appraisal Trust as defined in Section 59-2-1601.]~~
- 727 ~~[(6)]~~ (5)(a) The commission may change the factor for any county ~~[which]~~ that, after a
 728 hearing before the commission, establishes that the factor should properly be set at a
 729 different level for ~~[that]~~ the county.
- 730 (b) The commission shall establish the method, procedure, and timetable for the hearings
 731 authorized under this section, including access to information to ensure a fair hearing.
- 732 ~~[(7)]~~ (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 733 commission may establish rules to implement this section, including providing a means
 734 for a county to cure noncompliance with a factoring order.
- 735 Section 17. Section **59-2-919.1** is amended to read:

736 **59-2-919.1 (Effective 05/06/26) (Superseded 07/01/26) (Applies beginning 01/01/26).**

737 **Notice of property valuation and tax changes.**

738 (1) [~~In addition to the notice requirements of Section 59-2-919, the county auditor, on or~~
739 ~~before July 22 of each year,]~~ On or before July 22 of each year, the county auditor, in
740 addition to the notice requirements of Section 59-2-919, shall notify each owner of real
741 estate who is listed on the assessment roll.

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

743 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
744 10 or more days before the day on which:

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

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

748 (b) be on a form that[~~is~~]:

749 (i) [~~approved by~~]the commission approves; and

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

751 (c) contain for each property:

752 (i) the assessor's determination of the value of the property;

753 (ii) the taxable value of the property;

754 (iii) for property assessed by the county assessor:

755 (A) instructions on how the taxpayer may file an application with the county
756 board of equalization to appeal the valuation or equalization of the property
757 under Section 59-2-1004, including instructions for filing an application
758 through electronic means; and

759 (B) the deadline for the taxpayer to make an application to appeal the valuation or
760 equalization of the property under Section 59-2-1004;

761 (iv) for property assessed by the commission:

762 (A) instructions on how the taxpayer may file an application with the commission
763 for a hearing on an objection to the valuation or equalization of the property
764 under Section 59-2-1007;

765 (B) the deadline for the taxpayer to apply to the commission for a hearing on an
766 objection to the valuation or equalization of the property under Section
767 59-2-1007; and

768 (C) a statement that the taxpayer may not appeal the valuation or equalization of
769 the property to the county board of equalization;

- 770 (v) itemized tax information for all applicable taxing entities, including:
- 771 (A) the dollar amount of the taxpayer's tax liability for the property in the prior
- 772 year; and
- 773 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 774 (vi) the following, stated separately:
- 775 (A) the charter school levy described in Section 53F-2-703;
- 776 (B) the multicounty assessing and collecting levy described in [~~Subsection~~
- 777 59-2-1602(2)] Section 59-2-1602;
- 778 (C) the county assessing and collecting levy described in [~~Subsection 59-2-1602(4)~~]
- 779 Section 59-2-1602;
- 780 (D) levies for debt service voted on by the public;
- 781 (E) levies imposed for special purposes under Section 10-6-133.4;
- 782 (F) the combined basic rate as defined in Section 53F-2-301; and
- 783 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 784 (vii) the tax impact on the property;
- 785 (viii) the date, time, and place of the required public hearing for each entity;
- 786 (ix) property tax information pertaining to:
- 787 (A) taxpayer relief; and
- 788 (B) the residential exemption described in Section 59-2-103;
- 789 (x) information specifically authorized to be included on the notice under this chapter;
- 790 (xi) the last property review date of the property as [~~described in Subsection~~
- 791 59-2-303.1(1)(e)] defined in Section 59-2-303.1;
- 792 (xii) instructions on how the taxpayer may obtain additional information regarding
- 793 the valuation of the property, including the characteristics and features of the
- 794 property, from:
- 795 (A) a website maintained by the county; or
- 796 (B) the statewide web portal developed and maintained [~~by the Multicounty~~
- 797 ~~Appraisal Trust under~~] [~~Subsection 59-2-1606(5)(a)~~] in accordance with
- 798 Section 59-2-1606 for uniform access to property characteristics and features;
- 799 and
- 800 (xiii) other information [~~approved by~~] the commission approves.
- 801 (3) If a taxing entity that is subject to the notice and hearing requirements of Subsection
- 802 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in
- 803 addition to the information required by Subsection (2):

- 804 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- 805 (b) the difference between the dollar amount of the taxpayer's tax liability if the
- 806 proposed increase is approved and the dollar amount of the taxpayer's tax liability
- 807 under the current rate, placed in close proximity to the information described in
- 808 Subsection (2)(c)(viii);
- 809 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the
- 810 proposed tax rate represents as compared to the dollar amount of the taxpayer's tax
- 811 liability under the current tax rate; and
- 812 (d) for each taxing entity proposing a tax increase, the dollar amount of additional ad
- 813 valorem tax revenue, as defined in Section 59-2-919, that would be generated each
- 814 year if the proposed tax increase is approved.
- 815 (4) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a
- 816 notice sent to a residential property shall:
- 817 (a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship,
- 818 and this property is your primary residence, you may be eligible to defer payment of
- 819 this property tax."; and
- 820 (b) include a telephone number, or a website address on which a telephone number is
- 821 prominently listed, that the property owner may call to obtain additional information
- 822 about applying for a deferral.
- 823 (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may
- 824 provide, at the county auditor's discretion, the notice required by this section to a
- 825 taxpayer by electronic means if a taxpayer makes an election, according to
- 826 procedures determined by the county auditor, to receive the notice by electronic
- 827 means.
- 828 (b)(i) If a county auditor sends a notice required by this section by electronic means,
- 829 the county auditor shall attempt to verify whether a taxpayer receives the notice.
- 830 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
- 831 14 days or more before the county board of equalization meets and the taxing
- 832 entity holds a public hearing on a proposed increase in the certified tax rate, the
- 833 county auditor shall send the notice required by this section by mail as provided in
- 834 Subsection (2).
- 835 (c) A taxpayer may revoke an election to receive the notice required by this section by
- 836 electronic means if the taxpayer provides written notice to the county auditor on or
- 837 before April 30.

- 838 (d) An election or a revocation of an election under this Subsection (5):
- 839 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
- 840 before the due date for paying the tax; or
- 841 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
- 842 equalization of the taxpayer's real property submit the application for appeal
- 843 within the time period provided in Subsection 59-2-1004(3).
- 844 (e) A county auditor shall provide the notice required by this section as provided in
- 845 Subsection (2), until a taxpayer makes a new election in accordance with this
- 846 Subsection (5), if:
- 847 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
- 848 the notice required by this section by electronic means; or
- 849 (ii) the county auditor finds that the taxpayer's electronic contact information is
- 850 invalid.
- 851 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
- 852 of whether the property that is the subject of the notice required by this section is
- 853 exempt from taxation.

854 Section 18. Section **59-2-919.1** is amended to read:

855 **59-2-919.1 (Effective 07/01/26). Notice of property valuation and tax changes.**

- 856 (1) ~~[In addition to the notice requirements of Section 59-2-919, the county auditor, on or~~
- 857 ~~before July 22 of each year,] On or before July 22 of each year, in addition to the notice~~
- 858 ~~requirements of Section 59-2-919, the county auditor shall notify each owner of real~~
- 859 ~~estate who is listed on the assessment roll.~~
- 860 (2) The notice described in Subsection (1) shall:
- 861 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
- 862 10 or more days before the day on which:
- 863 (i) the county board of equalization meets; and
- 864 (ii) the taxing entity holds a public hearing on the proposed increase in the certified
- 865 tax rate;
- 866 (b) be on a form that ~~[is]~~:
- 867 (i) ~~[approved by]~~the commission approves; and
- 868 (ii) is uniform in content in all counties in the state; and
- 869 (c) contain for each property:
- 870 (i) the assessor's determination of the value of the property;
- 871 (ii) the taxable value of the property;

- 872 (iii) for property assessed by the county assessor:
- 873 (A) instructions on how the taxpayer may file an application with the county
- 874 board of equalization to appeal the valuation or equalization of the property
- 875 under Section 59-2-1004, including instructions for filing an application
- 876 through electronic means; and
- 877 (B) the deadline for the taxpayer to make an application to appeal the valuation or
- 878 equalization of the property under Section 59-2-1004;
- 879 (iv) for property assessed by the commission:
- 880 (A) instructions on how the taxpayer may file an application with the commission
- 881 for a hearing on an objection to the valuation or equalization of the property
- 882 under Section 59-2-1007;
- 883 (B) the deadline for the taxpayer to apply to the commission for a hearing on an
- 884 objection to the valuation or equalization of the property under Section
- 885 59-2-1007; and
- 886 (C) a statement that the taxpayer may not appeal the valuation or equalization of
- 887 the property to the county board of equalization;
- 888 (v) itemized tax information for all applicable taxing entities, including:
- 889 (A) the dollar amount of the taxpayer's tax liability for the property in the prior
- 890 year; and
- 891 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 892 (vi) the following, stated separately:
- 893 (A) the charter school levy described in Section 53F-2-703;
- 894 (B) the multicounty assessing and collecting levy described in Subsection [
- 895 59-2-1602(2)] 59-2-1602;
- 896 (C) the county assessing and collecting levy described in Subsection [~~59-2-1602(4)~~]
- 897 59-2-1602;
- 898 (D) levies for debt service voted on by the public;
- 899 (E) levies imposed for special purposes under Section 10-6-133.4;
- 900 (F) the minimum basic tax rate as defined in Section 53F-2-301; and
- 901 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 902 (vii) the tax impact on the property;
- 903 (viii) the date, time, and place of the required public hearing for each entity;
- 904 (ix) property tax information pertaining to:
- 905 (A) taxpayer relief; and

- 906 (B) the residential exemption described in Section 59-2-103;
- 907 (x) information specifically authorized to be included on the notice under this chapter;
- 908 (xi) the last property review date of the property as described in Subsection [
- 909 59-2-303.1(1)(e)] 59-2-303.1;
- 910 (xii) instructions on how the taxpayer may obtain additional information regarding
- 911 the valuation of the property, including the characteristics and features of the
- 912 property, from:
- 913 (A) a website maintained by the county; or
- 914 (B) the statewide web portal developed and maintained [~~by the Multicounty~~
- 915 ~~Appraisal Trust under Subsection 59-2-1606(5)(a)] in accordance with Section~~
- 916 59-2-1606 for uniform access to property characteristics and features; and
- 917 (xiii) other information approved by the commission.
- 918 (3) If a taxing entity that is subject to the notice and hearing requirements of Subsection
- 919 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in
- 920 addition to the information required by Subsection (2):
- 921 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- 922 (b) the difference between the dollar amount of the taxpayer's tax liability if the
- 923 proposed increase is approved and the dollar amount of the taxpayer's tax liability
- 924 under the current rate, placed in close proximity to the information described in
- 925 Subsection (2)(c)(viii);
- 926 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the
- 927 proposed tax rate represents as compared to the dollar amount of the taxpayer's tax
- 928 liability under the current tax rate; and
- 929 (d) for each taxing entity proposing a tax increase, the dollar amount of additional ad
- 930 valorem tax revenue, as defined in Section 59-2-919, that would be generated each
- 931 year if the proposed tax increase is approved.
- 932 (4) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a
- 933 notice sent to a residential property shall:
- 934 (a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship,
- 935 and this property is your primary residence, you may be eligible to defer payment of
- 936 this property tax."; and
- 937 (b) include a telephone number, or a website address on which a telephone number is
- 938 prominently listed, that the property owner may call to obtain additional information
- 939 about applying for a deferral.

- 940 (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may
941 provide, at the county auditor's discretion, the notice required by this section to a
942 taxpayer by electronic means if a taxpayer makes an election, according to
943 procedures determined by the county auditor, to receive the notice by electronic
944 means.
- 945 (b)(i) If a county auditor sends a notice required by this section by electronic means,
946 the county auditor shall attempt to verify whether a taxpayer receives the notice.
- 947 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
948 14 days or more before the county board of equalization meets and the taxing
949 entity holds a public hearing on a proposed increase in the certified tax rate, the
950 county auditor shall send the notice required by this section by mail as provided in
951 Subsection (2).
- 952 (c) A taxpayer may revoke an election to receive the notice required by this section by
953 electronic means if the taxpayer provides written notice to the county auditor on or
954 before April 30.
- 955 (d) An election or a revocation of an election under this Subsection (5):
- 956 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
957 before the due date for paying the tax; or
- 958 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
959 equalization of the taxpayer's real property submit the application for appeal
960 within the time period provided in Subsection 59-2-1004(3).
- 961 (e) A county auditor shall provide the notice required by this section as provided in
962 Subsection (2), until a taxpayer makes a new election in accordance with this
963 Subsection (5), if:
- 964 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
965 the notice required by this section by electronic means; or
- 966 (ii) the county auditor finds that the taxpayer's electronic contact information is
967 invalid.
- 968 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
969 of whether the property that is the subject of the notice required by this section is
970 exempt from taxation.

971 Section 19. Section **59-2-924.2** is amended to read:

972 **59-2-924.2 (Effective 05/06/26) (Applies beginning 01/01/26). Adjustments to the**
973 **calculation of a taxing entity's certified tax rate.**

- 974 (1) [~~For purposes of this section, "certified]~~ As used in this section:
- 975 (a) "Annexing county" means a county for which the unincorporated area is included
- 976 within a public safety district by annexation.
- 977 (b) "Annexing municipality" means a municipality that is included within a public safety
- 978 district by annexation.
- 979 (c) "Certified tax rate" means a certified tax rate calculated in accordance with Section
- 980 59-2-924.
- 981 (d) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area
- 982 Act:
- 983 (i) created to provide fire protection, paramedic, and emergency services; and
- 984 (ii) in the creation of which an election was not required under Subsection
- 985 17B-1-214(3)(d).
- 986 (e) "Participating county" means a county that has the unincorporated area included
- 987 within a public safety district.
- 988 (f) "Participating municipality" means a municipality that is included within a public
- 989 safety district.
- 990 (g) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
- 991 Area Act, within a county of the first class:
- 992 (i) created to provide law enforcement service; and
- 993 (ii) in the creation of which an election was not required under Subsection
- 994 17B-1-214(3)(d).
- 995 (h) "Public safety district" means a fire district or a police district.
- 996 (i) "Public safety service" means:
- 997 (i) in the case of a public safety district that is a fire district, fire protection,
- 998 paramedic, and emergency services; and
- 999 (ii) in the case of a public safety district that is a police district, law enforcement
- 1000 service.
- 1001 (2) [~~Beginning January 1, 1997, if-~~ If a taxing entity receives increased [revenues] revenue
- 1002 from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1,
- 1003 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and
- 1004 use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity
- 1005 shall decrease [its] the taxing entity's certified tax rate to offset the increased [revenues]
- 1006 revenue.
- 1007 (3)(a) [~~Beginning July 1, 1997, if]~~ If a county has imposed a sales and use tax under

1008 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate
1009 shall be:

1010 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
1011 revenue to be distributed to the county under Subsection 59-12-1102(4); and
1012 (ii) increased by the amount necessary to offset the county's reduction in revenue
1013 from uniform fees on tangible personal property under Section 59-2-405,
1014 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in
1015 the certified tax rate under Subsection (3)(a)(i).

1016 (b) The commission shall determine estimates of sales and use tax distributions for
1017 purposes of Subsection (3)(a).

1018 (4) ~~[Beginning January 1, 1998, if]~~ If a municipality has imposed an additional resort
1019 communities sales and use tax under Section 59-12-402, the municipality's certified tax
1020 rate shall be decreased on a one-time basis by the amount necessary to offset the first 12
1021 months of estimated revenue from the additional resort communities sales and use tax
1022 imposed under Section 59-12-402.

1023 (5)(a) This Subsection (5) applies to each county that:

1024 (i) establishes a countywide special service district under Title 17D, Chapter 1,
1025 Special Service District Act, to provide jail service, as provided in Subsection
1026 17D-1-201(10); and

1027 (ii) levies a property tax on behalf of the special service district under Section
1028 17D-1-105.

1029 (b)(i) The certified tax rate of each county to which this Subsection (5) applies shall
1030 be decreased by the amount necessary to reduce county ~~[revenues]~~ revenue by the
1031 same amount of ~~[revenues]~~ revenue that will be generated by the property tax
1032 imposed on behalf of the special service district.

1033 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
1034 levy on behalf of the special service district under Section 17D-1-105.

1035 (6) The equalized public safety tax rate is determined by:

1036 (a) calculating, for each participating county and each participating municipality, the
1037 property tax revenue necessary:

1038 (i) in the case of a fire district, to cover all the costs associated with providing fire
1039 protection, paramedic, and emergency services:

1040 (A) for a participating county, in the unincorporated area of the county; and

1041 (B) for a participating municipality, in the municipality; or

1042 (ii) in the case of a police district, to cover all the costs associated with providing law
 1043 enforcement service that the police district board designates to be funded by a
 1044 property tax:

1045 (A) for a participating county, in the unincorporated area of the county; or

1046 (B) for a participating municipality, in the municipality; and

1047 (b) adding all the amounts calculated under Subsection (6)(a) for all participating
 1048 counties and all participating municipalities and then dividing that sum by the
 1049 aggregate taxable value of the property, as adjusted in accordance with Section
 1050 59-2-913:

1051 (i) for participating counties, in the unincorporated area of all participating counties;
 1052 and

1053 (ii) for participating municipalities, in all participating municipalities.

1054 [~~(6)~~] (7)[~~(a) As used in this Subsection (6):~~]

1055 [~~(i) "Annexing county" means a county whose unincorporated area is included within~~
 1056 ~~a public safety district by annexation.]~~

1057 [~~(ii) "Annexing municipality" means a municipality whose area is included within a~~
 1058 ~~public safety district by annexation.]~~

1059 [~~(iii) "Equalized public safety protection tax rate" means the tax rate that results from:]~~

1060 [~~(A) calculating, for each participating county and each participating municipality,~~
 1061 ~~the property tax revenue necessary:]~~

1062 [~~(I) in the case of a fire district, to cover all of the costs associated with~~
 1063 ~~providing fire protection, paramedic, and emergency services:]~~

1064 [~~(Aa) for a participating county, in the unincorporated area of the county;~~
 1065 ~~and]~~

1066 [~~(Bb) for a participating municipality, in the municipality; or]~~

1067 [~~(II) in the case of a police district, to cover all the costs:]~~

1068 [~~(Aa) associated with providing law enforcement service:]~~

1069 [~~(Ii) for a participating county, in the unincorporated area of the county;~~
 1070 ~~and]~~

1071 [~~(Iii) for a participating municipality, in the municipality; and]~~

1072 [~~(Bb) that the police district board designates as the costs to be funded by a~~
 1073 ~~property tax; and]~~

1074 [~~(B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all~~
 1075 ~~participating counties and all participating municipalities and then dividing that~~

- 1076 sum by the aggregate taxable value of the property, as adjusted in accordance
 1077 with Section 59-2-913:]
- 1078 [(I) for participating counties, in the unincorporated area of all participating
 1079 counties; and]
- 1080 [(H) for participating municipalities, in all the participating municipalities.]
- 1081 [(iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
 1082 Area Act:]
- 1083 [(A) created to provide fire protection, paramedic, and emergency services; and]
- 1084 [(B) in the creation of which an election was not required under Subsection
 1085 17B-1-214(3)(d).:]
- 1086 [(v) "Participating county" means a county whose unincorporated area is included
 1087 within a public safety district at the time of the creation of the public safety
 1088 district.]
- 1089 [(vi) "Participating municipality" means a municipality whose area is included within
 1090 a public safety district at the time of the creation of the public safety district.]
- 1091 [(vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9,
 1092 Service Area Act, within a county of the first class:]
- 1093 [(A) created to provide law enforcement service; and]
- 1094 [(B) in the creation of which an election was not required under Subsection
 1095 17B-1-214(3)(d).:]
- 1096 [(viii) "Public safety district" means a fire district or a police district.]
- 1097 [(ix) "Public safety service" means:]
- 1098 [(A) in the case of a public safety district that is a fire district, fire protection,
 1099 paramedic, and emergency services; and]
- 1100 [(B) in the case of a public safety district that is a police district, law enforcement
 1101 service.]
- 1102 [(b)] (a) In the first year following creation of a public safety district, the certified tax
 1103 rate of each participating county and each participating municipality shall be
 1104 decreased by the amount of the equalized public safety tax rate calculated in
 1105 accordance with Subsection (6).
- 1106 [(e)] (b) In the first budget year following annexation to a public safety district, the
 1107 certified tax rate of each annexing county and each annexing municipality shall be
 1108 decreased by an amount equal to the amount of revenue budgeted by the annexing
 1109 county or annexing municipality:

- 1110 (i) for public safety service; and
- 1111 (ii) in:
- 1112 (A) for a taxing entity operating under a January 1 through December 31 fiscal
- 1113 year, the prior calendar year; or
- 1114 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the
- 1115 prior fiscal year.
- 1116 ~~[(6)]~~ (c) Each tax levied under this section by a public safety district shall be considered
- 1117 to be levied by:
- 1118 (i) each participating county and each annexing county for purposes of the county's
- 1119 tax limitation under Section 59-2-908; and
- 1120 (ii) each participating municipality and each annexing municipality for purposes of
- 1121 the municipality's tax limitation under Section 10-5-112, for a town, or Section
- 1122 10-6-133, for a city.
- 1123 ~~[(6)]~~ (d) The calculation of a public safety district's certified tax rate for the year of
- 1124 annexation shall be adjusted to include an amount of revenue equal to one half of the
- 1125 amount of revenue budgeted by the annexing entity for public safety service in the
- 1126 annexing entity's prior fiscal year if:
- 1127 (i) the public safety district operates on a January 1 through December 31 fiscal year;
- 1128 (ii) the public safety district approves an annexation of an entity operating on a July 1
- 1129 through June 30 fiscal year; and
- 1130 (iii) the annexation described in Subsection ~~[(6)(e)(ii)]~~ (7)(d)(ii) takes effect on July 1.
- 1131 ~~[(7)]~~ (8)(a) The base taxable value as defined in Section 17C-1-102 shall be reduced for
- 1132 any year to the extent necessary to provide a community reinvestment agency
- 1133 established under Title 17C, Limited Purpose Local Government Entities -
- 1134 Community Reinvestment Agency Act, with approximately the same amount of
- 1135 money the agency would have received without a reduction in the county's certified
- 1136 tax rate, calculated in accordance with Section 59-2-924, if:
- 1137 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or
- 1138 (3)(a);
- 1139 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of
- 1140 the previous year; and
- 1141 (iii) the decrease results in a reduction of the amount to be paid to the agency under
- 1142 Section 17C-1-403 or 17C-1-404.
- 1143 (b) The base taxable value as defined in Section 17C-1-102 shall be increased in any

1144 year to the extent necessary to provide a community reinvestment agency with
 1145 approximately the same amount of money as the agency would have received without
 1146 an increase in the certified tax rate that year if:

1147 (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due
 1148 to a decrease in the certified tax rate under Subsection (2) or (3)(a); and
 1149 (ii) the certified tax rate of a city, school district, special district, or special service
 1150 district increases independent of the adjustment to the taxable value of the base
 1151 year.

1152 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the
 1153 amount of money allocated and, when collected, paid each year to a community
 1154 reinvestment agency established under Title 17C, Limited Purpose Local
 1155 Government Entities - Community Reinvestment Agency Act, for the payment of
 1156 bonds or other contract indebtedness, but not for administrative costs, may not be less
 1157 than ~~[that]~~ the amount would have been without a decrease in the certified tax rate
 1158 under Subsection (2) or (3)(a).

1159 ~~[(8)(a) For the calendar year beginning on January 1, 2014, the calculation of a county
 1160 assessing and collecting levy shall be adjusted by the amount necessary to offset:]~~

1161 ~~[(i) any change in the certified tax rate that may result from amendments to Part 16,
 1162 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270,
 1163 Section 3; and]~~

1164 ~~[(ii) the difference in the amount of revenue a taxing entity receives from or
 1165 contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that
 1166 may result from amendments to Part 16, Multicounty Assessing and Collecting
 1167 Levy, in Laws of Utah 2014, Chapter 270, Section 3.]~~

1168 ~~[(b) A taxing entity is not required to comply with the notice and public hearing
 1169 requirements in Section 59-2-919 for an adjustment to the county assessing and
 1170 collecting levy described in Subsection (8)(a).]~~

1171 ~~[(9) If a taxing entity receives decreased revenues from uniform fees on tangible personal
 1172 property under Section 59-2-405 as a result of any error in applying uniform fees to
 1173 motor vehicle registration in the calendar year beginning on January 1, 2023, the
 1174 commission may, for the calendar year beginning on January 1, 2024, increase the
 1175 taxing entity's budgeted revenue to offset the decreased revenues.]~~

1176 Section 20. Section **59-2-1601** is amended to read:

1177 **59-2-1601 (Effective 05/06/26) (Applies beginning 01/01/26). Definitions.**

1178 As used in this part:

1179 [(1) "County additional property tax" means the property tax levy described in Subsection
1180 59-2-1602(4).]

1181 [(2)]

1182 (1) "Database" means the same as that term is defined in Section 59-1-1901.

1183 (2) "Fund" means the Property Tax Valuation Fund created in Section 59-2-1602.

1184 [(3) "Multicounty Appraisal Trust" means the Multicounty Appraisal Trust created by an
1185 agreement:]

1186 [(a) entered into by all of the counties in the state; and]

1187 [(b) authorized by Title 11, Chapter 13, Interlocal Cooperation Act.]

1188 [(4)] (3) "Multicounty assessing and collecting levy" means a property tax [levied] the
1189 counties levy in accordance with Subsection [59-2-1602(2)] 59-2-1602(3).

1190 (4) "Program manager" means an association that represents at least two-thirds of the
1191 counties in the state.

1192 (5)(a) "Property valuation service" means [any] a service or technology that promotes
1193 uniform assessment levels for the valuation of personal property and real property in
1194 accordance with Part 3, County Assessment.

1195 (b) "Property valuation service" includes statewide aerial imagery, change detection,
1196 sketch validation, exception analysis, commercial valuation modeling, residential
1197 valuation modeling, automated valuation modeling, and equity analysis.

1198 (6) "Statewide property tax system" means a computer assisted system for mass appraisal,
1199 equalization, collection, distribution, and administration related to property tax[, created
1200 by the Multicounty Appraisal Trust in accordance with Section 59-2-1606].

1201 (7) "STATS" means the Statewide Tax Administration and Technology Solutions program,
1202 created in Section 59-1-1902.

1203 Section 21. Section **59-2-1602** is amended to read:

1204 **59-2-1602 (Effective 05/06/26) (Applies beginning 01/01/26). Property Tax**
1205 **Valuation Fund -- Statewide levy -- Additional county levy.**

1206 (1)(a) There is created a custodial fund in the Division of Finance known as the
1207 "Property Tax Valuation Fund."

1208 (b) The fund consists of:

1209 (i) deposits made and penalties received under Subsection (3);[-and]

1210 (ii) interest on money deposited into the fund[-];

1211 (iii) appropriations from the Legislature;

- 1212 (iv) the statewide property tax system and statewide web portals, including
1213 intellectual property rights; and
1214 (v) the database.
- 1215 (c)(i) Subject to Subsection (1)(c)(ii), the Division of Finance shall allocate money in
1216 the fund for the calendar year to the program manager:
- 1217 (A) after the Division of Finance determines that the budget submitted in
1218 accordance with Section 59-2-1605 contains proposed expenses for a use
1219 described in Subsection 59-2-1606(4); and
1220 (B) for revenue the Division of Finance receives after the Division of Finance
1221 makes the determination in accordance with Subsection (1)(c)(i)(A), within 30
1222 days after receipt of the money.
- 1223 (ii) The Division of Finance may retain an amount equal to the cost of making the
1224 determination described in Subsection (1)(c)(i)(A) before making an allocation.
- 1225 (d) Subject to the requirements of this section, the program manager shall have:
- 1226 (i) sole authority to:
- 1227 (A) determine expenditure of revenue the Division of Finance allocates to the
1228 program manager, including provision of property valuation services within
1229 counties; and
1230 (B) oversee the maintenance and enhancement of a statewide property tax system,
1231 including statewide web portals, that meets the requirements of this section; and
- 1232 (ii) control over the property described in Subsections (1)(b)(iv), (1)(b)(v), and (2)
1233 for the purpose and uses described in this section.
- 1234 (e) The program manager may spend money the Division of Finance allocates to the
1235 program manager only for STATS.
- 1236 ~~[(e) Deposits, penalties, and interest described in Subsection (1)(b) shall be disbursed~~
1237 ~~and used as provided in Section 59-2-1603.]~~
- 1238 (2) The following assets are transferred to the program manager to use for STATS:
- 1239 (a) tangible personal property purchased, in whole or in part, with revenue from the
1240 multicounty assessing and collecting levy, including property acquired before May 6,
1241 2026; and
- 1242 (b) unexpended revenue that is:
- 1243 (i) obtained from the multicounty assessing and collecting levy or for the
1244 performance of the duties described in this section, including revenue acquired
1245 before May 6, 2026; and

- 1246 (ii) within the control of the program manager.
- 1247 (3)(a) Each county shall annually impose a multicounty assessing and collecting levy as
 1248 provided in this Subsection [~~(2)~~] (3).
- 1249 (b) The tax rate of the multicounty assessing and collecting levy is the certified revenue
 1250 levy rounded up to the sixth decimal place.
- 1251 (c) The state treasurer shall allocate all revenue collected from the multicounty assessing
 1252 and collecting levy to the Multicounty Appraisal Trust.
- 1253 ~~[(3)]~~ (4)(a) The county shall state separately the multicounty assessing and collecting
 1254 levy ~~[imposed under Subsection (2) shall be separately stated]~~ on the tax notice as a
 1255 multicounty assessing and collecting levy.
- 1256 (b) The multicounty assessing and collecting levy is:
- 1257 (i) exempt from Sections 17C-1-403 through 17C-1-406;
- 1258 (ii) in addition to and exempt from the maximum levies allowable under Section
 1259 59-2-908; and
- 1260 (iii) exempt from the notice and public hearing requirements of Section 59-2-919.
- 1261 (c)(i) Each county shall transmit quarterly to the state treasurer the revenue ~~[collected]~~
 1262 the county collects from the multicounty assessing and collecting levy.
- 1263 (ii) ~~The [revenue transmitted under Subsection (3)(c)(i) shall be transmitted]~~ county
 1264 shall transmit the revenue described in Subsection (4)(c)(i) no later than the tenth
 1265 day of the month following the end of the quarter in which the county collects the
 1266 revenue~~[is collected]~~.
- 1267 ~~[(iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth~~
 1268 day of the month following the end of the quarter in which the revenue is
 1269 collected, the county shall pay an interest penalty at the rate of 10% each year
 1270 until the revenue is transmitted.]
- 1271 (iii) If a county transmits revenue described in Subsection (4)(c)(i) after the tenth day
 1272 of the month following the end of the quarter in which the county collects the
 1273 revenue, the county shall pay an interest penalty at the rate of 10% each year until
 1274 the county transmits the revenue.
- 1275 (iv) The state treasurer shall deposit the revenue and penalties described in this
 1276 Subsection (4) into the fund.
- 1277 ~~[(d) The state treasurer shall allocate the penalties received under this Subsection (3) in~~
 1278 ~~the same manner as revenue is allocated under Subsection (2)(c).]~~
- 1279 ~~[(4)]~~ (5)(a) A county may levy a county additional property tax in accordance with this

- 1280 Subsection [(4)] (5).
- 1281 (b) The county additional property tax:
- 1282 (i) shall be separately stated on the tax notice as a county assessing and collecting
- 1283 levy;
- 1284 (ii) may not be incorporated into the rate of any other levy;
- 1285 (iii) is exempt from Sections 17C-1-403 through 17C-1-406; and
- 1286 (iv) is in addition to and exempt from the maximum levies allowable under Section
- 1287 59-2-908.
- 1288 (c) ~~[Revenue-]~~ A county shall use revenue collected from the county additional property
- 1289 tax~~[-shall be used]~~ to:
- 1290 (i) promote the accurate valuation and uniform assessment levels of property as
- 1291 required by Section 59-2-103;
- 1292 (ii) promote the efficient administration of the property tax system, including the
- 1293 costs of assessment, collection, and distribution of property taxes;
- 1294 (iii) fund state mandated actions to meet legislative mandates or judicial or
- 1295 administrative orders that relate to promoting:
- 1296 (A) the accurate valuation of property; and
- 1297 (B) the establishment and maintenance of uniform assessment levels within and
- 1298 among counties; and
- 1299 (iv) establish reappraisal programs that:
- 1300 (A) are adopted by a resolution or ordinance of the county legislative body; and
- 1301 (B) conform to rules the commission makes in accordance with Title 63G,
- 1302 Chapter 3, Utah Administrative Rulemaking Act.
- 1303 Section 22. Section **59-2-1605** is amended to read:
- 1304 **59-2-1605 (Effective 05/06/26) (Applies beginning 01/01/26). Accounting records**
- 1305 **for levies -- Records -- Report to Legislature, commission -- Budget to Division of Finance.**
- 1306 (1) ~~Each county shall separately budget and account for the use of any money [~~
- 1307 ~~received or expended from a levy imposed under]~~ the county receives or spends from a
- 1308 levy the county imposes in accordance with Section 59-2-1602.
- 1309 (2) The program manager shall separately budget and account for the use of any revenue
- 1310 received from the fund.
- 1311 (3) On or before October 1 of each year, the program manager shall submit an electronic
- 1312 report to the Revenue and Taxation Interim Committee and the commission that
- 1313 contains:

- 1314 (a) a financial report that includes:
- 1315 (i) the amount of revenue allocated to the program manager for the current calendar
- 1316 year; and
- 1317 (ii) a summary of the uses of the revenue during the current calendar year; and
- 1318 (b) a status report on:
- 1319 (i) the development, enhancement, and implementation of the statewide property tax
- 1320 system and the statewide web portals described in Section 59-2-1606; and
- 1321 (ii) achievement of the performance metrics described in Section 59-2-1606.

1322 (4) On or before December 31 of each year, the program manager shall submit a detailed

1323 budget for the upcoming calendar year to the Division of Finance.

1324 (5) For the calendar year that begins on January 1, 2026, the program manager shall submit

1325 a detailed budget for the current year to the Division of Finance on May 6, 2026.

1326 Section 23. Section **59-2-1606** is amended to read:

1327 **59-2-1606 (Effective 05/06/26) (Applies beginning 01/01/26). Statewide property**

1328 **tax system funding for counties -- Disbursements to the program manager -- Use of funds.**

1329 (1) ~~The [funds deposited into the Multicounty Appraisal Trust in accordance with Section~~

1330 ~~59-2-1602 shall be used to provide funding for] purpose for creating the fund is to~~

1331 ~~provide the counties with:~~

- 1332 (a) a statewide property tax system that will promote:
- 1333 (i) the accurate valuation of property;
- 1334 (ii) the establishment and maintenance of uniform assessment levels among counties
- 1335 within the state;
- 1336 (iii) efficient administration of the property tax system, including the costs of
- 1337 assessment, collection, and distribution of property taxes; and
- 1338 (iv) the uniform filing of a signed statement a county assessor requests under Section
- 1339 59-2-306, including implementation of a statewide electronic filing system; and

1340 (b) property valuation services~~[-within the counties].~~

1341 (2)(a) The statewide property tax system shall comply with rules the commission

1342 establishes in accordance with Title 63G, Chapter 3, Utah Administrative

1343 Rulemaking Act.

1344 (b) The fund manager, in conjunction with the commission, shall establish annual

1345 performance metrics for the development of the statewide property tax system.

1346 (3)(a) Except as described in Subsection (3)(b), each county shall adopt the statewide

1347 property tax system.

1348 (b) A county may adopt only part of the statewide property tax system or none of the
 1349 system if the county demonstrates to the commission that:

1350 (i) the county uses a property tax system that includes a computer assisted mass
 1351 appraisal system and complies with rules the commission establishes in
 1352 accordance with Subsection (2)(a); and

1353 (ii) the county's overall system is able to exchange data with and make use of data
 1354 received from the statewide property tax system.

1355 ~~[(2)(a) An association representing at least two-thirds of the counties in the state shall~~
 1356 ~~appoint a trustee.]~~

1357 ~~[(b) The trustee of the Multicounty Appraisal Trust shall:]~~

1358 ~~[(i) determine which projects to fund, including property valuation services within~~
 1359 ~~counties; and]~~

1360 ~~[(ii) oversee the administration of a statewide property tax system that meets the~~
 1361 ~~requirements of Subsection (1)(a).]~~

1362 ~~[(3)(a) Subject to Subsection (3)(b), the trustee of the Multicounty Appraisal Trust may,~~
 1363 ~~in order to promote the objectives described in Subsection (1), use funds deposited~~
 1364 ~~into the Multicounty Appraisal Trust to hire one or more professional appraisers to~~
 1365 ~~provide property valuation services within a county of the third, fourth, fifth, or sixth~~
 1366 ~~class.]~~

1367 ~~[(b) A professional appraiser hired to provide property valuation services under this~~
 1368 ~~Subsection (3) shall:]~~

1369 ~~[(i) hold an appraiser's certificate or license from the Division of Real Estate in~~
 1370 ~~accordance with Title 61, Chapter 2g, Real Estate Appraiser Licensing and~~
 1371 ~~Certification Act; and]~~

1372 ~~[(ii) be approved by:]~~

1373 ~~[(A) the commission; and]~~

1374 ~~[(B) an association representing two or more counties in the state.]~~

1375 ~~[(4)(a) Except as provided in Subsection (4)(b), each county shall adopt the statewide~~
 1376 ~~property tax system on or before January 1, 2026.]~~

1377 ~~[(b) A county is exempt from the requirement in Subsection (4)(a) if:]~~

1378 ~~[(i) the county utilizes a computer assisted property tax system for mass appraisal~~
 1379 ~~other than the statewide property tax system;]~~

1380 ~~[(ii) the county demonstrates to the trustee of the Multicounty Appraisal Trust and to~~
 1381 ~~the commission that the property tax system described in Subsection (4)(b)(i) is~~

1382 interoperable with the statewide property tax system; and]

1383 [(iii) the trustee of the Multicounty Appraisal Trust and the commission approve the

1384 county's exemption from the requirement in Subsection (4)(a).]

1385 [(e) The commission and an association that represents at least two-thirds of the counties

1386 in the state shall assist any county adopting the statewide property tax system.]

1387 [(5)] (4) [In order to promote the objectives described in Subsection (1), the trustee of the

1388 Multicounty Appraisal Trust shall use funds deposited into the Multicounty Appraisal

1389 Trust to] To promote the purposes described in Subsection (1), the program manager shall:

1390 (a) maintain and enhance the statewide property tax system in accordance with

1391 Subsection (2);

1392 (b) subject to Subsection [(6)] (5), develop and maintain a statewide web portal for

1393 uniform access to property characteristics and features relevant to the valuation of

1394 real property;

1395 [(b)] (c) subject to Subsection [(7)] (6), develop and maintain a statewide web portal for

1396 the uniform electronic filing of an application to appeal the valuation or equalization

1397 of real property with a county board of equalization under Section 59-2-1004; and

1398 [(e)] (d) assist counties with tracking and reporting appeals information to the

1399 commission as required by Section 59-2-1018.

1400 [(6)] (5)(a) The statewide web portal for uniform access to property characteristics and

1401 features developed under Subsection [(5)(a)] (4)(b) shall specify, at a minimum, [
 1402 specify]the following property characteristics and features:

1403 [(i) property owner's name;]

1404 [(ii)] (i) parcel or serial number;

1405 [(iii)] (ii) situs address;

1406 [(iv) mailing address;]

1407 [(v)] (iii) tax area;

1408 [(vi)] (iv) the neighborhood;

1409 [(vii)] (v) property type;

1410 [(viii)] (vi) land type;

1411 [(ix)] (vii) quality or condition;

1412 [(x)] (viii) year of construction;

1413 [(xi)] (ix) gross living area;

1414 [(xii)] (x) acreage;

1415 [(xiii)] (xi) market value; and

1416 [~~(xiv)~~] (xii) taxable value.

1417 (b) In developing the statewide web portal for uniform access to property characteristics
 1418 and features under Subsection [~~(5)(a)~~] (4)(b), the [~~Multicounty Appraisal Trust~~]
 1419 program manager may link the statewide web portal to a web portal [~~maintained by~~]
 1420 a county maintains for accessing property characteristics and features within the
 1421 county if the [~~Multicounty Appraisal Trust~~] program manager determines that the
 1422 county web portal meets the requirements of Subsection [~~(6)(a)~~] (5)(a).

1423 [~~(7)~~] (6) In developing the statewide web portal for the uniform electronic filing of appeal
 1424 applications under Subsection [~~(5)(b)~~] (4)(c), the [~~Multicounty Appraisal Trust~~] program
 1425 manager may link the statewide web portal to a web portal [~~maintained by~~] a county
 1426 maintains for the uniform electronic filing of appeal applications if the [~~Multicounty~~
 1427 ~~Appraisal Trust~~] program manager determines that the county web portal provides
 1428 equivalent functions as the statewide web portal.

1429 Section 24. Section **59-2-2001** is amended to read:

1430 **59-2-2001 (Effective 05/06/26) (Applies beginning 01/01/26). Definitions.**

1431 As used in this part:

1432 (1)(a) "Heavy equipment" means tangible personal property that:

- 1433 (i) is owned by a qualified rental business for purposes of renting;
- 1434 (ii) is utilized or designed for construction, earthmoving, or industrial operations; and
- 1435 (iii) is portable and transferable to the location in which the heavy equipment is used.

1436 (b) "Heavy equipment" includes:

- 1437 (i) lift equipment;
- 1438 (ii) material handling equipment;
- 1439 (iii) cranes;
- 1440 (iv) pumps;
- 1441 (v) generators;
- 1442 (vi) compressors;
- 1443 (vii) portable power equipment;
- 1444 (viii) heating, ventilation, and air conditioning equipment;
- 1445 (ix) portable worksite offices and containers;
- 1446 (x) tank trailers; and
- 1447 (xi) self-propelled equipment.

1448 (2) "Program manager" means the same as that term is defined in Section 59-2-1601.

1449 [~~(2)~~] "Multicounty Appraisal Trust" means the same as that term is defined in Section

- 1450 59-2-1601.]
- 1451 (3) "Qualified rental business" means a business entity located in this state:
- 1452 (a) that is classified within one of the following NAICS codes of the 2022 North
- 1453 American Industry Classification System of the federal Executive Office of the
- 1454 President, Office of Management and Budget:
- 1455 (i) NAICS Code 532310, General Rental Centers; or
- 1456 (ii) NAICS Code 532412, Construction, Mining, and Forestry Machinery and
- 1457 Equipment Rental and Leasing; and
- 1458 (b) for which 51% or more of the business entity's total annual revenue is derived from
- 1459 the rental of heavy equipment.
- 1460 (4) "Recovery fee" means the fee authorized in Subsection 59-2-2002(1).
- 1461 (5) "Rental" means the same as the terms "lease" or "rental" are defined in Section
- 1462 59-12-102.
- 1463 (6)(a) "Rental charge" means the amount charged to a renter by a qualified rental
- 1464 business for the rental of heavy equipment.
- 1465 (b) "Rental charge" does not include any additional charges separate from the actual cost
- 1466 of the rental transaction, including costs required for delivery, insurance, or a waiver
- 1467 of liability.
- 1468 (7) "Renter" means the person to which a qualified rental business rents heavy equipment.
- 1469 Section 25. Section **59-2-2002** is amended to read:
- 1470 **59-2-2002 (Effective 05/06/26) (Applies beginning 01/01/26). Recovery fee for**
- 1471 **rental of heavy equipment -- Commission study and report.**
- 1472 (1) A qualified rental business may charge to a renter a fee in an amount equal to 1.5% of
- 1473 the rental charge for each item of heavy equipment rented in this state.
- 1474 (2) A recovery fee under Subsection (1):
- 1475 (a) shall be separately stated on the invoice or receipt for the rental transaction; and
- 1476 (b) is not subject to a sales and use tax under Chapter 12, Sales and Use Tax Act.
- 1477 (3) A qualified rental business may not charge a recovery fee to a renter that is a
- 1478 governmental entity as defined in Section 59-2-511.
- 1479 (4) Any amount of recovery fees collected by a qualified rental business during a calendar
- 1480 year shall be used as reimbursement for property taxes paid by the qualified rental
- 1481 business on heavy equipment in the same calendar year.
- 1482 (5)(a) The commission shall:
- 1483 (i) in coordination with county assessors and the [~~Multicounty Appraisal Trust~~]

1484 program manager, conduct a study to determine the need for adjustment to the rate
 1485 authorized under Subsection (1) for purposes of property tax reimbursement; and
 1486 (ii) on or before September 30, 2027, provide to the Revenue and Taxation Interim
 1487 Committee an electronic report of the results of the study required under
 1488 Subsection (5)(a)(i), including any recommendations, based on information
 1489 received by the commission, for legislative changes to the rate authorized under
 1490 Subsection (1).

1491 (b) ~~[A] Upon request by the commission, a county assessor or the [Multicounty~~
 1492 ~~Appraisal Trust]~~ program manager shall~~[, upon request by the commission,]~~ provide
 1493 to the commission any information necessary to complete the study required under
 1494 Subsection (5)(a)(i).

1495 Section 26. Section **59-35-101** is enacted to read:

1496 **CHAPTER 35. Tax Increment Financing Reporting**

1497 **Part 1. General Provisions**

1498 **59-35-101 (Effective 05/06/26). Definitions.**

1499 As used in this chapter:

- 1500 (1) "Agency" means a community reinvestment agency, as defined in Section 17C-1-102.
 1501 (2) "Authorization meeting" means a public meeting:
 1502 (a) conducted by the governing body of a TIF entity;
 1503 (b) for which the TIF entity provides class A notice under Section 63G-30-102:
 1504 (i) for a minimum of 10 calendar days before the public meeting; and
 1505 (ii) with a link to the TIF entity's website where an explanation of each item listed in
 1506 Subsection 59-2-201(3) may be found; and
 1507 (c) in which the governing body of the TIF entity addresses each item listed in
 1508 Subsection 59-2-201(3).
 1509 (3) "Approximated discount rate" means the assumed rate of return used to discount future
 1510 cash flows back to the cash's present value.
 1511 (4) "But-for analysis" means information or data that demonstrates:
 1512 (a) the benefits of a potential project to the public;
 1513 (b) the existing impediments to the potential project;
 1514 (c) that the potential project would be unable to overcome existing impediments and
 1515 proceed without the use of tax increment; and
 1516 (d) that the impact of using tax increment to the public is less than the benefits of the

1517 potential project to the public.

1518 (5) "Collecting entity" means:

1519 (a) for sales and use tax increment, the commission; or

1520 (b) for property tax increment, the county auditor, county assessor, and county treasurer
1521 of each county in which the TIF entity intends to use tax increment.

1522 (6) "Collection time period" means the maximum amount of time a TIF entity may collect

1523 tax increment after ~~it~~ → **[beginning the process to trigger tax increment] engaging**

1523a **in a specified event** ← ~~it~~ .

1524 (7) "Database" means a collection of electronic data to track the information that:

1525 (a) each TIF entity is required to submit in accordance with this chapter; and

1526 (b) the program manager collects in accordance with Section 59-35-301.

1527 (8) "Disclosure" means a written acknowledgment, made in a form and in a manner the

1528 program manager establishes, that a TIF entity intending to ~~it~~ → **[begin the process to**

1528a **trigger]** ← ~~it~~

1529 ~~it~~ → **[tax increment] engage in a specified event** ← ~~it~~ submits.

1530 (9) "Established base year" means the year designated in a project area plan, a project area

1531 budget, or an interlocal agreement for the purpose of calculating tax increment.

1532 (10) "Governing body" means:

1533 (a) for an agency, the community reinvestment agency board;

1534 (b) for a municipality, the municipal legislative body;

1535 (c) for a county, the county legislative body;

1536 (d) for a regional economic development authority, the regional economic development
1537 authority's board;

1538 (e) for a public infrastructure district, the public infrastructure district's board of trustees;

1539 and

1540 (f) for a special district, the special district's board of trustees.

1541 (11) "Local entity" means:

1542 (a) an agency;

1543 (b) a municipality;

1544 (c) a county;

1545 (d) a public infrastructure district; or

1546 (e) a special district.

1547 ~~it~~ → **(12) "Maximum tax increment" means the total amount of revenue a local entity**

1547a **seeks to]** ← ~~it~~

1548 ~~Ĥ~~→ ~~[generate through the use of tax increment.]~~

1549 ~~[(13)] (12)~~ ←Ĥ "Post-designation parcel" means:

1550 (a) except as provided in Subsection ~~Ĥ~~→ ~~[(13)(b)] (12)(b)~~ ←Ĥ, the same as that

1550a term is defined in Section

1551 11-58-601; or

1552 (b) for a project area created by the Military Installation Development Authority, a

1553 parcel within the project area.

1554 ~~Ĥ~~→ ~~[(14)] (13)~~ ←Ĥ "Program manager" means the same as that term is defined in

1554a Section 59-2-1601.

1555 ~~Ĥ~~→ ~~[(15)] (14)~~ ←Ĥ "Project area" means an area created and designated to receive tax

1555a increment according

1556 to the terms of an adopted project area plan, project area budget, or interlocal agreement.

1557 ~~Ĥ~~→ ~~[(16)] (15)~~ ←Ĥ "Project area budget" means a multi-year projection of annual or

1557a cumulative revenue

1558 and expenses and other fiscal matters pertaining to a project area that includes:

1559 (a) the start and end date for tax increment collection;

1560 (b) the number of years remaining that that the TIF entity collects tax increment from

1561 the project area;

1562 (c) the amount of tax increment the TIF entity is authorized to receive from the project

1563 area, cumulatively and from each taxing entity, including:

1564 (i) the total dollar amount;

1565 (ii) the percentage of the total amount of tax increment generated within the project

1566 area; and

1567 (iii) the remaining amount of tax increment the TIF entity is authorized to receive

1568 from the project area, cumulatively and from each taxing entity; and

1569 (d) the amount of tax increment the TIF entity:

1570 (i) is authorized to use to pay for the TIF entity's administrative costs; and

1571 (ii) uses to pay for the TIF entity's administrative costs.

1572 ~~Ĥ~~→ ~~[(17)] (16)~~ ←Ĥ "Project area plan" means a written plan that, after the plan's

1572a effective date, guides and

1573 controls the development within a project area.

1574 ~~Ĥ~~→ ~~[(18)] (17)~~ ←Ĥ (a) "Property tax increment" means the amount of revenue a

1574a project area generates

1575 from property tax that exceeds the amount of revenue from the property tax that was
 1576 generated in the project area:

1577 (i) in the year before the project area is created; or

1578 (ii) for a post-designation parcel, the 12 months before the trigger date.

1579 (b) "Property tax increment" includes:

1580 (i) enhanced property tax revenue;

1581 (ii) property tax allocation;

1582 (iii) property tax augmentation;

1583 (iv) property tax differential;

1584 (v) property tax increment; and

1585 (vi) tax increment revenue.

1586 ~~Ĥ~~→ [(19)] (18) ←Ĥ "Regional economic development authority" means:

1587 (a) the Utah Inland Port Authority created in Section 11-58-201;

1588 (b) the Point of the Mountain State Land Authority created in Section 11-59-201;

1589 (c) the Utah Fairpark Area Investment and Restoration District created in Section
 1590 11-70-201; or

1591 (d) the Military Installation Development Authority created in Section 63H-1-201.

1592 ~~Ĥ~~→ [(20)] (19) ←Ĥ "Sales and use tax increment" means the amount of revenue a

1592a project area generates

1593 from sales and use tax that exceeds the amount of revenue from the sales and use tax

1594 that was generated in the project area for the established base year.

1594a ~~Ĥ~~→ (20) **"Specified event" means:**

1594b (a) **for a local entity, triggering tax increment; or**

1594c (b) **for a regional economic development authority, entering into a tax increment**
 1594d **agreement or approving a bond authorization.** ←Ĥ

1595 (21) "STATS" means the Statewide Tax Administration and Technology Solutions
 1596 program, created in Section 59-1-1902.

1597 (22) "Tax increment" means property tax increment and sales and use tax increment.

1598 (23) "Taxing entity" means a government entity that:

1599 (a) imposes a tax on property located within a project area; or

1600 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act,
 1601 within a project area.

1602 (24) "TIF entity" means a political subdivision of the state that:

1603 (a) for purposes of Part 2, Pre-increment Disclosure and Reporting, ~~Ĥ~~→ [seeks to trigger

1603a ~~tax~~] ←Ĥ
 1604 Ĥ→ **[increment] intends to engage in a specified event** ←Ĥ ; and
 1605 (b) for purposes of Part 3, Tax Increment Receipt Reporting, receives or is authorized to
 1606 receive tax increment for an approved project area.

1607 (25) "Trigger date" means:

- 1608 (a) except as provided in Subsections (25)(b) and (c), the same as that term is defined in
 1609 Section 11-58-601;
 1610 (b) for a project area created by the Military Installation Development Authority, the day
 1611 on which the authority receives the first property tax allocation from the parcel; or
 1612 (c) for a project area created by the Utah Fairpark Area Investment and Restoration
 1613 District, the same as the term "transition date" is defined in Section 11-70-101.

1614 Section 27. Section **59-35-201** is enacted to read:

1615 **Part 2. Pre-increment Disclosure and Reporting**

1616 **59-35-201 (Effective 05/06/26). Advance disclosure for use of tax increment.**

- 1617 (1) Beginning July 1, 2026, a TIF entity intending to use tax increment shall, before
 1618 **Ĥ→ [beginning the process to trigger tax increment] each specified event** ←Ĥ ;
 1619 (a) conduct an authorization meeting; and
 1620 (b) submit the disclosure described in Subsection (3).
 1621 (2) An authorization meeting may be part of another public meeting of the TIF entity's
 1622 governing body if the disclosure and agenda for the public meeting clearly describe the
 1623 authorization meeting portion of the public meeting.
 1624 (3) **Ĥ→ [Before triggering tax increment] Within 30 days after the day on which a TIF**
 1624a **entity holds an authorization meeting** ←Ĥ , a TIF entity shall submit a disclosure to the
 1624b program
 1625 manager that includes:
 1626 (a) a copy of the notice for and the minutes from the TIF entity's authorization meeting;
 1627 (b) the public good to be addressed through the use of tax increment, including a
 1628 description of each project the TIF entity intends to pursue with the use of tax
 1629 increment;
 1630 (c) the type of tax increment sought for use;
 1631 (d) **Ĥ→ [the maximum tax increment a local entity that is a TIF entity seeks to collect and**
 1631a **use] the amount of tax increment that a TIF entity is authorized to use as a**
 1631b **result of a specified event** ←Ĥ ;

- 1632 (i) in total; and
- 1633 (ii) separately for property tax increment and sales and use tax increment, if the [
- 1633a local] TIF ←
- 1634 entity seeks to use more than one type of tax increment;
- 1635 (e) a cost analysis reflecting the administrative costs imposed on the commission and the
- 1636 county to administer the collection, calculation, and distribution of the proposed tax
- 1637 increment;
- 1638 (f) a but-for analysis of each project the TIF entity intends to pursue with the use of tax
- 1639 increment; and
- 1640 (g) an explanation of how the benefit to residents or taxpayers near the project area is
- 1641 proportionate to the benefit to any party benefiting from the TIF entity's use of tax
- 1642 increment, as described in Section 59-35-202.

- 1643 (4) A TIF entity shall comply with the requirements of this part every time the TIF entity
- 1644 ← [seeks to begin the process to trigger tax increment] intends to engage in a
- 1644a specified event ← .

1645 Section 28. Section **59-35-202** is enacted to read:

1646 **59-35-202 (Effective 05/06/26). Analyzing proportionate benefit.**

1647 In analyzing the proportionate benefit to residents or taxpayers near the project area, a

1648 TIF entity shall prepare an estimate, in present value by using an approximated discount rate of

1649 the following:

- 1650 (1) the amount of revenue that will be allocated to any party in the form of tax increment, or
- 1651 bond financing secured by tax increment, each year over the collection time period or 40
- 1652 years, whichever is greater; and
- 1653 (2) the amount of revenue expected to be received by each taxing entity each year over 40
- 1654 years.

1655 Section 29. Section **59-35-203** is enacted to read:

1656 **59-35-203 (Effective 05/06/26). Notifications -- Rediscovery -- Use of excess tax**

1657 **increment -- Termination of tax increment.**

- 1658 (1) A TIF entity that submits the required information under Section 59-35-201 may ← [
- 1658a trigger ←

1659 ← [tax increment] engage in a specified event ← according to:

- 1660 (a) the statutory requirements governing the TIF entity; and
- 1661 (b) this section.

- 1662 (2)(a) Except as provided in Subsection (2)(b), a TIF entity described in Subsection (1)

- 1663 shall notify:
- 1664 (i) within 30 calendar days, all taxing entities that will be affected by a planned tax
- 1665 increment area:
- 1666 (A) for which the TIF entity has submitted the information required under Section
- 1667 59-35-201; and
- 1668 (B) that the TIF entity intends to trigger tax increment;
- 1669 (ii) the collecting entities no later than December 31 the year before the TIF entity
- 1670 intends to begin receiving property tax increment; and
- 1671 (iii) the commission no later than 180 days before the beginning of the fiscal quarter
- 1672 during which the TIF entity intends to begin receiving sales and use tax increment.
- 1673 (b) If the TIF entity is required to comply with a different notification time period than
- 1674 the time periods described in Subsection (2)(a), the TIF entity shall comply with the
- 1675 notification period that provides the greater amount of time for notification.
- 1676 (3)(a) If a TIF entity does not ~~it~~ → [complete the process to trigger tax increment]
- 1676a engage in a specified event ← it within five
- 1677 years after the day on which the TIF entity submits the information required by
- 1678 Section 59-35-201, the TIF entity shall:
- 1679 (i) hold a new authorization meeting, with updated information if applicable; and
- 1680 (ii) submit the information required by Section 59-35-201.
- 1681 (b)(i) If a TIF entity's disclosure includes all the information required by this
- 1682 Subsection (3), the TIF entity may ~~it~~ → [trigger tax increment] engage in a
- 1682a specified event ← it .
- 1683 (ii) If the program manager notifies the TIF entity of a deficiency in the disclosure,
- 1684 the TIF entity shall provide the requested additional disclosure information.
- 1685 (iii) A TIF entity that receives a request from the program manager under Subsection
- 1686 (3)(b)(ii) shall respond to the request.
- 1687 (4)(a) A local entity that receives more tax increment than projected is required to use
- 1688 the additional or excess revenue to defease any bond the local entity issued or
- 1689 accelerate repayment of any debts the local entity incurred if the bond or debt does
- 1690 not have any penalty or prohibition on defeasance of the bond or acceleration of the
- 1691 debt repayment.
- 1692 (b) A TIF entity may not use tax increment for any purpose other than the purpose
- 1693 described in the disclosure.
- 1694 (c)(i) A ~~it~~ → [local] TIF ← it entity is responsible for monitoring the ~~it~~ → [local]

- 1694a TIF ←H entity's receipt of tax
- 1695 increment and notifying taxing entities and collecting entities when the H→ [~~local~~]
- 1695a TIF ←H
- 1696 entity is approaching, has met, or has exceeded the H→ [~~maximum tax increment~~]
- 1696a **amount of tax increment stated in the disclosure** ←H .
- 1697 (ii) A H→ [~~local~~] TIF ←H entity that receives more than the H→ [~~maximum tax~~
- 1697a **increment**] **amount of tax increment stated in the disclosure** ←H :
- 1698 (A) shall immediately inform the county auditor, the county assessor, and the
- 1699 commission;
- 1700 (B) shall be responsible for ensuring the excess tax increment is returned to the
- 1701 appropriate taxing entities; and
- 1702 (C) may request assistance from the county and the commission in fulfilling the
- 1703 duty described in Subsection (4)(c)(ii)(B).
- 1704 (5) At the end of a collection time period, or upon receipt of the H→ [~~maximum~~]
- 1704a **amount of** ←H tax increment
- 1705 stated in a disclosure, the TIF entity may not receive tax increment.
- 1706 (6) A TIF entity shall comply with the requirements of this part for any additional or
- 1707 subsequent H→ [~~triggering of tax increment~~] **specified event** ←H .
- 1708 Section 30. Section **59-35-204** is enacted to read:
- 1709 **59-35-204 (Effective 05/06/26). Transparency.**
- 1710 The program manager shall coordinate with the collecting entities to recommend
- 1711 processes for the responsible and transparent receipt of property tax increment, sales and use
- 1712 tax increment, and tax increment, including by implementing processes to ensure a H→ [~~local~~]
- 1712a TIF ←H entity
- 1713 stops receiving tax increment once the H→ [~~local~~] TIF ←H entity receives the H→ [
- 1713a **maximum**] **amount of** ←H tax increment stated
- 1714 in the H→ [~~local entity's~~] the ←H disclosure under Section 59-35-201.
- 1715 Section 31. Section **59-35-301** is enacted to read:
- 1716 **Part 3. Tax Increment Receipt Reporting**
- 1717 **59-35-301 (Effective 05/06/26). TIF entity reporting requirements.**
- 1718 (1) On or before January 1, 2027, a TIF entity shall submit to the program manager for each
- 1719 project area:
- 1720 (a) the project area plan;

- 1721 (b) the project area budget;
1722 (c) applicable interlocal agreements; and
1723 (d) a map of each project area.
- 1724 (2) A TIF entity shall submit the information described in Subsection (1) for a new project
1725 area created after January 1, 2027, before January 1 of the year after the year in which
1726 the project area is created.
- 1727 (3) On January 1, 2028, and on each January 1 thereafter, a TIF entity shall submit to the
1728 program manager a summary of the progress of each project area.
- 1729 (4) The program manager shall establish the manner in which a TIF entity shall submit the
1730 information described in Subsections (1) through (3).
- 1731 (5) Annually, the program manager shall collect, with input from the county and the TIF
1732 entities:
- 1733 (a) an assessment of the change in the project area's value, including:
1734 (i) the taxable value from the established base year;
1735 (ii) the estimated current assessed value; and
1736 (iii) the percentage change between the base taxable value and the estimated current
1737 assessed value;
- 1738 (b)(i) if the TIF entity has received tax increment from a project area, the amount of
1739 tax increment by calendar year, including:
- 1740 (A) a comparison of the actual tax increment received for each year to the
1741 forecasted tax increment for each year when the TIF entity created the project
1742 area;
- 1743 (B) the TIF entity's historical receipts and expenditures of tax increment for each
1744 project area budget;
- 1745 (C) a list of each taxing entity that imposes a tax within the project area;
1746 (D) a description of the benefits that each taxing entity receives from the project
1747 area; and
- 1748 (E) the percentage of additional value that each taxing entity provides to the
1749 project area; or
- 1750 (ii) if the TIF entity has not yet received tax increment from an approved project area:
1751 (A) the year in which the TIF entity expects to begin receiving tax increment for
1752 the project area;
- 1753 (B) a list of each taxing entity that imposes a tax within the project area;
1754 (C) a description of the benefits that each taxing entity is expected to receive from

- 1755 the project area; and
- 1756 (D) the percentage of additional value that each taxing entity provides to the
- 1757 project area;
- 1758 (c) the total amount of tax increment a TIF entity may receive from the project area
- 1759 cumulatively and from each taxing entity;
- 1760 (d) the total amount of tax increment the TIF entity pays to a taxing entity, if applicable;
- 1761 (e) a TIF entity's outstanding principal on bonds or loans for project area costs;
- 1762 (f) a description of current and anticipated project area development, including:
- 1763 (i) any significant infrastructure development, site development, participation
- 1764 agreements, or vertical construction within the project area; and
- 1765 (ii) other details of TIF entity action and development within the project area,
- 1766 including:
- 1767 (A) the total acreage developed after the TIF entity established the project area;
- 1768 (B) the total undeveloped acreage the TIF entity expects to develop before the
- 1769 project area is dissolved;
- 1770 (C) the percentage of residential development, if applicable; and
- 1771 (D) the total number of housing units authorized, if applicable;
- 1772 (g) a summary of the portions of the project area plan and the budget that include:
- 1773 (i) the number of years remaining that the TIF entity may receive tax increment from
- 1774 the project area;
- 1775 (ii) the estimated amount of tax increment that the TIF entity is authorized to receive
- 1776 from the project area for the current calendar year; and
- 1777 (iii) the estimated amount of tax increment to be paid to the TIF entity for the next
- 1778 calendar year; and
- 1779 (h) a description of how the receipt of tax increment during the previous year furthered
- 1780 the goals, policies, and purposes of the project area.
- 1781 (6) The provisions of this section apply regardless of when the project area is created.
- 1782 (7) Any information a TIF entity submits in accordance with this section is for
- 1783 informational purposes only.
- 1784 Section 32. Section **59-35-302** is enacted to read:
- 1785 **59-35-302 (Effective 05/06/26). Program manager report to Legislature, county**
- 1786 **auditor, county treasurer -- Auditing.**
- 1787 (1) At or before the October interim meeting of the Political Subdivisions Interim
- 1788 Committee, the program manager shall present:

- 1789 (a) annually, a written report of the information in the database that includes:
- 1790 (i) a list of TIF entities that failed to comply with the requirements of Sections
- 1791 59-35-201, 59-35-203, and 59-35-301 during the preceding reporting period;
- 1792 (ii) a statewide summary of:
- 1793 (A) the number of project areas receiving tax increment; and
- 1794 (B) the total acres included in project areas receiving tax increment;
- 1795 (iii) for each county, a summary of:
- 1796 (A) the number of project areas receiving tax increment;
- 1797 (B) the total acres included in project areas;
- 1798 (C) the total acres included in project areas compared to the total taxable acres in
- 1799 the county;
- 1800 (D) the percentage of property tax for all taxing entities within the county that is
- 1801 allocated as tax increment;
- 1802 (E) the total amount of tax increment projected in all project area budgets;
- 1803 (F) the estimated tax increment from project area budgets that has not yet been
- 1804 received;
- 1805 (G) a description of any project area that is approved but has not received tax
- 1806 increment; and
- 1807 (H) project areas dissolved during the previous year;
- 1808 (iv) information about the benefits that project areas provide to each county and the
- 1809 state, which shall include information relating to two or more of the following:
- 1810 (A) the average percentage change in assessed value for each county within
- 1811 project areas during the reporting period;
- 1812 (B) the percentage change in assessed value within a county, excluding project
- 1813 areas, during the reporting period;
- 1814 (C) a comparison of the growth rate between project areas and areas of the county
- 1815 that are not within a project area;
- 1816 (D) public infrastructure paid for with tax increment;
- 1817 (E) publicly accessible parks, trails, plazas, or other public amenities paid for with
- 1818 tax increment;
- 1819 (F) affordable housing units tax increment creates, preserves, or supports; and
- 1820 (G) new jobs created with tax increment; and
- 1821 (v) any recommendation for legislation; and
- 1822 (b) every three years, beginning in 2030, a copy of the results of the independent audit

- 1823 described in Subsection (3).
- 1824 (2)(a) If the program manager does not receive, on or before April 1 of the year the
 1825 information is due, the information that a TIF entity is required to provide under
 1826 Section 59-35-301, the program manager shall:
- 1827 (i) refer the noncompliant TIF entity to the state auditor for review; and
 1828 (ii) post a notice on the STATS website identifying the noncompliant TIF entity and
 1829 describing the TIF entity's noncompliance.
- 1830 (b) If, for two consecutive years, the program manager does not receive information a
 1831 TIF entity is required to provide under Section 59-35-301:
- 1832 (i) the program manager shall notify, no later than April 1 of the second consecutive
 1833 year, the county auditor and the county treasurer of the county in which the
 1834 noncompliant TIF entity is located of the TIF entity's noncompliance; and
 1835 (ii) upon receiving the notice described in Subsection (2)(b)(i), the county treasurer
 1836 shall withhold from the TIF entity 20% of the amount of tax increment the TIF
 1837 entity is entitled to receive.
- 1838 (c)(i) Subject to Subsection (2)(c)(ii), the county treasurer may not withhold funds as
 1839 described in Subsection (2)(b)(ii) if the disbursement of tax increment is necessary
 1840 to meet ~~it~~ → **contractual or** ← ~~it~~ debt service obligations.
- 1841 (ii) The TIF entity shall submit to the county treasurer evidence of the ~~it~~ →
 1841a **contractual or** ← ~~it~~ debt service
 1842 obligation and the need for tax increment to serve the ~~it~~ → **contract or** ← ~~it~~ debt.
- 1843 (d) If, after having funds withheld under Subsection (2)(b)(ii), a TIF entity complies
 1844 with Section 59-35-301:
- 1845 (i) the program manager shall notify the county auditor and the county treasurer that
 1846 the TIF entity complied with Section 59-35-301; and
 1847 (ii) the county treasurer shall disburse the withheld funds to the TIF entity.
- 1848 (3) Every three years, beginning in 2030, the program manager shall obtain an independent
 1849 audit of the database and the information reported to the Political Subdivisions Interim
 1850 Committee in accordance with Subsection (1).
- 1851 (4)(a) The database, reporting, and auditing requirements of this part are a supplement to
 1852 the state auditor's authority to audit TIF entities.
- 1853 (b) The program manager is not subject to audit by the state auditor for any reason
 1854 beyond the audit of the program manager's receipt of government funds to administer
 1855 STATS.

- 1856 Section 33. Section **63H-1-501** is amended to read:
- 1857 **63H-1-501 (Effective 05/06/26). Authority receipt and use of property tax**
- 1858 **allocation -- Contractual annual payment -- Distribution of property tax allocation.**
- 1859 (1)(a) The authority may:
- 1860 (i) subject to Subsection (1)(b):
- 1861 (A) receive up to 75% of the property tax allocation for up to 25 years, as
- 1862 provided in this part; and
- 1863 (B) after the time period described in Subsection (1)(a)(i)(A) expires, receive up
- 1864 to 75% of the property tax allocation for up to 15 years, if the board determines
- 1865 the additional years will produce significant benefit; and
- 1866 (ii) use the property tax allocation before, during, and after the period described in
- 1867 Subsection (1)(a)(i).
- 1868 (b) With respect to a parcel located within a project area, the 25-year period described in
- 1869 Subsection (1)(a)(i)(A) begins on the day on which the authority receives the first
- 1870 property tax allocation from that parcel.
- 1871 (2)(a) For purposes of Subsection (1)(b), the authority may designate an improved
- 1872 portion of a parcel in a project area as a separate parcel.
- 1873 (b) An authority designation of an improved portion of a parcel as a separate parcel
- 1874 under Subsection (2)(a) is for purposes of Subsection (1)(b) only and does not
- 1875 constitute a subdivision for any other purpose.
- 1876 (c) A county recorder shall assign a separate tax identification number to the improved
- 1877 portion of a parcel designated by the authority as a separate parcel under Subsection
- 1878 (2)(a).
- 1879 (3) Improvements on a parcel within a project area become subject to property tax on
- 1880 January 1 immediately following the day on which the authority or an entity designated
- 1881 by the authority issues a certificate of occupancy with respect to those improvements.
- 1882 (4)(a) If the authority or an entity designated by the authority has not issued a certificate
- 1883 of occupancy for a private parcel within a project area, the private parcel owner shall
- 1884 make an annual payment to the authority:
- 1885 (i) that is equal to 1.2% of the taxable value of the parcel above the base taxable
- 1886 value of the parcel; and
- 1887 (ii) until the parcel becomes subject to the property tax described in Subsection (3).
- 1888 (b) The authority may use the revenue from payments described in Subsection (4)(a) for
- 1889 any purpose described in Subsection 63H-1-502(1).

- 1890 (c) The authority may submit for recording to the office of the recorder of the county in
1891 which a private parcel described in Subsection (4)(a) is located:
- 1892 (i) a copy of an agreement between the authority and the private parcel owner that
1893 memorializes the payment obligation under Subsection (4)(a); or
1894 (ii) a notice that describes the payment obligation under Subsection (4)(a).
- 1895 (d) An owner of a private parcel described in Subsection (4)(a) may not be required to
1896 make a payment that exceeds or is in addition to the payment described in Subsection
1897 (4)(a)(i) until the private parcel becomes subject to the property tax described in
1898 Subsection (3).
- 1899 (e) Upon the transfer of title of a private parcel described in Subsection (4)(a), the
1900 amount of the annual payment required under Subsection (4)(a) shall be:
- 1901 (i) treated the same as a property tax; and
1902 (ii) prorated between the previous owner and the owner who acquires title from the
1903 previous owner.
- 1904 (f) A person who fails to pay or is delinquent in paying an annual payment described in
1905 Subsection (4)(a) is subject to the same penalties and interest as the failure or
1906 delinquent payment of a property tax in accordance with Title 59, Chapter 2, Property
1907 Tax Act.
- 1908 (g) A county treasurer shall:
- 1909 (i) include the annual payment described in Subsection (4)(a) on a county property
1910 tax notice in accordance with Section 59-2-1317; and
1911 (ii) collect the annual payment as part of the property tax collection.
- 1912 (h) A county auditor shall include the annual payment described in Subsection (4)(a) on
1913 the notice of property valuation in accordance with Subsection 59-2-919.1(1).
- 1914 (5) Each county that collects property tax on property within a project area shall pay and
1915 distribute to the authority the property tax allocation and dedicated tax collections that
1916 the authority is entitled to collect under this title, in the manner and at the time provided
1917 in Section 59-2-1365.
- 1918 (6)(a) The board shall determine by resolution when the entire project area or an
1919 individual parcel within a project area is subject to property tax allocation.
- 1920 (b) The board shall amend the project area budget to reflect whether a parcel within a
1921 project area is subject to property tax allocation.
- 1922 (7) The following property owned by the authority is not subject to any property tax under
1923 Title 59, Chapter 2, Property Tax Act, or any privilege tax under Title 59, Chapter 4,

1924 Privilege Tax, regardless of whether the authority enters into a long-term operating
 1925 agreement with a privately owned entity under which the privately owned entity agrees
 1926 to operate the property:

- 1927 (a) a hotel;
 1928 (b) a hotel condominium unit in a condominium project, as defined in Section 57-8-3;
 1929 and
 1930 (c) a commercial condominium unit in a condominium project, as defined in Section
 1931 57-8-3.

1932 (8) If the authority intends to receive or receives tax increment, as defined in Section
 1933 59-35-101, the authority shall comply with the reporting requirements described in Title
 1934 59, Chapter 35, Tax Increment Financing Reporting.

1935 Section 34. Section **63I-1-259** is amended to read:

1936 **63I-1-259 (Effective 05/06/26). Repeal dates: Title 59.**

1937 (1) Subsection 59-1-403(4)(aa), regarding a requirement for the State Tax Commission to
 1938 inform the Department of Workforce Services whether an individual claimed a federal
 1939 earned income tax credit, is repealed July 1, 2029.

1940 [~~(2) Section 59-2-1603, Allocation of money in the Property Tax Valuation Fund -- Use of~~
 1941 ~~funds, is repealed July 1, 2030.]~~

1942 [~~(3)] (2) Section 59-5-304, Tax credit for mining exploration, is repealed July 1, 2037.~~

1943 [~~(4)] (3) Section 59-7-618.1, Tax credit related to alternative fuel heavy duty vehicles, is~~
 1944 ~~repealed July 1, 2029.~~

1945 [~~(5)] (4) Section 59-9-102.5, Offset for occupational health and safety related donations, is~~
 1946 ~~repealed December 31, 2030.~~

1947 [~~(6)] (5) Section 59-10-1033.1, Tax credit related to alternative fuel heavy duty vehicles, is~~
 1948 ~~repealed July 1, 2029.~~

1949 [~~(7)] (6) Subsection 59-28-103(5), regarding a tax rate on certain transactions that take place~~
 1950 ~~within a county of the first class, is repealed July 1, 2047.~~

1951 Section 35. Section **63N-3-602** is amended to read:

1952 **63N-3-602 (Effective 05/06/26). Definitions.**

1953 As used in this part:

1954 (1) "Affordable housing" means housing occupied or reserved for occupancy by households
 1955 with a gross household income:

- 1956 (a) equal to or less than 80% of the county median gross income for households of the
 1957 same size, in certain circumstances as provided in this part; or

- 1958 (b) equal to or less than 60% of the county median gross income for households of the
1959 same size, in certain circumstances as provided in this part.
- 1960 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 1961 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
1962 roll last equalized during the base year.
- 1963 (4) "Base year" means, for each property tax increment collection period triggered within a
1964 proposed housing and transit reinvestment zone or convention center reinvestment zone
1965 project area, the calendar year prior to the calendar year the property tax increment
1966 begins to be collected for the parcels that are in a project that is triggered for that
1967 collection period.
- 1968 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and
1969 efficient service that may include dedicated lanes, busways, traffic signal priority,
1970 off-board fare collection, elevated platforms, and enhanced stations.
- 1971 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed
1972 station, stop, or terminal that is specifically identified as needed in phase one of a
1973 metropolitan planning organization's adopted long-range transportation plan and in
1974 phase one of the relevant public transit district's adopted long-range transit plan:
1975 (a) along an existing bus rapid transit line; or
1976 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 1977 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.
- 1978 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a
1979 large public transit district.
1980 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public
1981 transit district.
- 1982 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed
1983 station, stop, or terminal, which has been specifically identified as needed in phase one
1984 of a metropolitan planning organization's adopted long-range transportation plan and in
1985 phase one of the relevant public transit district's adopted long-range transit plan:
1986 (a) along an existing commuter rail line;
1987 (b) along an extension to an existing commuter rail line or new commuter rail line;
1988 (c) along a fixed guideway extension from an existing commuter rail line; or
1989 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an
1990 existing commuter rail station.
- 1991 (10) "Convention center" means a convention center owned by a county of the first class

- 1992 within a city of the first class.
- 1993 (11) "Convention center revitalization project" means a project within a city of the first
1994 class within a county of the first class for the revitalization, activation, and
1995 modernization of a convention center and the surrounding area, including projects
1996 meeting the objectives described in Section 63N-3-603.1.
- 1997 (12) "Convention center reinvestment zone" means a convention center reinvestment zone
1998 created under this part.
- 1999 (13)(a) "Developable area" means the portion of land within a housing and transit
2000 reinvestment zone available for development and construction of business and
2001 residential uses.
- 2002 (b) "Developable area" does not include portions of land within a housing and transit
2003 reinvestment zone that are allocated to:
- 2004 (i) parks;
- 2005 (ii) recreation facilities;
- 2006 (iii) open space;
- 2007 (iv) trails;
- 2008 (v) publicly-owned roadway facilities; or
- 2009 (vi) other public facilities.
- 2010 (14) "Dwelling unit" means one or more rooms arranged for the use of one or more
2011 individuals living together, as a single housekeeping unit normally having cooking,
2012 living, sanitary, and sleeping facilities.
- 2013 (15) "Eligible municipality" means a city that:
- 2014 (a)(i) is the county seat of a county of the first class; or
- 2015 (ii) a city of the first class located in a county of the first class; and
- 2016 (b) has a convention center within the boundary of the city.
- 2017 (16) "Enhanced development" means the construction of mixed uses including housing,
2018 commercial uses, and related facilities.
- 2019 (17) "Enhanced development costs" means extra costs associated with structured parking
2020 costs, vertical construction costs, horizontal construction costs, life safety costs,
2021 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
2022 height of buildings or enhanced development.
- 2023 (18) "First home investment zone" means the same as that term is defined in Section
2024 63N-3-1601.
- 2025 (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.

- 2026 (20) "Horizontal construction costs" means the additional costs associated with earthwork,
2027 over excavation, utility work, transportation infrastructure, and landscaping to achieve
2028 enhanced development in the housing and transit reinvestment zone.
- 2029 (21) "Housing and transit reinvestment zone" means a housing and transit reinvestment
2030 zone created pursuant to this part.
- 2031 (22) "Housing and transit reinvestment zone committee" means a housing and transit
2032 reinvestment zone committee created pursuant to Section 63N-3-605.
- 2033 (23) "Large public transit district" means the same as that term is defined in Section
2034 17B-2a-802.
- 2035 (24) "Light rail" means a passenger rail public transit system with right-of-way and fixed
2036 rails:
- 2037 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 2038 (b) that may cross streets at grade; and
- 2039 (c) that may share parts of surface streets.
- 2040 (25) "Light rail station" means an existing station, stop, or terminal or a proposed station,
2041 stop, or terminal, which has been specifically identified as needed in phase one of a
2042 metropolitan planning organization's adopted long-range transportation plan and in
2043 phase one of the relevant public transit district's adopted long-range plan:
- 2044 (a) along an existing light rail line; or
- 2045 (b) along an extension to an existing light rail line or new light rail line.
- 2046 (26) "Metropolitan planning organization" means the same as that term is defined in
2047 Section 72-1-208.5.
- 2048 (27) "Mixed use development" means development with a mix of:
- 2049 (a) multi-family residential use; and
- 2050 (b) at least one additional land use, which shall be a significant part of the overall
2051 development.
- 2052 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 2053 (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 2054 (30) "Participation agreement" means the same as that term is defined in Section 17C-1-102,
2055 except that the agency may not provide and the person may not receive a direct subsidy.
- 2056 (31) "Project" means a housing and transit reinvestment zone or convention center
2057 reinvestment zone created under this part.
- 2058 (32)(a) "Property tax increment" means the difference between:
- 2059 (i) the amount of property tax revenue generated each tax year by a taxing entity from

- 2060 the area within a housing and transit reinvestment zone or convention center
 2061 reinvestment zone designated in the applicable reinvestment zone proposal as the
 2062 area from which tax increment is to be collected, using the current assessed value
 2063 and each taxing entity's current certified tax rate as defined in Section 59-2-924;
 2064 and
- 2065 (ii) the amount of property tax revenue that would be generated from that same area
 2066 using the base taxable value and each taxing entity's current certified tax rate as
 2067 defined in Section 59-2-924.
- 2068 (b) "Property tax increment" does not include property tax revenue from:
- 2069 (i) a multicounty assessing and collecting levy described in [~~Subsection 59-2-1602(2)]~~
 2070 Section 59-2-1602;
- 2071 (ii) a county additional property tax described in [~~Subsection 59-2-1602(4)]~~ Section
 2072 59-2-1602; or
- 2073 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 2074 (33) "Public transit county" means a county that has created a small public transit district.
- 2075 (34) "Public transit hub" means a public transit depot or station where four or more routes
 2076 serving separate parts of the county-created transit district stop to transfer riders between
 2077 routes.
- 2078 (35) "Sales and use tax base year" means:
- 2079 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by
 2080 the first year pertaining to the tax imposed in Section 59-12-103 after the sales and
 2081 use tax boundary for a housing and transit reinvestment zone is established; or
- 2082 (b) for a convention center reinvestment zone, a sales and use tax year determined by the
 2083 year specified in the approved proposal for a convention center reinvestment zone,
 2084 pertaining to the taxes:
- 2085 (i) imposed under Section 59-12-103;
- 2086 (ii) imposed by a city of the first class in a county of the first class under Title 59,
 2087 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 2088 (iii) imposed by a city of the first class in a county of the first class under Section
 2089 59-12-402.1;
- 2090 (iv) imposed by a county of the first class under Section 59-12-1102; and
- 2091 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local
 2092 Option Sales and Use Taxes for Transportation Act.
- 2093 (36) "Sales and use tax boundary" means:

- 2094 (a) for a housing and transit reinvestment zone, a boundary created as described in
2095 Section 63N-3-604, based on state sales and use tax collection boundaries that
2096 correspond as closely as reasonably practicable to the housing and transit
2097 reinvestment zone boundary; or
- 2098 (b) for a convention center reinvestment zone, a boundary created as described in
2099 Section 63N-3-604.1, based on state sales and use tax collection boundaries that
2100 correspond as closely as reasonably practicable to the convention center reinvestment
2101 zone boundary.
- 2102 (37) "Sales and use tax increment" means:
- 2103 (a) for a housing and transit reinvestment zone, the difference between:
- 2104 (i) the amount of state sales and use tax revenue generated each year following the
2105 sales and use tax base year by the sales and use tax from the area within a housing
2106 and transit reinvestment zone designated in the housing and transit reinvestment
2107 zone proposal as the area from which sales and use tax increment is to be
2108 collected; and
- 2109 (ii) the amount of state sales and use tax revenue that was generated from that same
2110 area during the sales and use tax base year; or
- 2111 (b) for a convention center reinvestment zone, the difference between:
- 2112 (i) the amount of sales and use tax revenue generated each year following the sales
2113 and use tax base year by the sales and use tax from the area within a convention
2114 center reinvestment zone designated in the convention center reinvestment zone
2115 proposal as the area from which sales and use tax increment is to be collected; and
- 2116 (ii) the amount of sales and use tax revenue that was generated from that same area
2117 during the sales and use tax base year.
- 2118 (38) "Sales and use tax revenue" means:
- 2119 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax
2120 imposed under Section 59-12-103; or
- 2121 (b) for a convention center reinvestment zone, revenue that is generated from:
- 2122 (i) the sales and use taxes imposed under Section 59-12-103; and
- 2123 (ii) the sales and use taxes:
- 2124 (A) imposed by a city of the first class in a county of the first class under Title 59,
2125 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 2126 (B) imposed by a city of the first class in a county of the first class under Section
2127 59-12-402.1;

- 2128 (C) imposed by a county of the first class under Section 59-12-1102; and
2129 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22,
2130 Local Option Sales and Use Taxes for Transportation Act.

2131 (39) "Small public transit district" means the same as that term is defined in Section
2132 17B-2a-802.

2133 (40) "Tax Commission" means the State Tax Commission created in Section 59-1-201.

2134 (41) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

2135 (42) "Vertical construction costs" means the additional costs associated with construction
2136 above four stories and structured parking to achieve enhanced development in the
2137 housing and transit reinvestment zone.

2138 Section 36. Section **63N-3-603.1** is amended to read:

2139 **63N-3-603.1 (Effective 05/06/26). Applicability, requirements, and limitations on**
2140 **a convention center reinvestment zone.**

2141 (1) A convention center reinvestment zone proposal created under this part shall
2142 demonstrate how the proposal addresses the following objectives:

- 2143 (a) redevelopment of a convention center and the surrounding area's infrastructure and
2144 assets;
- 2145 (b) activation of unrealized economic opportunities related to the convention center and
2146 surrounding infrastructure and assets;
- 2147 (c) modernization of infrastructure and design of the convention center and surrounding
2148 area and related public spaces;
- 2149 (d) encouragement of transformative development and investment, including parking
2150 improvements;
- 2151 (e) promotion of economic development and employment opportunities;
- 2152 (f) improvement of the aesthetic, functionality, and walkability of the convention center
2153 and surrounding area;
- 2154 (g) enhancement of tourism opportunities; and
- 2155 (h) creation of outdoor event space to accommodate events or festivals open to the
2156 public.

2157 (2) A convention center reinvestment zone in a capital city proposal created under this part
2158 shall also demonstrate how the proposal addresses the following objectives:

- 2159 (a) redevelopment of a convention center and surrounding infrastructure and assets that
2160 directly serve the convention center, including parking facilities;
- 2161 (b) modernization of infrastructure and design of the convention center; and

- 2162 (c) improvement of the aesthetic, functionality, and walkability of the convention center.
- 2163 (3) The Governor's Office of Economic Opportunity shall propose a convention center
2164 reinvestment zone to accomplish the objectives described in Subsections (1) and (2).
- 2165 (4)(a)(i) A convention center reinvestment zone proposal may propose the capture of
2166 100% of the property tax increment and 100% of the sales and use tax increment
2167 described in Subsection 63N-3-602(38)(b)(ii) for a period of 30 years.
- 2168 (ii) For a convention center reinvestment zone in a capital city, in addition to the
2169 proposed capture of property tax increment and sales and use tax increment
2170 described in Subsection (4)(a)(i), the convention center reinvestment zone may
2171 propose the capture of 50% of the sales and use tax increment described in
2172 Subsection 63N-3-602(38)(b)(i).
- 2173 (b) The convention center reinvestment zone proposal shall include the respective start
2174 date and base year date from which to calculate:
- 2175 (i) the 30-year period of property tax increment; and
2176 (ii) the 30-year period of the sales and use tax increment.
- 2177 (c) The convention center reinvestment zone proposal may not stagger the collection
2178 periods for the parcels within the convention center reinvestment zone boundary and
2179 the parcels within the convention center reinvestment zone boundary shall have the
2180 same 30-year collection period.
- 2181 (d) The convention center reinvestment zone proposal start date for the 30-year period
2182 described in this Subsection (4), shall be no sooner than January 1 of the year of the
2183 identified tax collection year.
- 2184 (e)(i) For a convention center reinvestment zone in a capital city, revenue from the
2185 property tax increment and sales and use tax increment shall be distributed
2186 directly to a convention center public infrastructure district in a capital city created
2187 as required in Subsection 63N-3-607(8)(b); and
- 2188 (ii) For a convention center reinvestment zone in a city other than a capital city,
2189 revenue from the property tax increment and sales and use tax increment may be
2190 distributed directly to the municipality or public infrastructure district as described
2191 in the convention center reinvestment zone proposal.
- 2192 (5) The Governor's Office of Economic Opportunity may only propose a convention center
2193 reinvestment zone:
- 2194 (a) within the boundary of the eligible municipality;
2195 (b) consisting of a total area:

- 2196 (i) not to exceed 50 acres; or
2197 (ii) if greater than 50 acres, approved by the relevant eligible municipality;
2198 (c) consisting only of contiguous parcels; and
2199 (d) for a convention center reinvestment zone in a capital city, in an area that includes
2200 any portion of an existing convention center and any city block that is bordered by an
2201 existing convention center.
- 2202 (6)(a) For a convention center reinvestment zone in a capital city, the Governor's Office
2203 of Economic Opportunity shall propose a convention center reinvestment zone on or
2204 before April 15, 2025.
- 2205 (b) For a convention center reinvestment zone that is not in a capital city, the Governor's
2206 Office of Economic Opportunity shall propose a convention center reinvestment zone
2207 within 60 days after receiving a petition from the relevant city.
- 2208 (7) A convention center reinvestment zone does not count toward the maximum of eight
2209 housing and transit reinvestment zones in a given county as provided in Subsection
2210 63N-3-603(7)(a).
- 2211 (8) A municipality or public infrastructure district that intends to receive or receives tax
2212 increment, as defined in Section 59-35-101, shall comply with the requirements
2213 described in Title 59, Chapter 35, Tax Increment Financing Reporting.
- 2214 Section 37. Section **63N-3-607** is amended to read:
2215 **63N-3-607 (Effective 05/06/26). Payment, use, and administration of revenue**
2216 **from a housing and transit reinvestment zone.**
- 2217 (1) In accordance with this part:
2218 (a) a municipality or public transit county may receive and use property tax increment
2219 and housing and transit reinvestment zone funds;
2220 (b)(i) a public infrastructure district shall use the funds from a convention center
2221 reinvestment zone in a capital city within or for the benefit of a convention center
2222 reinvestment zone in a capital city; and
2223 (ii) funds from a convention center reinvestment zone in a capital city may be used
2224 outside of the capital city convention center reinvestment zone if the use meets the
2225 objectives described in Section 63N-3-603.1 and is determined by the board of the
2226 public infrastructure district to be a direct benefit to the convention center
2227 reinvestment zone in a capital city; and
2228 (c) a municipality or a public infrastructure district may receive and use property tax
2229 increment and convention center reinvestment zone funds for a convention center

- 2230 reinvestment zone that is not within a capital city.
- 2231 (2)(a) Except as provided in Subsection (3), a county that collects property tax on
2232 property located within a housing and transit reinvestment zone shall, in accordance
2233 with Section 59-2-1365, distribute to the municipality or public transit county any
2234 property tax increment the municipality or public transit county is authorized to
2235 receive up to the maximum approved by the housing and transit reinvestment zone
2236 committee.
- 2237 (b) Property tax increment distributed to a municipality or public transit county in
2238 accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality
2239 or public transit county.
- 2240 (c)(i) Property tax increment paid to the municipality or public transit county are
2241 housing and transit reinvestment zone funds and shall be administered by an
2242 agency created by the municipality or public transit county within which the
2243 housing and transit reinvestment zone is located.
- 2244 (ii) Before an agency may receive housing and transit reinvestment zone funds from
2245 the municipality or public transit county, the municipality or public transit county
2246 and the agency shall enter into an interlocal agreement with terms that:
- 2247 (A) are consistent with the approval of the housing and transit reinvestment zone
2248 committee; and
- 2249 (B) meet the requirements of Section 63N-3-603 or, for a convention center
2250 reinvestment zone, the requirements of Section 63N-3-603.1.
- 2251 (3)(a) A county that collects property tax on property located within a convention center
2252 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the
2253 relevant public infrastructure district created by the eligible municipality any
2254 property tax increment the public infrastructure district is authorized to receive up to
2255 the amounts approved by the housing and transit reinvestment zone committee.
- 2256 (b) Property tax increment distributed to a public infrastructure district in accordance
2257 with Subsection (3)(a) is not revenue of the taxing entity or municipality.
- 2258 (c) Property tax increment paid to the public infrastructure district are convention center
2259 reinvestment zone funds and shall be administered by the public infrastructure district
2260 within which the convention center reinvestment zone is located.
- 2261 (4)(a)(i) A municipality or public transit county and agency shall use housing and
2262 transit reinvestment zone funds within, or for the direct benefit of, the housing and
2263 transit reinvestment zone.

- 2264 (ii) A public infrastructure district shall use convention center reinvestment zone
2265 funds within, or for the benefit of, the convention center reinvestment zone.
- 2266 (b) If any housing and transit reinvestment zone funds will be used outside of the
2267 housing and transit reinvestment zone, there [~~must~~] shall be a finding in the approved
2268 proposal for a housing and transit reinvestment zone that the use of the housing and
2269 transit reinvestment zone funds outside of the housing and transit reinvestment zone
2270 will directly benefit the housing and transit reinvestment zone.
- 2271 (5)(a) A municipality or public transit county shall use housing and transit reinvestment
2272 zone funds to achieve the purposes described in Subsections 63N-3-603(1) and (2),
2273 by paying all or part of the costs of any of the following:
- 2274 (i) income targeted housing costs;
 - 2275 (ii) structured parking within the housing and transit reinvestment zone;
 - 2276 (iii) enhanced development costs;
 - 2277 (iv) horizontal construction costs;
 - 2278 (v) vertical construction costs;
 - 2279 (vi) property acquisition costs within the housing and transit reinvestment zone;
 - 2280 (vii) the costs of the municipality or public transit county to create and administer the
2281 housing and transit reinvestment zone, which may not exceed 2% of the total
2282 housing and transit reinvestment zone funds, plus the costs to complete the gap
2283 analysis described in Subsection 63N-3-604(2); or
 - 2284 (viii) subject to Subsection (5)(b), costs for the construction or expansion of child
2285 care facilities within the boundary of the housing and transit reinvestment zone.
- 2286 (b) A municipality or public transit county may not use more than 1% of the total
2287 housing and transit reinvestment zone funds to pay costs described in Subsection
2288 (5)(a)(viii).
- 2289 (c) A public infrastructure district shall use convention center reinvestment zone funds
2290 to achieve the purposes described in Section 63N-3-603.1.
- 2291 (6) Housing and transit reinvestment zone funds may be paid to a participant, if the agency
2292 and participant enter into a participation agreement that requires the participant to utilize
2293 the housing and transit reinvestment zone funds as allowed in this section.
- 2294 (7)(a) Housing and transit reinvestment zone funds may be used to pay all of the costs of
2295 bonds issued by the municipality or public transit county in accordance with Title
2296 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the
2297 bonds including interest.

- 2298 (b) Convention center reinvestment zone funds may be used to pay all of the costs of
2299 debt incurred by the public infrastructure district, including the cost to issue and
2300 repay the debt including interest.
- 2301 (8)(a) A municipality or public transit county may create one or more public
2302 infrastructure districts within the housing and transit reinvestment zone under Title
2303 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing
2304 and transit reinvestment zone funds to guarantee the payment of public infrastructure
2305 bonds issued by a public infrastructure district.
- 2306 (b) An eligible municipality that is a capital city shall create one or more public
2307 infrastructure districts within the convention center reinvestment zone under Title
2308 17D, Chapter 4, Public Infrastructure District Act, and the convention center
2309 reinvestment zone funds may be used to pay all or any portion of debt incurred by the
2310 public infrastructure district, including the cost to issue and repay the debt including
2311 interest.
- 2312 (9) A municipality, public transit county, or public infrastructure district that intends to
2313 receive or receives tax increment, as defined in Section 59-35-101, shall comply with
2314 the requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.
2315 Section 38. Section **63N-3-609** is amended to read:
2316 **63N-3-609 (Effective 05/06/26). Property tax increment protections.**
- 2317 (1) Upon petition by a participating taxing entity or on the initiative of the housing and
2318 transit reinvestment zone committee creating a housing and transit reinvestment zone or
2319 convention center reinvestment zone, a housing and transit reinvestment zone or
2320 convention center reinvestment zone may suspend or terminate the collection of
2321 property tax increment in a housing and transit reinvestment zone or convention center
2322 reinvestment zone if the housing and transit reinvestment zone committee determines,
2323 by clear and convincing evidence, presented in a public meeting of the housing and
2324 transit reinvestment zone committee, that:
- 2325 (a) a substantial portion of the property tax increment collected in the housing and transit
2326 reinvestment zone or convention center reinvestment zone has not or will not be used
2327 for the purposes provided in Section 63N-3-607; and
- 2328 (b)(i) the housing and transit reinvestment zone or convention center reinvestment
2329 zone and related public infrastructure district has no indebtedness secured by
2330 funds provided for in this chapter; or
- 2331 (ii) the housing and transit reinvestment zone or convention center reinvestment zone

2332 and related public infrastructure district has no binding financial obligations
2333 secured by this chapter.

2334 (2) A housing and transit reinvestment zone or convention center reinvestment zone may
2335 not collect property tax increment in excess of the property tax increment projections or
2336 limitations set forth in the housing and transit reinvestment zone or convention center
2337 reinvestment zone proposal and disclosed in accordance with Title 59, Chapter 35, Part
2338 2, Pre-increment Disclosure and Reporting.

2339 (3) The agency administering the property tax increment collected in a housing and transit
2340 reinvestment zone under Subsection 63N-3-607(2)(c) or the public infrastructure district
2341 administering the property tax increment collected in a convention center reinvestment
2342 zone under Subsection 63N-3-607(3)(c), shall have standing in a court with proper
2343 jurisdiction to enforce provisions of the housing and transit reinvestment zone or
2344 convention center reinvestment zone proposal, participation agreements, and other
2345 agreements for the use of the property tax increment collected.

2346 (4) The agency administering property tax increment from a housing and transit
2347 reinvestment zone under Subsection 63N-3-607(2)(c) or the public infrastructure district
2348 administering the property tax increment collected in a convention center reinvestment
2349 zone under Subsection 63N-3-607(3)(c) which is collecting property tax increment shall
2350 follow the [reporting] requirements described in [~~Section 17C-1-603~~] Title 59, Chapter
2351 35, Tax Increment Financing Reporting, and the audit requirements described in
2352 Sections 17C-1-604 and 17C-1-605.

2353 (5) For each housing and transit reinvestment zone or convention center reinvestment zone
2354 collecting tax increment within a county, the county auditor shall follow the reporting
2355 requirement found in Section 17C-1-606.

2356 Section 39. Section **63N-3-1601** is amended to read:

2357 **63N-3-1601 (Effective 05/06/26). Definitions.**

2358 (1) "Affordable housing" means:

2359 (a) for homes that are not owner occupied, housing occupied or reserved for occupancy
2360 by households with a gross household income equal to or less than 80% of the county
2361 median gross income for households of the same size; or

2362 (b)(i) for homes that are owner occupied, housing that is priced at 80% of the county
2363 median home price; or

2364 (ii) for homes that are owner occupied, housing that is priced at 80% of the zip code
2365 median home price if:

- 2366 (A) the proposal described in Section 63N-3-1603 demonstrates that a deviation
2367 from the county median home price will achieve the objectives described in
2368 Subsection 63N-3-1602(1); and
- 2369 (B) the zip code median home price is based upon county property tax assessment
2370 data.
- 2371 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 2372 (3) "Base taxable value" means the same as that term is defined in Section 63N-3-602.
- 2373 (4) "Base year" means, for each tax increment collection period triggered within a proposed
2374 first home investment zone area, the calendar year prior to the calendar year the tax
2375 increment begins to be collected for those parcels triggered for that collection period.
- 2376 (5)(a) "Developable area" means the portion of land within a first home investment zone
2377 available for development and construction of business and residential uses.
- 2378 (b) "Developable area" does not include portions of land within a first home investment
2379 zone that are allocated to:
- 2380 (i) parks;
- 2381 (ii) recreation facilities;
- 2382 (iii) open spaces;
- 2383 (iv) trails;
- 2384 (v) parking;
- 2385 (vi) roadway facilities; or
- 2386 (vii) other public facilities.
- 2387 (6) "Dwelling unit" means the same as that term is defined in Section 63N-3-602.
- 2388 (7) "Extraterritorial home" means a dwelling unit that is included as part of the first home
2389 investment zone proposal that:
- 2390 (a) is located within the municipality proposing the first home investment zone but
2391 outside the boundary of the first home investment zone;
- 2392 (b) is part of a development with a density of at least six units per acre;
- 2393 (c) is not located within an existing housing and transit reinvestment zone or an area that
2394 could be included in a housing and transit reinvestment zone;
- 2395 (d) has not been issued a building permit by the municipality as of the date of the
2396 approval of the first home investment zone; and
- 2397 (e) is required to be owner occupied for no less than 25 years.
- 2398 (8) "First home investment zone" means a first home investment zone created in accordance
2399 with this part.

- 2400 (9) "Home" means a dwelling unit.
- 2401 (10) "Housing and transit reinvestment zone" means the same as that term is defined in
2402 Section 63N-3-602.
- 2403 (11) "Housing and transit reinvestment zone committee" means the housing and transit
2404 reinvestment zone committee described in Section 63N-3-605.
- 2405 (12) "Metropolitan planning organization" means the same as that term is defined in
2406 Section 72-1-208.5.
- 2407 (13) "Mixed use development" means the same as that term is defined in Section [
2408 ~~63N-3-603~~] 63N-3-602.
- 2409 (14) "Moderate income housing plan" means the same as that term is defined in Section
2410 11-41-102.
- 2411 (15) "Municipality" means the same as that term is defined in Section 10-1-104.
- 2412 (16) "Owner occupied" means private real property that is:
- 2413 (a) used for a single-family residential purpose; and
- 2414 (b) required to be occupied by the owner of the real property for no less than 25 years.
- 2415 (17) "Project area" means the same as that term is defined in Section 17C-1-102.
- 2416 (18)(a) "Project improvements" means site improvements and facilities that are:
- 2417 (i) planned and designed to provide service for development resulting from a
2418 development activity;
- 2419 (ii) necessary for the use and convenience of the occupants or users of development
2420 resulting from a development activity; and
- 2421 (iii) not identified or reimbursed as a system improvement.
- 2422 (b) "Project improvements" does not mean system improvements.
- 2423 (19) "State Tax Commission" means the State Tax Commission created in Section 59-1-201.
- 2424 (20)(a) "System improvements" means existing and future public facilities that are
2425 designed to provide services to service areas within the community at large.
- 2426 (b) "System improvements" does not mean project improvements.
- 2427 (21)(a) "Tax increment" means the difference between:
- 2428 (i) the amount of property tax revenue generated each tax year by a taxing entity from
2429 the area within a first home investment zone designated in the first home
2430 investment zone proposal as the area from which tax increment is to be collected,
2431 using the current assessed value and each taxing entity's current certified tax rate
2432 as defined in Section 59-2-924; and
- 2433 (ii) the amount of property tax revenue that would be generated from that same area

2434 using the base taxable value and each taxing entity's current certified tax rate as
2435 defined in Section 59-2-924.

2436 (b) "Tax increment" does not include property tax revenue from[~~a multicounty~~
2437 assessing and collecting levy or a county additional property tax described in Section
2438 59-2-1602.

2439 [~~(i) a multicounty assessing and collecting levy described in Subsection~~
2440 ~~59-2-1602(2); or]~~

2441 [~~(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~

2442 (22) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

2443 (23) "Unencumbered annual community reinvestment agency revenue" means tax
2444 increment revenue received by the agency for purposes identified in Title 17C, Limited
2445 Purpose Local Government Entities - Community Reinvestment Agency Act, that:

2446 (a) have not been designated or restricted for future qualified uses as approved by the
2447 agency board related to a specific project area; and

2448 (b) do not have a date certain by which the tax increment [~~revenues]~~ revenue will be used.
2449 Section 40. Section **63N-3-1606** is amended to read:

2450 **63N-3-1606 (Effective 05/06/26). Payment, use, and administration of tax**
2451 **increment from a first home investment zone.**

2452 (1) A municipality may receive and use tax increment and first home investment zone funds
2453 in accordance with this part.

2454 (2)(a) A county that collects property tax on property located within a first home
2455 investment zone shall, in accordance with Section 59-2-1365, distribute to the
2456 municipality any tax increment the municipality is authorized to receive up to the
2457 maximum approved by the housing and transit reinvestment zone committee.

2458 (b)(i) Except as provided in Subsection (2)(b)(ii), tax increment paid to the
2459 municipality are first home investment zone funds and shall be administered by
2460 the municipality within which the first home investment zone is located.

2461 (ii) A municipality may contract with an agency, county, or a housing authority to
2462 administer tax increment and the first home investment zone, ensure compliance
2463 with first home investment zone requirements, and administer deed restrictions.

2464 (iii) Before an agency may receive first home investment zone funds from the
2465 municipality, the municipality and the agency shall enter into an interlocal
2466 agreement with terms that:

2467 (A) are consistent with the approval of the housing and transit reinvestment zone

2468 committee; and

2469 (B) meet the requirements of Section 63N-3-1502.

2470 (3)(a) A municipality and the agency shall use first home investment zone funds for the
2471 benefit of the first home investment zone and related extraterritorial housing.

2472 (b) If any first home investment zone funds will be used outside of the first home
2473 investment zone there [~~must~~] shall be a finding in the approved proposal for a first
2474 home investment zone that the use of the first home investment zone funds outside of
2475 the first home investment zone will directly benefit the first home investment zone or
2476 related extraterritorial homes.

2477 (4) In accordance with Subsection 63N-3-1502(4)(e), a municipality shall use the first home
2478 investment zone funds to achieve the purposes described in Subsections 63N-3-1502(1)
2479 and (2), by paying all or part of the costs associated with the first home investment zone
2480 and extraterritorial homes, including:

2481 (a) project improvements;

2482 (b) system improvements; and

2483 (c) the costs of the municipality to create and administer the first home investment zone,
2484 which may not exceed 2% of the total first home investment zone funds, plus the
2485 costs to complete the gap analysis described in Subsection 63N-3-1603(2).

2486 (5) First home investment zone funds may be paid to a participant, if the agency and
2487 participant enter into a participation agreement which requires the participant to utilize
2488 the first home investment zone funds as allowed in this section.

2489 (6) First home investment zone funds may be used to pay all of the costs of bonds issued by
2490 the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,
2491 including the cost to issue and repay the bonds including interest.

2492 (7) A municipality may create one or more public infrastructure districts within the city
2493 under Title 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the
2494 first home investment zone funds to guarantee the payment of public infrastructure
2495 bonds issued by a public infrastructure district.

2496 (8) A municipality, agency, or public infrastructure district that intends to receive or
2497 receives tax increment, as defined in Section 59-35-101, shall comply with the
2498 requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.

2499 Section 41. Section **63N-3-1608** is amended to read:

2500 **63N-3-1608 (Effective 05/06/26). Tax increment protections.**

2501 (1) Upon petition by a participating taxing entity or on the initiative of the housing and

2502 transit reinvestment zone committee creating a first home investment zone, a first home
 2503 investment zone may suspend or terminate the collection of tax increment in a first home
 2504 investment zone if the housing and transit reinvestment zone committee determines, by
 2505 clear and convincing evidence, presented in a public meeting of the housing and transit
 2506 reinvestment zone committee, that:

2507 (a) a substantial portion of the tax increment collected in the first home investment zone
 2508 has not or will not be used for the purposes provided in Section 63N-3-1606; and

2509 (b)(i) the first home investment zone has no indebtedness; or

2510 (ii) the first home investment zone has no binding financial obligations.

2511 (2) A first home investment zone may not collect tax increment in excess of the tax
 2512 increment projections or limitations set forth in the first home investment zone proposal
 2513 and disclosed in accordance with Title 59, Chapter 35, Part 2, Pre-increment Disclosure
 2514 and Reporting.

2515 (3) The agency administering the tax increment collected in a first home investment zone
 2516 under Subsection 63N-3-1606(2), shall have standing in a court with proper jurisdiction
 2517 to enforce provisions of the first home investment zone proposal, participation
 2518 agreements, and other agreements for the use of the tax increment collected.

2519 (4) The agency administering tax increment from a first home investment zone under
 2520 Subsection 63N-3-1606(2) shall follow the [~~reporting~~]requirements described in [
 2521 ~~Section 17C-1-603~~] Title 59, Chapter 35, Tax Increment Financing Reporting, and the
 2522 audit requirements described in Sections 17C-1-604 and 17C-1-605.

2523 (5) For each first home investment zone collecting tax increment within a county, the
 2524 county auditor shall follow the reporting requirement found in Section 17C-1-606.

2525 Section 42. Section **63N-3-1701** is amended to read:

2526 **63N-3-1701 (Effective 05/06/26). Definitions.**

2527 As used in this part:

2528 (1) "Base taxable value" means the taxable value of land within a qualified development
 2529 zone as shown upon the assessment roll last equalized during the property tax base year.

2530 (2) "Committee" means a major sporting event venue zone committee described in Section
 2531 63N-3-1706.

2532 (3) "Creating entity" means a municipality or a county.

2533 (4) "Impacted primary area" means the land outside a major sporting event venue zone but
 2534 within one mile of the boundary of the major sporting event venue zone.

2535 (5)(a) "Major sporting event venue" means a venue that has been or is proposed to be

- 2536 used for the Olympic Games, as confirmed by the Salt Lake City-Utah Committee for
2537 the Games, a site, arena, or facility along with supporting or adjacent structures [~~so~~
2538 ~~long~~ as] if the expected expenditures to construct, demolish, reconstruct, modify,
2539 upgrade, or expand the site, arena, or facility exceeds \$100,000,000.
- 2540 (b) "Major sporting event venue" includes structures where an international competition
2541 or professional athletic event is not taking place directly but where media, athletes,
2542 spectators, organizers, and officials associated with the international competition or
2543 professional athletic event are hosted in direct connection with the international
2544 competition or professional athletic event taking place at a location described in
2545 Subsection (5)(a).
- 2546 (6) "Major sporting event venue zone" means the land, as described in a proposal to create a
2547 major sporting event venue zone or a proposal to amend a major sporting event venue
2548 zone, or as approved by a committee for a major sporting event venue zone, upon which
2549 there are one or more major sporting event venues.
- 2550 (7) "Major sporting event venue zone revenue" means all the revenue captured by a creating
2551 entity for an area described in a major sporting event venue zone and if applicable the
2552 secondary project area, including:
- 2553 (a) property tax increment;
- 2554 (b) if applicable, local sales and use tax increment;
- 2555 (c) if applicable, accommodations tax;
- 2556 (d) if applicable, transient room tax; and
- 2557 (e) if applicable, resort communities sales and use tax and additional resort communities
2558 sales and use tax.
- 2559 (8) "Property tax base year" means, for each property tax increment collection period
2560 triggered within a qualified development zone or a proposed qualified development
2561 zone, the calendar year before the calendar year in which the property tax increment
2562 begins to be collected for the parcels triggered for that collection period.
- 2563 (9)(a) "Property tax increment" means the difference between:
- 2564 (i) the amount of property tax revenue generated each tax year by a taxing entity
2565 within a qualified development zone, or proposed qualified development zone,
2566 from which property tax increment is to be collected, using the current assessed
2567 value and each taxing entity's current certified tax rate as defined in Section
2568 59-2-924; and
- 2569 (ii) the amount of property tax revenue that would be generated from the area

- 2570 described in Subsection (9)(a)(i) using the base taxable value and each taxing
 2571 entity's current certified tax rate as defined in Section 59-2-924.
- 2572 (b) "Property tax increment" does not include property tax revenue from^[:] a
 2572a multicounty
 2573 assessing and collecting levy or a county additional property tax described in Section
 2574 59-2-1602.
- 2575 [~~(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
 2576 ~~or]~~
- 2577 [~~(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~
- 2578 (10) "Proposal" means a document, physical or electronic, developed by a creating entity:
 2579 (a) outlining the need for a major sporting event venue zone;
 2580 (b) describing the impacted primary area of a proposed major sporting event venue zone;
 2581 (c) describing the proposed secondary project area of a proposed major sporting event
 2582 venue zone, if any; and
 2583 (d) submitted to a major sporting event venue zone committee.
- 2584 (11) "Qualified development zone" means the property within a major sporting event venue
 2585 zone, and, if applicable, the secondary project area, as approved by the committee as
 2586 described in this part.
- 2587 (12) "Sales and use tax base year" means a sales and use tax year determined by the first
 2588 year pertaining to the tax imposed in Section 59-12-103 after the sales and use tax
 2589 boundary for a major sporting event venue zone is established.
- 2590 (13)(a) "Sales and use tax boundary" means a boundary established as described in
 2591 Sections 63N-3-1707 and 63N-3-1710, based on sales and use tax collection that
 2592 corresponds as closely as reasonably practicable to the boundary of the major
 2593 sporting event venue zone.
- 2594 (b) "Sales and use tax boundary" does not include land described in a secondary project
 2595 area.
- 2596 (14) "Sales and use tax increment" means the difference between:
 2597 (a) the amount of local sales and use tax revenue generated each year following the sales
 2598 and use tax base year by the local sales and use tax from the area within a sales and
 2599 use tax boundary from which local sales and use tax increment is to be collected; and
 2600 (b) the amount of local sales and use tax revenue that was generated from within the
 2601 sales and use tax boundary during the sales and use tax base year.
- 2602 (15)(a) "Secondary project area" means land, as described in a proposal to create a major

2603 sporting event venue zone or a proposal to amend a major sporting event venue zone,
 2604 or as approved by a committee for a major sporting event venue zone:

2605 (i) located in the same jurisdiction as the creating entity for the major sporting event
 2606 venue zone;

2607 (ii) located no more than two miles from the boundary of the major sporting event
 2608 venue zone;

2609 (iii) connected to a major sporting event venue zone by a transportation system; and

2610 (iv) not exceeding 50 acres.

2611 (b) "Secondary project area" may include:

2612 (i) land that is not contiguous to the major sporting event venue zone, if the land
 2613 designated in the secondary project area is the only or primary point of transit by
 2614 which an individual may begin to access the major sporting event venue zone; and

2615 (ii) the land on which a connecting transportation system sits if the transportation
 2616 system requires infrastructure that is permanently affixed to the land.

2617 (16) "Transportation system" means:

2618 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including
 2619 connected structures;

2620 (b) an airport or aerial transit infrastructure;

2621 (c) a public transit facility; or

2622 (d) any other modes or form of conveyance used by the public.

2623 Section 43. Section **63N-3-1708** is amended to read:

2624 **63N-3-1708 (Effective 05/06/26). Major sporting event venue zone boundaries --**

2625 **Reporting requirements.**

2626 (1) After a major sporting event venue zone is approved by the committee, as described in
 2627 Section 63N-3-1706, the committee shall provide notice to the State Tax Commission,
 2628 no later than 90 days after the day on which the committee approves the proposal:

2629 (a) of the creation of the major sporting event venue zone, including the information
 2630 described in Subsection (2);

2631 (b) if the committee approves the creating entity to receive local sales and use tax
 2632 increment, the information described in Subsection (3); and

2633 (c) any information to the State Tax Commission required by the State Tax Commission.

2634 (2) The notice described in Subsection (1)(a) shall include:

2635 (a) a statement that the major sporting event venue zone will be established under this
 2636 part;

- 2637 (b) the approval date and effective date of the major sporting event venue zone;
- 2638 (c) the boundary of the qualified development zone;
- 2639 (d) the sales and use tax base year, if applicable; and
- 2640 (e) the sales and use tax boundary, if applicable.
- 2641 (3) After the effective date of a major sporting event venue zone, as described in Section
- 2642 63N-3-1707, the creating entity shall provide a written report, no later than August 1, on
- 2643 the creating entity's activities to implement the objectives of the major sporting event
- 2644 venue zone to the executive director.
- 2645 (4) If the creating entity intends to receive or receives tax increment, as defined in Section
- 2646 59-35-101, the creating entity shall comply with the requirements described in Title 59,
- 2647 Chapter 35, Tax Increment Financing Reporting.
- 2648 [~~(4)~~] (5)(a) The executive director shall annually provide a written report, no later than
- 2649 October 1, summarizing all reports received by the executive director under
- 2650 Subsection (3), to the:
- 2651 (i) Revenue and Taxation Interim Committee;
- 2652 (ii) Political Subdivisions Interim Committee; and
- 2653 (iii) Economic Development and Workforce Services Interim Committee.
- 2654 (b) The executive director shall include with the written report described in Subsection
- 2655 (4)(a) any recommendations to the Legislature for statutory changes to this chapter or
- 2656 Title 11, Chapter 71, Major Sporting Event Venue Zones.
- 2657 **Section 44. Repealer.**
- 2658 This bill repeals:
- 2659 **Section 59-2-1603, Allocation of money in the Property Tax Valuation Fund -- Use of**
- 2660 **funds.**
- 2661 **Section 45. Effective Date.**
- 2662 (1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.
- 2663 (2) The actions affecting Section 59-2-919.1 (Effective 07/01/26) take effect on July 1,
- 2664 2026.
- 2665 **Section 46. Retrospective operation.**
- 2666 The actions affecting the following sections have retrospective operation to January 1,
- 2667 2026:
- 2668 (1) Section 59-2-306.5;
- 2669 (2) Section 59-2-307;
- 2670 (3) Section 59-2-308;

- 2671 (4) Section 59-2-704;
- 2672 (5) Section 59-2-919.1 (Superseded 07/01/26);
- 2673 (6) Section 59-2-924.2;
- 2674 (7) Section 59-2-1601;
- 2675 (8) Section 59-2-1602;
- 2676 (9) Section 59-2-1603;
- 2677 (10) Section 59-2-1605;
- 2678 (11) Section 59-2-1606;
- 2679 (12) Section 59-2-2001; and
- 2680 (13) Section 59-2-2002.