

R. Neil Walter 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 ▸ excludes certain property valuation increases from the calculation of locally assessed new
- 36 growth;
- 37 ▸ excludes increases to the value of tangible personal property from the calculation of
- 38 project area new growth;
- 39 ▸ modifies definitions relating to public service districts to reflect the transition of land
- 40 within the public service districts from unincorporated county to incorporated cities or
- 41 towns since the public service districts formed; and
- 42 ▸ makes technical and conforming changes.

43 **Money Appropriated in this Bill:**

44 None

45 **Other Special Clauses:**

46 This bill provides a special effective date.

47 This bill provides retrospective operation.

48 **Utah Code Sections Affected:**

49 AMENDS:

50 **10-21-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
51 First Special Session, Chapter 15

52 **10-21-504 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
53 First Special Session, Chapter 15

54 **11-58-803 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Second Special
55 Session, Chapter 1

56 **11-59-208 (Effective 05/06/26) (Repealed 01/01/29)**, as enacted by Laws of Utah 2022,
57 Chapter 237

58 **11-70-401 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
59 Session, Chapter 16

60 **17-80-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
61 First Special Session, Chapter 14

62 **17-80-504 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,

63 First Special Session, Chapter 14
64 **17C-1-606 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 480
65 **17D-4-205 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2021,
66 Chapter 314
67 **59-2-306.5 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
68 of Utah 2024, Chapter 315
69 **59-2-307 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
70 Utah 2022, Chapter 239
71 **59-2-308 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
72 Utah 2022, Chapter 239
73 **59-2-704 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of
74 Utah 2025, Chapter 337
75 **59-2-919.1 (Effective 05/06/26) (Superseded 07/01/26) (Applies beginning 01/01/26)**, as
76 last amended by Laws of Utah 2025, Chapter 518
77 **59-2-919.1 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, Chapter 518
78 **59-2-924 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
79 Session, Chapter 15
80 **59-2-924.2 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
81 of Utah 2025, Chapter 29
82 **59-2-1601 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
83 of Utah 2024, Chapter 263
84 **59-2-1602 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
85 of Utah 2025, Chapters 337, 484
86 **59-2-1605 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
87 of Utah 2014, Chapter 270
88 **59-2-1606 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws
89 of Utah 2025, Chapter 337
90 **59-2-2001 (Effective 05/06/26) (Applies beginning 01/01/26)**, as enacted by Laws of
91 Utah 2025, Chapter 432
92 **59-2-2002 (Effective 05/06/26) (Applies beginning 01/01/26)**, as enacted by Laws of
93 Utah 2025, Chapter 432
94 **63H-1-501 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 514
95 **63I-1-259 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 270
96 **63N-3-602 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29

97 **63N-3-603.1 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 29
98 **63N-3-607 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 404
99 **63N-3-609 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
100 **63N-3-1601 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 440
101 **63N-3-1606 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537
102 **63N-3-1608 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537
103 **63N-3-1701 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 495
104 **63N-3-1708 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 495

105 ENACTS:

106 **59-1-1901 (Effective 05/06/26)**, Utah Code Annotated 1953
107 **59-1-1902 (Effective 05/06/26)**, Utah Code Annotated 1953
108 **59-35-101 (Effective 05/06/26)**, Utah Code Annotated 1953
109 **59-35-201 (Effective 05/06/26)**, Utah Code Annotated 1953
110 **59-35-202 (Effective 05/06/26)**, Utah Code Annotated 1953
111 **59-35-203 (Effective 05/06/26)**, Utah Code Annotated 1953
112 **59-35-204 (Effective 05/06/26)**, Utah Code Annotated 1953
113 **59-35-301 (Effective 05/06/26)**, Utah Code Annotated 1953
114 **59-35-302 (Effective 05/06/26)**, Utah Code Annotated 1953

115 REPEALS AND REENACTS:

116 **17C-1-603 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 480

117 REPEALS:

118 **59-2-1603 (Effective 05/06/26) (Repealed 07/01/30)**, as last amended by Laws of Utah
119 2022, Chapter 451

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

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

123 **10-21-101 (Effective 05/06/26). Definitions.**

124 As used in this part:

- 125 (1) "Affordable housing" means housing offered for sale at 80% or less of the median
126 county home price for housing of that type.
- 127 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 128 (3) "Applicable metropolitan planning organization" means the metropolitan planning
129 organization that has jurisdiction over the area in which a fixed guideway public transit
130 station is located.

- 131 (4) "Applicable public transit district" means the public transit district, as defined in Section
132 17B-2a-802, of which a fixed guideway public transit station is included.
- 133 (5) "Base taxable value" means a property's taxable value as shown upon the assessment
134 roll last equalized during the base year.
- 135 (6) "Base year" means, for a proposed home ownership promotion zone area, a year
136 beginning the first day of the calendar quarter determined by the last equalized tax roll
137 before the adoption of the home ownership promotion zone.
- 138 (7) "Division" means the Housing and Community Development Division within the
139 Department of Workforce Services.
- 140 (8) "Existing fixed guideway public transit station" means a fixed guideway public transit
141 station for which construction begins before June 1, 2022.
- 142 (9) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 143 (10) "Home ownership promotion zone" means a home ownership promotion zone created
144 in accordance with this part.
- 145 (11) "Implementation plan" means the implementation plan adopted as part of the moderate
146 income housing element of a specified municipality's general plan as provided in
147 Subsection 10-21-201(4).
- 148 (12) "Initial report" or "initial moderate income housing report" means the one-time report
149 described in Subsection 10-21-202(1).
- 150 (13) "Internal accessory dwelling unit" means an accessory dwelling unit created:
151 (a) within a primary dwelling;
152 (b) within the footprint of the primary dwelling described in Subsection (13)(a) at the
153 time the internal accessory dwelling unit is created; and
154 (c) for the purpose of offering a long-term rental of 30 consecutive days or longer.
- 155 (14) "Moderate income housing strategy" means a strategy described in Subsection
156 10-21-201(3)(a)(iii).
- 157 (15) "New fixed guideway public transit station" means a fixed guideway public transit
158 station for which construction begins on or after June 1, 2022.
- 159 (16) "Participant" means the same as that term is defined in Section 17C-1-102.
- 160 (17) "Participation agreement" means the same as that term is defined in Section 17C-1-102.
- 161 (18)(a) "Primary dwelling" means a single-family dwelling that:
162 (i) is detached; and
163 (ii) is occupied as the primary residence of the owner of record.
164 (b) "Primary dwelling" includes a garage if the garage:

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

- 199 (a) establishes a vision, and the actions needed to implement that vision, for the
 200 development of land within a station area; and
- 201 (b) is developed and adopted in accordance with this section.
- 202 (25) "Subsequent progress report" means the annual report described in Subsection
 203 10-21-202(2).
- 204 (26) "System improvements" means the same as that term is defined in Section 11-36a-102.
- 205 (27) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 206 (28)(a) "Tax increment" means the difference between:
- 207 (i) the amount of property tax revenue generated each tax year by a taxing entity from
 208 the area within a home ownership promotion zone, using the current assessed
 209 value and each taxing entity's current certified tax rate as defined in Section
 210 59-2-924; and
- 211 (ii) the amount of property tax revenue that would be generated from that same area
 212 using the base taxable value and each taxing entity's current certified tax rate as
 213 defined in Section 59-2-924.
- 214 (b) "Tax increment" does not include property revenue from~~[:]~~ a multicounty assessing
 215 and collecting levy or a county additional property tax described in Section 59-2-1602.
 216 ~~[(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
 217 ~~or]~~
- 218 ~~[(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~
- 219 (29) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 220 Section 2. Section **10-21-504** is amended to read:
- 221 **10-21-504 (Effective 05/06/26). Payment, use, and administration of revenue**
 222 **from a home ownership promotion zone.**
- 223 (1)(a) A municipality may receive tax increment and use home ownership promotion
 224 zone funds in accordance with this section.
- 225 (b) The maximum amount of time that a municipality may receive and use tax increment
 226 in accordance with a home ownership promotion zone is 15 consecutive years.
- 227 (2) A county that collects property tax on property located within a home ownership
 228 promotion zone shall distribute, in accordance with Section 59-2-1365, ~~[distribute]~~60%
 229 of the tax increment ~~[collected]~~ the county collects from property within the home
 230 ownership promotion zone to the municipality over the home ownership promotion zone
 231 to ~~[be used]~~ use as described in this section.
- 232 (3)(a) Tax increment distributed to a municipality in accordance with Subsection (2) is

233 not revenue of the taxing entity or municipality, but home ownership promotion zone
234 funds.

235 (b) [~~Home ownership promotion zone funds may be administered by an agency created~~
236 ~~by the municipality within which the home ownership promotion zone is located.~~] An
237 agency created by the municipality within which the home ownership promotion
238 zone is located may administer home ownership promotion zone funds.

239 (c) Before an agency may receive home ownership promotion zone funds from a
240 municipality, the agency shall enter into an interlocal agreement with the
241 municipality.

242 (4)(a) A municipality or agency shall use home ownership promotion zone funds within,
243 or for the direct benefit of, the home ownership promotion zone.

244 (b) If any home ownership promotion zone funds will be used outside of the home
245 ownership promotion zone, the legislative body of the municipality shall make a
246 finding that the use of the home ownership promotion zone funds outside of the home
247 ownership promotion zone will directly benefit the home ownership promotion zone.

248 (5) A municipality or agency shall use home ownership promotion zone funds to achieve
249 the purposes described in Section 10-21-502 by paying all or part of the costs of any of
250 the following:

251 (a) project improvement costs;

252 (b) systems improvement costs;

253 (c) water exaction costs;

254 (d) street lighting costs;

255 (e) environmental remediation costs; or

256 (f) the costs of the municipality or agency to create and administer the home ownership
257 promotion zone, which may not exceed 3% of the total home ownership promotion
258 zone funds.

259 (6) Home ownership promotion zone funds may be paid to a participant, if the municipality
260 and participant enter into a participation agreement which requires the participant to [
261 ~~utilize~~] use the home ownership promotion zone funds as allowed in this section.

262 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds
263 issued by the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency
264 Bonds, including the cost to issue and repay the bonds including interest.

265 (8) A municipality may:

266 (a) create one or more public infrastructure districts within a home ownership promotion

- 267 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and
- 268 (b) pledge and [utilize] use the home ownership promotion zone funds to guarantee the
- 269 payment of public infrastructure bonds issued by a public infrastructure district.
- 270 (9) A municipality, agency, or public infrastructure district that intends to receive or
- 271 receives tax increment, as defined in Section 59-35-101, shall comply with the
- 272 requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.
- 273 Section 3. Section **11-58-803** is amended to read:
- 274 **11-58-803 (Effective 05/06/26). Port authority reporting.**
- 275 (1)(a) On or before November 1 of each year, the authority shall prepare and file a report
- 276 with the county auditor of each county in which the authority jurisdictional land is
- 277 located, the State Tax Commission, the State Board of Education, and each taxing
- 278 entity that levies a tax on property from which the authority collects property tax
- 279 differential.
- 280 (b) The requirement of Subsection (1)(a) to file a copy of the report with the state as a
- 281 taxing entity is met if the authority files a copy with the State Tax Commission and
- 282 the state auditor.
- 283 (2) Each report under Subsection (1) shall contain:
- 284 (a) an estimate of the property tax differential to be paid to the authority for the calendar
- 285 year ending December 31; and
- 286 (b) an estimate of the property tax differential to be paid to the authority for the calendar
- 287 year beginning the next January 1.
- 288 (3) Before November 30 of each year, the board shall present a report to the Executive
- 289 Appropriations Committee of the Legislature, as the Executive Appropriations
- 290 Committee directs, that includes:
- 291 (a) an accounting of how authority funds have been spent, including funds spent on the
- 292 environmental sustainability component of the authority business plan under
- 293 Subsection 11-58-202(1)(a);
- 294 (b) an update about the progress of the development and implementation of the authority
- 295 business plan under Subsection 11-58-202(1)(a), including the development and
- 296 implementation of the environmental sustainability component of the plan; and
- 297 (c) an explanation of the authority's progress in achieving the policies and objectives
- 298 described in Subsection 11-58-203(1).
- 299 (4) The authority shall comply with the requirements described in Title 59, Chapter 35, Tax
- 300 Increment Financing Reporting.

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

302 **11-59-208 (Effective 05/06/26) (Repealed 01/01/29). Portion of property tax**
303 **augmentation to be paid to authority -- Reporting.**

304 (1) As used in this section:

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

306 (b) "Property tax augmentation":

307 (i) means the amount of property tax that is the difference between:

308 (A) the amount of property tax revenues generated each tax year by all taxing
309 entities from a transferred parcel, using the current assessed value of the
310 property; and

311 (B) the amount of property tax revenues that would be generated from that same
312 transferred parcel using the base taxable value of the property; and

313 (ii) does not include property tax revenue from:

314 (A) a county additional property tax or multicounty assessing and collecting levy
315 imposed in accordance with Section 59-2-1602;

316 (B) a judgment levy imposed by a taxing entity under Section 59-2-1328 or
317 59-2-1330; or

318 (C) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general
319 obligation bond.

320 (c) "Transfer date" means the date that fee title to land that is part of the point of the
321 mountain state land is transferred to a private person.

322 (d) "Transferred parcel" means a parcel of land:

323 (i) that is part of the point of the mountain state land; and

324 (ii) the fee title to which has been transferred to a private person.

325 (2) Beginning January 1, 2023, the authority shall be paid 75% of property tax
326 augmentation from a transferred parcel:

327 (a) for a period of 25 years beginning January 1 of the year immediately following the
328 transfer date for the transferred parcel; and

329 (b) for a period of an additional 15 years beyond the period stated in Subsection (2)(a) if:

330 (i) the board determines by resolution that the additional years will produce a
331 significant benefit to the authority; and

332 (ii) the resolution is adopted before the end of the 25-year period under Subsection
333 (2)(a).

334 (3) A county that collects property tax on property within the county in which the point of

335 the mountain state land is located shall pay and distribute to the authority the amount of
336 property tax augmentation that the authority is entitled to collect under Subsection (2), in
337 the manner and at the time provided in Section 59-2-1365.

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

340 Section 5. Section **11-70-401** is amended to read:

341 **11-70-401 (Effective 05/06/26). Enhanced property tax revenue to be paid to**
342 **fairpark district -- Reporting.**

343 (1) Subject to Subsection (5), the fairpark district shall be paid 90% of enhanced property
344 tax revenue generated from each parcel of privately owned land within the fairpark
345 district boundary:

346 (a) beginning the tax year that begins on January 1, 2025; and

347 (b) until the transition date for that parcel.

348 (2) Subject to Subsection (5), during the payment period the fairpark district shall be paid
349 up to 100% of enhanced property tax revenue:

350 (a) generated from designated parcels of privately owned land within a project area; and

351 (b) as the board specifies in a designation resolution adopted in consultation with a
352 qualified owner.

353 (3) For purposes of the payment of enhanced property tax revenue under this section, a
354 payment period shall begin, as specified in the designation resolution, on January 1 of a
355 year that begins after the designation resolution is adopted.

356 (4)(a) For purposes of this section, the fairpark district may designate an improved
357 portion of a parcel in a project area as a separate parcel.

358 (b) A fairpark district designation of an improved portion of a parcel as a separate parcel
359 under Subsection (4)(a) does not constitute a subdivision, as defined in Section
360 10-20-102 or Section 17-79-102.

361 (c) A county recorder shall assign a separate tax identification number to the improved
362 portion of a parcel designated by the fairpark district as a separate parcel under
363 Subsection (4)(a).

364 (5) A host municipality shall be paid a minimum of 25% of the enhanced property tax
365 revenue generated by a property tax imposed by the host municipality to reimburse the
366 host municipality for services the host municipality provides to a project area in
367 accordance with Subsection 11-70-206(6)(c), with the exact amount determined in an
368 agreement between the host municipality and the fairpark district.

369 (6) The fairpark district shall comply with the requirements described in Title 59, Chapter
370 35, Tax Increment Financing Reporting.

371 Section 6. Section **17-80-101** is amended to read:

372 **17-80-101 (Effective 05/06/26). Definitions.**

373 As used in this part:

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

- 403 (ii) is connected to the primary dwelling by a common wall.
- 404 (14) "Project improvements" means the same as that term is defined in Section 11-36a-102.
- 405 (15) "Report" means an initial report or a subsequent report described in Section 17-80-202.
- 406 (16) "Specified county" means a county of the first, second, or third class, which has a
407 population of more than 5,000 in the county's unincorporated areas.
- 408 (17) "Subsequent progress report" means the annual moderate income housing report
409 described in Section 17-80-202.
- 410 (18) "System improvements" means the same as that term is defined in Section 11-36a-102.
- 411 (19) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 412 (20)(a) "Tax increment" means the difference between:
- 413 (i) the amount of property tax revenue generated each tax year by a taxing entity from
414 the area within a home ownership promotion zone, using the current assessed
415 value and each taxing entity's current certified tax rate as defined in Section
416 59-2-924; and
- 417 (ii) the amount of property tax revenue that would be generated from that same area
418 using the base taxable value and each taxing entity's current certified tax rate as
419 defined in Section 59-2-924.
- 420 (b) "Tax increment" does not include property revenue from~~[:]~~ a multicounty assessing
421 and collecting levy or a county additional property tax described in Section 59-2-1602.
422 ~~[(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
423 ~~or]~~
- 424 ~~[(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~
- 425 (21) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 426 Section 7. Section **17-80-504** is amended to read:
- 427 **17-80-504 (Effective 05/06/26). Payment, use, and administration of revenue**
428 **from a home ownership promotion zone -- Reporting.**
- 429 (1)(a) A county may receive tax increment and use home ownership promotion zone
430 funds in accordance with this section.
- 431 (b) The maximum amount of time that a county may receive and use tax increment
432 collected from a home ownership promotion zone is 15 consecutive years.
- 433 (2) A county that collects property tax on property located within a home ownership
434 promotion zone shall retain, in accordance with Section 59-2-1365,~~[-retain]~~ 60% of the
435 tax increment ~~[eollected]~~ the county collects from property within the home ownership
436 promotion zone to ~~[be used]~~ use as described in this section.

- 437 (3)(a) Tax increment retained by a county in accordance with Subsection (2) is not
438 revenue of the taxing entity or county, but home ownership promotion zone funds.
- 439 (b) ~~[Home ownership promotion zone funds may be administered by an agency created~~
440 ~~by the county within which the home ownership promotion zone is located.]~~ An
441 agency created by the county within which the home ownership promotion zone is
442 located may administer home ownership promotion zone funds.
- 443 (c) Before an agency may receive home ownership promotion zone funds from a county,
444 the agency shall enter into an interlocal agreement with the county.
- 445 (4)(a) A county or agency shall use home ownership promotion zone funds within, or for
446 the direct benefit of, the home ownership promotion zone.
- 447 (b) If any home ownership promotion zone funds will be used outside of the home
448 ownership promotion zone, the legislative body of the county shall make a finding
449 that the use of the home ownership promotion zone funds outside of the home
450 ownership promotion zone will directly benefit the home ownership promotion zone.
- 451 (5) A county or agency shall use home ownership promotion zone funds to achieve the
452 purposes described in Section 17-80-502 by paying all or part of the costs of any of the
453 following:
- 454 (a) project improvement costs;
- 455 (b) systems improvement costs;
- 456 (c) water exaction costs;
- 457 (d) street lighting costs;
- 458 (e) environmental remediation costs; or
- 459 (f) the costs of the county to create and administer the home ownership promotion zone,
460 which may not exceed 3% of the total home ownership promotion zone funds.
- 461 (6) Home ownership promotion zone funds may be paid to a participant, if the county and
462 participant enter into a participation agreement which requires the participant to ~~[utilize]~~
463 use the home ownership promotion zone funds as allowed in this section.
- 464 (7) Home ownership promotion zone funds may be used to pay all of the costs of bonds
465 issued by the county in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,
466 including the cost to issue and repay the bonds including interest.
- 467 (8) A county may:
- 468 (a) create one or more public infrastructure districts within home ownership promotion
469 zone under Title 17D, Chapter 4, Public Infrastructure District Act; and
- 470 (b) pledge and ~~[utilize]~~ use the home ownership promotion zone funds to guarantee the

471 payment of public infrastructure bonds issued by a public infrastructure district.

472 (9) A county, an agency, or the public infrastructure district that intends to receive or
 473 receives tax increment, as defined in Section 59-35-101, shall comply with the
 474 requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.

475 Section 8. Section **17C-1-603** is repealed and reenacted to read:

476 **17C-1-603 (Effective 05/06/26). Reporting requirements.**

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

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

480 **17C-1-606 (Effective 05/06/26). County auditor report on project areas.**

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

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

486 ~~[(e) On or before March 31 of each year, the county auditor shall submit a copy of each~~
 487 ~~report under Subsection (1)(a) to the Governor's Office of Economic Opportunity for~~
 488 ~~inclusion in the database described in Section 17C-1-603.]~~

489 (c) On or before March 31 of each year, the county auditor shall submit a copy of each
 490 report under Subsection (1)(a) to the program manager, as defined in Section
 491 59-2-1601, for inclusion in the database described in Title 59, Chapter 35, Tax
 492 Increment Financing Reporting.

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

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

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

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

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

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

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

502 (a) the county auditor's method and calculations used to make adjustments under Section
 503 17C-1-408;

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

- 505 parcel or parcels within an existing or proposed project area, if the equalized assessed
 506 valuation has not yet been determined for that year;
- 507 (c) the most recent equalized assessed valuation of an existing or proposed project area
 508 or any parcel or parcels within an existing or proposed project area; and
- 509 (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax year.

510 (4) Each report described in Subsection (1)(a) shall include:

- 511 (a) sufficient detail regarding the calculations performed by a county auditor so that an
 512 agency or other interested party could repeat and verify the calculations; and
- 513 (b) a detailed explanation of any adjustments made to the base taxable value of each
 514 project area.

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

516 **17D-4-205 (Effective 05/06/26). Reporting.**

517 (1) A public infrastructure district shall file annual reports with the creating entity
 518 regarding the public infrastructure district's actions as provided in the governing
 519 document.

520 (2) A public infrastructure district shall comply with the requirements described in Title 59,
 521 Chapter 35, Tax Increment Financing Reporting.

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

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

524 **59-1-1901 (Effective 05/06/26). Definitions.**

525 (1) "Agency" means a community reinvestment agency, as defined in Section 17C-1-102.

526 (2) "Database" means a collection of electronic data to track the information that each TIF
 527 entity is required to submit, or the program manager collects, in accordance with
 528 Chapter 35, Tax Increment Financing Reporting.

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

530 (4) "STATS" means the Statewide Tax Administration and Technology Solutions program,
 531 created in Section 59-1-1902.

532 (5)(a) "TIF entity" means a political subdivision of the state that intends to receive,
 533 receives, or is authorized to receive tax increment for an approved project area.

534 (b) "TIF entity" includes an agency.

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

536 **59-1-1902 (Effective 05/06/26). Statewide Tax Administration and Technology**
 537 **Solutions -- Duties of program manager.**

538 (1) There is created the "Statewide Tax Administration and Technology Solutions"

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

573 the actual cost of complying with Subsection (5)(a).

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

575 **59-2-306.5 (Effective 05/06/26) (Applies beginning 01/01/26). Valuation of**
 576 **personal property of telecommunications service provider -- Reporting information to**
 577 **counties.**

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

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

584 (3) The signed statement:

585 (a) may be requested by the [~~MultiCounty Appraisal Trust~~] program manager on or
 586 before January 31 of each year;

587 [~~(i) each year; and~~]

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

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

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

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

594 (c) shall be submitted:

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

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

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

598 ~~(3)(b)(i)(C)]~~ 59-2-307(4)(b)(i)(C), the [~~MultiCounty Appraisal Trust~~] program manager

599 shall value each item of personal property of a telecommunications service provider

600 according to the personal property valuation guides and schedules [~~established by~~]

601 the commission establishes.

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

603 (A) the [~~MultiCounty Appraisal Trust~~] program manager may communicate with a
 604 telecommunications service provider to address any inconsistency or error in
 605 the filed signed statement; and

606 (B) the telecommunications service provider may file an amended signed

607 statement with the [~~Multicounty Appraisal Trust~~] program manager regarding
 608 the items agreed to by the [~~Multicounty Appraisal Trust~~] program manager and
 609 the telecommunications service provider.

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

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

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

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

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

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

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

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

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

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

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

633 **59-2-307 (Effective 05/06/26) (Applies beginning 01/01/26). Refusal by taxpayer**
 634 **to file signed statement -- Estimation of value -- Penalty.**

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

637 [(a)] (2)(a) Each person that fails to file the signed statement required by Section
 638 59-2-306 or Section 59-2-306.5, fails to file the signed statement with respect to
 639 name and place of residence, or fails to appear and testify when requested by the
 640 county assessor[;] shall pay a penalty equal to 10% of the estimated tax due, but not

- 641 less than \$25 for each failure to file a signed and completed statement.
- 642 (b) The [~~Multicounty Appraisal Trust~~] program manager shall notify the county assessor
643 of a telecommunications service provider's failure to file the signed statement.
- 644 (c) The county assessor shall collect each penalty under Subsection [~~(1)(a)~~] (2)(a) in the
645 manner provided by Sections 59-2-1302 and 59-2-1303, except as otherwise provided
646 for in this section, or by a judicial proceeding brought in the name of the county
647 assessor.
- 648 (d) The county assessor shall pay all money recovered under this section into the county
649 treasury.
- 650 [~~(2)~~] (3)(a) Upon a showing of reasonable cause, a county may waive or reduce a penalty
651 imposed under Subsection [~~(1)(a)~~] (2)(a).
- 652 (b)(i) Except as provided in Subsection [~~(2)(b)(ii)~~] (3)(b)(ii), a county assessor may
653 impose a penalty under Subsection [~~(1)(a)~~] (2)(a) on or after May 16 of the year
654 the county assessor requests the statement described in Section 59-2-306 or is due
655 under Section 59-2-306.5.
- 656 (ii) A county assessor may not impose a penalty under Subsection [~~(1)(a)~~] (2)(a) until
657 30 days after the postmark date of mailing of a subsequent notice if the signed
658 statement described in Section 59-2-306 is requested:
- 659 (A) on or after March 16; or
- 660 (B) by a county assessor of a county of the first class, as classified in Section
661 17-60-104.
- 662 [~~(3)~~] (4)(a) If an owner neglects or refuses to file a signed statement [~~requested by an~~
663 ~~assessor~~] as required under Section 59-2-306 after the county assessor makes a
664 request:
- 665 (i) the county assessor shall:
- 666 (A) make a record of the failure to file; and
- 667 (B) make an estimate of the value of the property of the owner based on known
668 facts and circumstances; and
- 669 (ii) the county assessor of a county of the first class, as classified in Section 17-60-104:
- 670 (A) shall make a subsequent request by mail for the signed statement, informing
671 the owner of the consequences of not filing a signed statement; and
- 672 (B) may impose a fee for the actual and necessary expenses of the mailing under
673 Subsection [~~(3)(a)(ii)(A)~~] (4)(a).
- 674 (b)(i) If a telecommunications service provider neglects or refuses to file a signed

675 statement in accordance with Section 59-2-306.5, the [~~Multicounty Appraisal Trust~~]
676 program manager shall make:

- 677 (A) a record of the failure to file;
- 678 (B) a request by mail for the signed statement, informing the telecommunications
679 service provider of the consequences of not filing a signed statement; and
- 680 (C) an estimate of the value of the personal property of the telecommunications
681 service provider based on known facts and circumstances.
- 682 (ii) The [~~Multicounty Appraisal Trust~~] program manager may impose a fee for the
683 actual and necessary expenses of the mailing under Subsection [~~(3)(b)(i)(B)~~] (4)(b).
- 684 (c) A county board of equalization or the commission may not reduce the value fixed by
685 the county assessor in accordance with Subsection [~~(3)(a)(i)~~] (4)(a)(i) or the [~~Multicounty Appraisal Trust~~]
686 program manager in accordance with Subsection [~~(3)(b)(i)~~] (4)(b)(i).

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

689 **59-2-308 (Effective 05/06/26) (Applies beginning 01/01/26). Assessment in name**
690 **of representative -- Assessment of property of decedents -- Assessment of property in**
691 **litigation -- Assessment of personal property valued by program manager.**

- 692 (1) If a person is assessed as agent, trustee, bailee, guardian, executor, or administrator, a
693 county shall:
- 694 (a) add the representative designation to the name; and
- 695 (b) enter the assessment separately from the individual assessment.
- 696 (2) A county may assess the undistributed or unpartitioned property of a deceased
697 individual to an heir, guardian, executor, or administrator, and the payment of taxes
698 binds all the parties in interest.
- 699 (3) Property in litigation, which is in the possession of a court or receiver, shall be assessed
700 to the court clerk or receiver, and the taxes shall be paid under the direction of the court.
- 701 (4) A county shall add the valuation the [~~Multicounty Appraisal Trust~~] program manager, as
702 that term is defined in Section 59-2-1601, gives to personal property of a
703 telecommunications service provider to the valuation of any real property of the
704 telecommunications service provider within the county before making an assessment in
705 accordance with this part.

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

707 **59-2-704 (Effective 05/06/26) (Applies beginning 01/01/26). Assessment studies --**
708 **Sharing of data -- Factoring assessment rates -- Rulemaking.**

- 709 (1)(a) Each year, to assist in the evaluation of appraisal performance of taxable real
 710 property, the commission shall conduct and publish studies to determine the
 711 relationship between the market value shown on the assessment roll and the market
 712 value of real property in each county.
- 713 (b) The studies conducted under this Subsection (1) shall include measurements of
 714 uniformity within counties and use statistical methods established by the commission.
- 715 (c) County assessors may provide sales information to the commission for purposes of
 716 the studies conducted under this Subsection (1).
- 717 (d) The commission shall make the sales and appraisal information related to the studies
 718 conducted under this Subsection (1) available to the county assessors upon request.
- 719 (2)(a) ~~[The]~~ Each year, the commission shall~~[, each year,]~~ order each county to adjust or
 720 factor ~~[its]~~ the county's assessment rates using the most current studies so that the
 721 assessment rate in each county is in accordance with ~~[that prescribed in]~~Section
 722 59-2-103.
- 723 (b) The adjustment or factoring ordered under this Subsection (2) may include an entire
 724 county, geographical areas within a county, and separate classes of properties.
- 725 (3) If the commission determines that sales data in any county is insufficient to perform the
 726 studies required under Subsection (1), the commission may conduct appraisals of
 727 property within ~~[that]~~ the county.
- 728 (4) If a county fails to implement factoring ~~[ordered]~~ the commission orders under
 729 Subsection (2), the commission shall:
- 730 (a) implement the factoring; and
- 731 (b) charge an amount equal to the reasonable implementation costs of the factoring to
 732 that county.
- 733 ~~[(5) If a county disputes the factoring ordered under Subsection (2), the matter may be~~
 734 ~~mediated by the Multicounty Appraisal Trust as defined in Section 59-2-1601.]~~
- 735 ~~[(6)]~~ (5)(a) The commission may change the factor for any county ~~[which]~~ that, after a
 736 hearing before the commission, establishes that the factor should properly be set at a
 737 different level for ~~[that]~~ the county.
- 738 (b) The commission shall establish the method, procedure, and timetable for the hearings
 739 authorized under this section, including access to information to ensure a fair hearing.
- 740 ~~[(7)]~~ (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 741 commission may establish rules to implement this section, including providing a means
 742 for a county to cure noncompliance with a factoring order.

743 Section 17. Section **59-2-919.1** is amended to read:

744 **59-2-919.1 (Effective 05/06/26) (Superseded 07/01/26) (Applies beginning 01/01/26).**

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

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

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

751 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
752 10 or more days before the day on which:

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

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

756 (b) be on a form that ~~is~~:

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

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

759 (c) contain for each property:

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

761 (ii) the taxable value of the property;

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

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

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

769 (iv) for property assessed by the commission:

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

773 (B) the deadline for the taxpayer to apply to the commission for a hearing on an
774 objection to the valuation or equalization of the property under Section
775 59-2-1007; and

776 (C) a statement that the taxpayer may not appeal the valuation or equalization of

- 777 the property to the county board of equalization;
- 778 (v) itemized tax information for all applicable taxing entities, including:
- 779 (A) the dollar amount of the taxpayer's tax liability for the property in the prior
- 780 year; and
- 781 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 782 (vi) the following, stated separately:
- 783 (A) the charter school levy described in Section 53F-2-703;
- 784 (B) the multicounty assessing and collecting levy described in [~~Subsection~~
- 785 ~~59-2-1602(2)~~] Section 59-2-1602;
- 786 (C) the county assessing and collecting levy described in [~~Subsection 59-2-1602(4)~~]
- 787 Section 59-2-1602;
- 788 (D) levies for debt service voted on by the public;
- 789 (E) levies imposed for special purposes under Section 10-6-133.4;
- 790 (F) the combined basic rate as defined in Section 53F-2-301; and
- 791 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 792 (vii) the tax impact on the property;
- 793 (viii) the date, time, and place of the required public hearing for each entity;
- 794 (ix) property tax information pertaining to:
- 795 (A) taxpayer relief; and
- 796 (B) the residential exemption described in Section 59-2-103;
- 797 (x) information specifically authorized to be included on the notice under this chapter;
- 798 (xi) the last property review date of the property as [~~described in Subsection~~
- 799 ~~59-2-303.1(1)(e)~~] defined in Section 59-2-303.1;
- 800 (xii) instructions on how the taxpayer may obtain additional information regarding
- 801 the valuation of the property, including the characteristics and features of the
- 802 property, from:
- 803 (A) a website maintained by the county; or
- 804 (B) the statewide web portal developed and maintained [~~by the Multicounty~~
- 805 ~~Appraisal Trust under~~] [~~Subsection 59-2-1606(5)(a)~~] in accordance with
- 806 Section 59-2-1606 for uniform access to property characteristics and features;
- 807 and
- 808 (xiii) other information [~~approved by~~] the commission approves.
- 809 (3) If a taxing entity that is subject to the notice and hearing requirements of Subsection
- 810 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in

- 811 addition to the information required by Subsection (2):
- 812 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- 813 (b) the difference between the dollar amount of the taxpayer's tax liability if the
- 814 proposed increase is approved and the dollar amount of the taxpayer's tax liability
- 815 under the current rate, placed in close proximity to the information described in
- 816 Subsection (2)(c)(viii);
- 817 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the
- 818 proposed tax rate represents as compared to the dollar amount of the taxpayer's tax
- 819 liability under the current tax rate; and
- 820 (d) for each taxing entity proposing a tax increase, the dollar amount of additional ad
- 821 valorem tax revenue, as defined in Section 59-2-919, that would be generated each
- 822 year if the proposed tax increase is approved.
- 823 (4) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a
- 824 notice sent to a residential property shall:
- 825 (a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship,
- 826 and this property is your primary residence, you may be eligible to defer payment of
- 827 this property tax."; and
- 828 (b) include a telephone number, or a website address on which a telephone number is
- 829 prominently listed, that the property owner may call to obtain additional information
- 830 about applying for a deferral.
- 831 (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may
- 832 provide, at the county auditor's discretion, the notice required by this section to a
- 833 taxpayer by electronic means if a taxpayer makes an election, according to
- 834 procedures determined by the county auditor, to receive the notice by electronic
- 835 means.
- 836 (b)(i) If a county auditor sends a notice required by this section by electronic means,
- 837 the county auditor shall attempt to verify whether a taxpayer receives the notice.
- 838 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
- 839 14 days or more before the county board of equalization meets and the taxing
- 840 entity holds a public hearing on a proposed increase in the certified tax rate, the
- 841 county auditor shall send the notice required by this section by mail as provided in
- 842 Subsection (2).
- 843 (c) A taxpayer may revoke an election to receive the notice required by this section by
- 844 electronic means if the taxpayer provides written notice to the county auditor on or

- 845 before April 30.
- 846 (d) An election or a revocation of an election under this Subsection (5):
- 847 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
- 848 before the due date for paying the tax; or
- 849 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
- 850 equalization of the taxpayer's real property submit the application for appeal
- 851 within the time period provided in Subsection 59-2-1004(3).
- 852 (e) A county auditor shall provide the notice required by this section as provided in
- 853 Subsection (2), until a taxpayer makes a new election in accordance with this
- 854 Subsection (5), if:
- 855 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
- 856 the notice required by this section by electronic means; or
- 857 (ii) the county auditor finds that the taxpayer's electronic contact information is
- 858 invalid.
- 859 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
- 860 of whether the property that is the subject of the notice required by this section is
- 861 exempt from taxation.
- 862 Section 18. Section **59-2-919.1** is amended to read:
- 863 **59-2-919.1 (Effective 07/01/26). Notice of property valuation and tax changes.**
- 864 (1) [~~In addition to the notice requirements of Section 59-2-919, the county auditor, on or~~
- 865 ~~before July 22 of each year,] On or before July 22 of each year, in addition to the notice~~
- 866 requirements of Section 59-2-919, the county auditor shall notify each owner of real
- 867 estate who is listed on the assessment roll.
- 868 (2) The notice described in Subsection (1) shall:
- 869 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
- 870 10 or more days before the day on which:
- 871 (i) the county board of equalization meets; and
- 872 (ii) the taxing entity holds a public hearing on the proposed increase in the certified
- 873 tax rate;
- 874 (b) be on a form that[is]:
- 875 (i) [~~approved by~~]the commission approves; and
- 876 (ii) is uniform in content in all counties in the state; and
- 877 (c) contain for each property:
- 878 (i) the assessor's determination of the value of the property;

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

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

947 about applying for a deferral.

948 (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may
949 provide, at the county auditor's discretion, the notice required by this section to a
950 taxpayer by electronic means if a taxpayer makes an election, according to
951 procedures determined by the county auditor, to receive the notice by electronic
952 means.

953 (b)(i) If a county auditor sends a notice required by this section by electronic means,
954 the county auditor shall attempt to verify whether a taxpayer receives the notice.

955 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
956 14 days or more before the county board of equalization meets and the taxing
957 entity holds a public hearing on a proposed increase in the certified tax rate, the
958 county auditor shall send the notice required by this section by mail as provided in
959 Subsection (2).

960 (c) A taxpayer may revoke an election to receive the notice required by this section by
961 electronic means if the taxpayer provides written notice to the county auditor on or
962 before April 30.

963 (d) An election or a revocation of an election under this Subsection (5):

964 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
965 before the due date for paying the tax; or

966 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
967 equalization of the taxpayer's real property submit the application for appeal
968 within the time period provided in Subsection 59-2-1004(3).

969 (e) A county auditor shall provide the notice required by this section as provided in
970 Subsection (2), until a taxpayer makes a new election in accordance with this
971 Subsection (5), if:

972 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
973 the notice required by this section by electronic means; or

974 (ii) the county auditor finds that the taxpayer's electronic contact information is
975 invalid.

976 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
977 of whether the property that is the subject of the notice required by this section is
978 exempt from taxation.

979 Section 19. Section **59-2-924** is amended to read:

980 **59-2-924 (Effective 01/01/27). Definitions -- Report of valuation of property to**

981 **county auditor and commission -- Transmittal by auditor to governing bodies --**
982 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**
983 **-- Notice provided by the commission.**

984 (1) As used in this section:

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

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

988 (A) interest;

989 (B) penalties;

990 (C) collections from redemptions; or

991 (D) revenue received by a taxing entity from personal property that is
992 semiconductor manufacturing equipment assessed by a county assessor in
993 accordance with Part 3, County Assessment.

994 (b) "Adjusted tax increment" means the same as that term is defined in Section
995 17C-1-102.

996 (c)(i) "Aggregate taxable value of all property taxed" means:

997 (A) the aggregate taxable value of all real property a county assessor assesses in
998 accordance with Part 3, County Assessment, for the current year;

999 (B) the aggregate taxable value of all real and personal property the commission
1000 assesses in accordance with Part 2, Assessment of Property, for the current
1001 year; and

1002 (C) the aggregate year end taxable value of all personal property a county assessor
1003 assesses in accordance with Part 3, County Assessment, contained on the prior
1004 year's tax rolls of the taxing entity.

1005 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
1006 year end taxable value of personal property that is:

1007 (A) semiconductor manufacturing equipment assessed by a county assessor in
1008 accordance with Part 3, County Assessment; and

1009 (B) contained on the prior year's tax rolls of the taxing entity.

1010 (d) "Base taxable value" means:

1011 (i) for an authority created under Section 11-58-201, the same as that term is defined
1012 in Section 11-58-102;

1013 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
1014 the same as that term is defined in Section 11-59-207;

- 1015 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
1016 11-70-201, the same as that term is defined in Section 11-70-101;
- 1017 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
1018 defined in Section 17C-1-102;
- 1019 (v) for an authority created under Section 63H-1-201, the same as that term is defined
1020 in Section 63H-1-102;
- 1021 (vi) for a host local government, the same as that term is defined in Section
1022 63N-2-502;
- 1023 (vii) for a housing and transit reinvestment zone or convention center reinvestment
1024 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
1025 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 1026 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
1027 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
1028 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
1029 upon the assessment roll last equalized during the base year, as that term is
1030 defined in Section 10-21-101 or Section 17-80-101;
- 1031 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
1032 First Home Investment Zone Act, a property's taxable value as shown upon the
1033 assessment roll last equalized during the base year, as that term is defined in
1034 Section 63N-3-1601;
- 1035 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
1036 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
1037 upon the assessment roll last equalized during the property tax base year, as that
1038 term is defined in Section 63N-3-1701; or
- 1039 (xi) for an electrical energy development zone created under Section 79-6-1104, the
1040 value of the property within an electrical energy development zone, as shown on
1041 the assessment roll last equalized before the creation of the electrical development
1042 zone, as that term is defined in Section 79-6-1104.
- 1043 (e) "Building area" means the total floor area of a structure measured from the exterior
1044 dimensions of the structure's enclosing walls, including each level of finished or
1045 unfinished space designed for occupancy or use.
- 1046 [(e)] (f) "Centrally assessed benchmark value" means an amount equal to the average
1047 year end taxable value of real and personal property the commission assesses in
1048 accordance with Part 2, Assessment of Property, for the previous three calendar

1049 years, adjusted for taxable value attributable to:
1050 (i) an annexation to a taxing entity;
1051 (ii) an incorrect allocation of taxable value of real or personal property the
1052 commission assesses in accordance with Part 2, Assessment of Property; or
1053 (iii) a change in value as a result of a change in the method of apportioning the value
1054 prescribed by the Legislature, a court, or the commission in an administrative rule
1055 or administrative order.

1056 [~~(f)~~] (g) "Centrally assessed industry" means the following industry classes the
1057 commission assesses in accordance with Part 2, Assessment of Property:

1058 (i) air carrier;
1059 (ii) coal;
1060 (iii) coal load out property;
1061 (iv) electric generation;
1062 (v) electric rural;
1063 (vi) electric utility;
1064 (vii) gas utility;
1065 (viii) ground access property;
1066 (ix) land only property;
1067 (x) liquid pipeline;
1068 (xi) metalliferous mining;
1069 (xii) nonmetalliferous mining;
1070 (xiii) oil and gas gathering;
1071 (xiv) oil and gas production;
1072 (xv) oil and gas water disposal;
1073 (xvi) railroad;
1074 (xvii) sand and gravel; and
1075 (xviii) uranium.

1076 [~~(g)~~] (h)(i) "Centrally assessed new growth" means the greater of:

1077 (A) for each centrally assessed industry, zero; or
1078 (B) the amount calculated by subtracting the centrally assessed benchmark value
1079 for each centrally assessed industry, adjusted for prior year end incremental
1080 value, from the taxable value of real and personal property the commission
1081 assesses in accordance with Part 2, Assessment of Property, for each centrally
1082 assessed industry for the current year, adjusted for current year incremental

- 1083 value.
- 1084 (ii) "Centrally assessed new growth" does not include a change in value for a
- 1085 centrally assessed industry as a result of a change in the method of apportioning
- 1086 the value prescribed by the Legislature, a court, or the commission in an
- 1087 administrative rule or administrative order.
- 1088 [~~(h)~~] (i) "Certified tax rate" means a tax rate that will provide the same ad valorem
- 1089 property tax revenue for a taxing entity as was budgeted by that taxing entity for the
- 1090 prior year.
- 1091 [~~(i)~~] (j) "Community reinvestment agency" means the same as that term is defined in
- 1092 Section 17C-1-102.
- 1093 [~~(j)~~] (k) "Eligible new growth" means the greater of:
- 1094 (i) zero; or
- 1095 (ii) the sum of:
- 1096 (A) locally assessed new growth;
- 1097 (B) centrally assessed new growth; and
- 1098 (C) project area new growth or hotel property new growth.
- 1099 [~~(k)~~] (l) "Host local government" means the same as that term is defined in Section
- 1100 63N-2-502.
- 1101 [~~(l)~~] (m) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 1102 [~~(m)~~] (n) "Hotel property new growth" means an amount equal to the incremental value
- 1103 that is no longer provided to a host local government as incremental property tax
- 1104 revenue.
- 1105 [~~(n)~~] (o) "Incremental property tax revenue" means the same as that term is defined in
- 1106 Section 63N-2-502.
- 1107 [~~(o)~~] (p) "Incremental value" means:
- 1108 (i) for an authority created under Section 11-58-201, the amount calculated by
- 1109 multiplying:
- 1110 (A) the difference between the taxable value and the base taxable value of the
- 1111 property that is located within a project area and on which property tax
- 1112 differential is collected; and
- 1113 (B) the number that represents the percentage of the property tax differential that
- 1114 is paid to the authority;
- 1115 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 1116 an amount calculated by multiplying:

- 1117 (A) the difference between the current assessed value of the property and the base
1118 taxable value; and
- 1119 (B) the number that represents the percentage of the property tax augmentation, as
1120 defined in Section 11-59-207, that is paid to the Point of the Mountain State
1121 Land Authority;
- 1122 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
1123 11-70-201, the amount calculated by multiplying:
- 1124 (A) the difference between the taxable value for the current year and the base
1125 taxable value of the property that is located within a project area; and
- 1126 (B) the number that represents the percentage of enhanced property tax revenue,
1127 as defined in Section 11-70-101;
- 1128 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
1129 multiplying:
- 1130 (A) the difference between the taxable value and the base taxable value of the
1131 property located within a project area and on which tax increment is collected;
1132 and
- 1133 (B) the number that represents the adjusted tax increment from that project area
1134 that is paid to the agency;
- 1135 (v) for an authority created under Section 63H-1-201, the amount calculated by
1136 multiplying:
- 1137 (A) the difference between the taxable value and the base taxable value of the
1138 property located within a project area and on which property tax allocation is
1139 collected; and
- 1140 (B) the number that represents the percentage of the property tax allocation from
1141 that project area that is paid to the authority;
- 1142 (vi) for a housing and transit reinvestment zone or convention center reinvestment
1143 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
1144 Reinvestment Zone Act, an amount calculated by multiplying:
- 1145 (A) the difference between the taxable value and the base taxable value of the
1146 property that is located within a housing and transit reinvestment zone or
1147 convention center reinvestment zone and on which tax increment is collected;
1148 and
- 1149 (B) the number that represents the percentage of the tax increment that is paid to
1150 the housing and transit reinvestment zone or convention center reinvestment

- 1151 zone;
- 1152 (vii) for a host local government, an amount calculated by multiplying:
- 1153 (A) the difference between the taxable value and the base taxable value of the
- 1154 hotel property on which incremental property tax revenue is collected; and
- 1155 (B) the number that represents the percentage of the incremental property tax
- 1156 revenue from that hotel property that is paid to the host local government;
- 1157 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
- 1158 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
- 1159 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 1160 (A) the difference between the taxable value and the base taxable value of the
- 1161 property that is located within a home ownership promotion zone and on which
- 1162 tax increment is collected; and
- 1163 (B) the number that represents the percentage of the tax increment that is paid to
- 1164 the home ownership promotion zone;
- 1165 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
- 1166 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 1167 (A) the difference between the taxable value and the base taxable value of the
- 1168 property that is located within a first home investment zone and on which tax
- 1169 increment is collected; and
- 1170 (B) the number that represents the percentage of the tax increment that is paid to
- 1171 the first home investment zone;
- 1172 (x) for a major sporting event venue zone created pursuant to Title 63N, Chapter 3,
- 1173 Part 17, Major Sporting Event Venue Zone Act, an amount calculated by
- 1174 multiplying:
- 1175 (A) the difference between the taxable value and the base taxable value of the
- 1176 property located within a qualified development zone for a major sporting
- 1177 event venue zone and upon which property tax increment is collected; and
- 1178 (B) the number that represents the percentage of tax increment that is paid to the
- 1179 major sporting event venue zone, as approved by a major sporting event venue
- 1180 zone committee described in Section 63N-1a-1706; or
- 1181 (xi) for an electrical energy development zone created under Section 79-6-1104, the
- 1182 amount calculated by multiplying:
- 1183 (A) the difference between the taxable value and the base taxable value of the
- 1184 property that is located within the electrical energy developmental zone; and

1185 (B) the number that represents the percentage of the tax increment that is paid to a
 1186 community reinvestment agency and the Electrical Energy Development
 1187 Investment Fund created in Section 79-6-1105.

1188 ~~[(p)]~~ (q)(i) "Locally assessed new growth" means the greater of:

1189 (A) zero; or

1190 (B) the amount calculated by subtracting the year end taxable value of real
 1191 property the county assessor assesses in accordance with Part 3, County
 1192 Assessment, for the previous year, adjusted for prior year end incremental
 1193 value from the taxable value of real property the county assessor assesses in
 1194 accordance with Part 3, County Assessment, for the current year, adjusted for
 1195 current year incremental value.

1196 (ii) "Locally assessed new growth" does not include a change in:

1197 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
 1198 or another adjustment;

1199 (B) assessed value based on whether a property is allowed a residential exemption
 1200 for a primary residence under Section 59-2-103;

1201 (C) assessed value based on whether a property is assessed under Part 5, Farmland
 1202 Assessment Act; ~~[or]~~

1203 (D) assessed value based on whether a property is assessed under Part 17, Urban
 1204 Farming Assessment Act~~[-]~~ ; or

1205 (E) subject to Subsection (10), taxable value attributable to physical
 1206 improvements to an existing structure or the construction of a new structure
 1207 that does not add new building area related to residential or commercial use,
 1208 and excluding any increase in taxable value for property that was assessed in
 1209 the previous year as partially completed new growth.

1210 ~~[(q)]~~ (r) "Project area" means:

1211 (i) for an authority created under Section 11-58-201, the same as that term is defined
 1212 in Section 11-58-102;

1213 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
 1214 11-70-201, the same as that term is defined in Section 11-70-101;

1215 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
 1216 defined in Section 17C-1-102;

1217 (iv) for an authority created under Section 63H-1-201, the same as that term is
 1218 defined in Section 63H-1-102;

- 1219 (v) for a housing and transit reinvestment zone or convention center reinvestment
 1220 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 1221 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 1222 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 1223 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 1224 5, Home Ownership Promotion Zone, the same as that term is defined in Section
 1225 10-21-101 or Section 17-80-101;
- 1226 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 1227 First Home Investment Zone Act, the same as that term is defined in Section
 1228 63N-3-1601; or
- 1229 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
 1230 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
 1231 as defined in Section 63N-3-1701.
- 1232 ~~(+)~~ (s)(i) "Project area new growth" means:
- 1233 ~~(+)~~ (A) for an authority created under Section 11-58-201, an amount equal to the
 1234 incremental value that is no longer provided to an authority as property tax
 1235 differential;
- 1236 ~~(+)~~ (B) for the Point of the Mountain State Land Authority created in Section
 1237 11-59-201, an amount equal to the incremental value that is no longer provided
 1238 to the Point of the Mountain State Land Authority as property tax
 1239 augmentation, as defined in Section 11-59-207;
- 1240 ~~(+)~~ (C) for the Utah Fairpark Area Investment and Restoration District created in
 1241 Section 11-70-201, an amount equal to the incremental value that is no longer
 1242 provided to the Utah Fairpark Area Investment and Restoration District;
- 1243 ~~(+)~~ (D) for an agency created under Section 17C-1-201.5, an amount equal to the
 1244 incremental value that is no longer provided to an agency as tax increment;
- 1245 ~~(+)~~ (E) for an authority created under Section 63H-1-201, an amount equal to the
 1246 incremental value that is no longer provided to an authority as property tax
 1247 allocation;
- 1248 ~~(+)~~ (F) for a housing and transit reinvestment zone or convention center
 1249 reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and
 1250 Transit Reinvestment Zone Act, an amount equal to the incremental value that
 1251 is no longer provided to a housing and transit reinvestment zone or convention
 1252 center reinvestment zone as tax increment;

- 1253 [~~(vii)~~] (G) for a home ownership promotion zone created under Title 10, Chapter
1254 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17,
1255 Chapter 80, Part 5, Home Ownership Promotion Zone, an amount equal to the
1256 incremental value that is no longer provided to a home ownership promotion
1257 zone as tax increment;
- 1258 [~~(viii)~~] (H) for a first home investment zone created under Title 63N, Chapter 3,
1259 Part 16, First Home Investment Zone Act, an amount equal to the incremental
1260 value that is no longer provided to a first home investment zone as tax
1261 increment; or
- 1262 [~~(ix)~~] (I) for a major sporting event venue zone created under Title 63N, Chapter 3,
1263 Part 17, Major Sporting Event Venue Zone Act, an amount equal to the
1264 incremental value that is no longer provided to the creating entity of a major
1265 sporting event venue zone as property tax increment.
- 1266 (ii) "Project area new growth" does not include, for any entity listed under Subsection
1267 (1)(s)(i), tangible personal property.
- 1268 [~~(s)~~] (t) "Project area incremental revenue" means the same as that term is defined in
1269 Section 17C-1-1001.
- 1270 [~~(t)~~] (u) "Property tax allocation" means the same as that term is defined in Section
1271 63H-1-102.
- 1272 [~~(u)~~] (v) "Property tax differential" means the same as that term is defined in Sections
1273 11-58-102 and 79-6-1104.
- 1274 [~~(v)~~] (w) "Tax increment" means:
- 1275 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
1276 in Section 17C-1-102;
- 1277 (ii) for a housing and transit reinvestment zone or convention center reinvestment
1278 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
1279 Reinvestment Zone Act, the same as the term "property tax increment" is defined
1280 in Section 63N-3-602;
- 1281 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
1282 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
1283 5, Home Ownership Promotion Zone, the same as that term is defined in Section
1284 10-21-101 or Section 17-80-101;
- 1285 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
1286 First Home Investment Zone Act, the same as that term is defined in Section

- 1287 63N-3-1601; or
- 1288 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 1289 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
- 1290 defined in Section 63N-3-1701.
- 1291 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
- 1292 the commission the following statements:
- 1293 (a) a statement containing the aggregate valuation of all taxable real property a county
- 1294 assessor assesses in accordance with Part 3, County Assessment, for each taxing
- 1295 entity; and
- 1296 (b) a statement containing the taxable value of all personal property a county assessor
- 1297 assesses in accordance with Part 3, County Assessment, from the prior year end
- 1298 values.
- 1299 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
- 1300 taxing entity:
- 1301 (a) the statements described in Subsections (2)(a) and (b);
- 1302 (b) an estimate of the revenue from personal property;
- 1303 (c) the certified tax rate; and
- 1304 (d) all forms necessary to submit a tax levy request.
- 1305 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
- 1306 calculated by dividing the ad valorem property tax revenue that a taxing entity
- 1307 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 1308 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
- 1309 calculate an amount as follows:
- 1310 (i) calculate for the taxing entity the difference between:
- 1311 (A) the aggregate taxable value of all property taxed; and
- 1312 (B) any adjustments for current year incremental value;
- 1313 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
- 1314 determined by increasing or decreasing the amount calculated under Subsection
- 1315 (4)(b)(i) by the average of the percentage net change in the value of taxable
- 1316 property for the equalization period for the three calendar years immediately
- 1317 preceding the current calendar year;
- 1318 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
- 1319 product of:
- 1320 (A) the amount calculated under Subsection (4)(b)(ii); and

- 1321 (B) the percentage of property taxes collected for the five calendar years
1322 immediately preceding the current calendar year; and
1323 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
1324 amount determined by:
1325 (A) multiplying the percentage of property taxes collected for the five calendar
1326 years immediately preceding the current calendar year by eligible new growth;
1327 and
1328 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
1329 amount calculated under Subsection (4)(b)(iii).
- 1330 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
1331 as follows:
1332 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
1333 tax rate is zero;
1334 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
1335 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
1336 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
1337 to Unincorporated Areas; and
1338 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
1339 purposes and such other levies imposed solely for the municipal-type services
1340 identified in Section 17-78-501 and Subsection 17-63-101(23);
1341 (c) for a community reinvestment agency that received all or a portion of a taxing
1342 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
1343 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
1344 Subsection (4) except that the commission shall treat the total revenue transferred to
1345 the community reinvestment agency as ad valorem property tax revenue that the
1346 taxing entity budgeted for the prior year; and
1347 (d) for debt service voted on by the public, the certified tax rate is the actual levy
1348 imposed by that section, except that a certified tax rate for the following levies shall
1349 be calculated in accordance with Section 59-2-913 and this section:
1350 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
1351 (ii) a levy to pay for the costs of state legislative mandates or judicial or
1352 administrative orders under Section 59-2-1602.
- 1353 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
1354 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy

- 1355 one or more eligible judgments.
- 1356 (b) The ad valorem property tax revenue generated by a judgment levy described in
1357 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
1358 certified tax rate.
- 1359 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 1360 (i) the taxable value of real property:
- 1361 (A) the county assessor assesses in accordance with Part 3, County Assessment;
1362 and
1363 (B) contained on the assessment roll;
- 1364 (ii) the year end taxable value of personal property:
- 1365 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
1366 (B) contained on the prior year's assessment roll; and
- 1367 (iii) the taxable value of real and personal property the commission assesses in
1368 accordance with Part 2, Assessment of Property.
- 1369 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
1370 growth.
- 1371 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 1372 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
1373 the county auditor of:
- 1374 (i) the taxing entity's intent to exceed the certified tax rate; and
1375 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 1376 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
1377 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 1378 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
1379 electronic means on or before July 31, to a taxing entity and the Revenue and
1380 Taxation Interim Committee if:
- 1381 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
1382 taxable value of the real and personal property the commission assesses in
1383 accordance with Part 2, Assessment of Property, for the previous year, adjusted
1384 for prior year end incremental value; and
- 1385 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
1386 end taxable value of the real and personal property of a taxpayer the commission
1387 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 1388 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by

- 1389 subtracting the taxable value of real and personal property the commission assesses
 1390 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
 1391 current year incremental value, from the year end taxable value of the real and
 1392 personal property the commission assesses in accordance with Part 2, Assessment of
 1393 Property, for the previous year, adjusted for prior year end incremental value.
- 1394 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
 1395 subtracting the total taxable value of real and personal property of a taxpayer the
 1396 commission assesses in accordance with Part 2, Assessment of Property, for the
 1397 current year, from the total year end taxable value of the real and personal property of
 1398 a taxpayer the commission assesses in accordance with Part 2, Assessment of
 1399 Property, for the previous year.
- 1400 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
 1401 requirement under Subsection (9)(a)(ii).
- 1402 (10) For purposes of Subsection (1)(q)(ii)(E), a county assessor may not use permit value to
 1403 determine the market value of construction in progress as of January 1.
- 1404 Section 20. Section **59-2-924.2** is amended to read:
- 1405 **59-2-924.2 (Effective 05/06/26) (Applies beginning 01/01/26). Adjustments to the**
 1406 **calculation of a taxing entity's certified tax rate.**
- 1407 (1) [~~For purposes of this section, "certified]~~ As used in this section:
- 1408 (a) "Annexing county" means a county for which the unincorporated area is included
 1409 within a public safety district by annexation.
- 1410 (b) "Annexing municipality" means a municipality that is included within a public safety
 1411 district by annexation.
- 1412 (c) "Certified tax rate" means a certified tax rate calculated in accordance with Section
 1413 59-2-924.
- 1414 (d) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area
 1415 Act:
 1416 (i) created to provide fire protection, paramedic, and emergency services; and
 1417 (ii) in the creation of which an election was not required under Subsection
 1418 17B-1-214(3)(d).
- 1419 (e) "Participating county" means a county that has the unincorporated area included
 1420 within a public safety district.
- 1421 (f) "Participating municipality" means a municipality that is included within a public
 1422 safety district.

- 1423 (g) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
 1424 Area Act, within a county of the first class:
 1425 (i) created to provide law enforcement service; and
 1426 (ii) in the creation of which an election was not required under Subsection
 1427 17B-1-214(3)(d).
- 1428 (h) "Public safety district" means a fire district or a police district.
 1429 (i) "Public safety service" means:
 1430 (i) in the case of a public safety district that is a fire district, fire protection,
 1431 paramedic, and emergency services; and
 1432 (ii) in the case of a public safety district that is a police district, law enforcement
 1433 service.
- 1434 (2) [~~Beginning January 1, 1997, if-~~] If a taxing entity receives increased [revenues] revenue
 1435 from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1,
 1436 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and
 1437 use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity
 1438 shall decrease [its] the taxing entity's certified tax rate to offset the increased [revenues]
 1439 revenue.
- 1440 (3)(a) [~~Beginning July 1, 1997, if~~] If a county has imposed a sales and use tax under
 1441 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate
 1442 shall be:
 1443 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
 1444 revenue to be distributed to the county under Subsection 59-12-1102(4); and
 1445 (ii) increased by the amount necessary to offset the county's reduction in revenue
 1446 from uniform fees on tangible personal property under Section 59-2-405,
 1447 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in
 1448 the certified tax rate under Subsection (3)(a)(i).
- 1449 (b) The commission shall determine estimates of sales and use tax distributions for
 1450 purposes of Subsection (3)(a).
- 1451 (4) [~~Beginning January 1, 1998, if~~] If a municipality has imposed an additional resort
 1452 communities sales and use tax under Section 59-12-402, the municipality's certified tax
 1453 rate shall be decreased on a one-time basis by the amount necessary to offset the first 12
 1454 months of estimated revenue from the additional resort communities sales and use tax
 1455 imposed under Section 59-12-402.
- 1456 (5)(a) This Subsection (5) applies to each county that:

- 1457 (i) establishes a countywide special service district under Title 17D, Chapter 1,
 1458 Special Service District Act, to provide jail service, as provided in Subsection
 1459 17D-1-201(10); and
- 1460 (ii) levies a property tax on behalf of the special service district under Section
 1461 17D-1-105.
- 1462 (b)(i) The certified tax rate of each county to which this Subsection (5) applies shall
 1463 be decreased by the amount necessary to reduce county [revenues] revenue by the
 1464 same amount of [revenues] revenue that will be generated by the property tax
 1465 imposed on behalf of the special service district.
- 1466 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
 1467 levy on behalf of the special service district under Section 17D-1-105.
- 1468 (6) The equalized public safety tax rate is determined by:
- 1469 (a) calculating, for each participating county and each participating municipality, the
 1470 property tax revenue necessary:
- 1471 (i) in the case of a fire district, to cover all the costs associated with providing fire
 1472 protection, paramedic, and emergency services:
- 1473 (A) for a participating county, in the unincorporated area of the county; and
 1474 (B) for a participating municipality, in the municipality; or
- 1475 (ii) in the case of a police district, to cover all the costs associated with providing law
 1476 enforcement service that the police district board designates to be funded by a
 1477 property tax:
- 1478 (A) for a participating county, in the unincorporated area of the county; or
 1479 (B) for a participating municipality, in the municipality; and
- 1480 (b) adding all the amounts calculated under Subsection (6)(a) for all participating
 1481 counties and all participating municipalities and then dividing that sum by the
 1482 aggregate taxable value of the property, as adjusted in accordance with Section
 1483 59-2-913:
- 1484 (i) for participating counties, in the unincorporated area of all participating counties;
 1485 and
- 1486 (ii) for participating municipalities, in all participating municipalities.
- 1487 [~~(6)~~] (7)[(a) ~~As used in this Subsection (6):~~]
- 1488 [(i) ~~"Annexing county" means a county whose unincorporated area is included within~~
 1489 ~~a public safety district by annexation.]~~
- 1490 [(ii) ~~"Annexing municipality" means a municipality whose area is included within a~~

- 1491 public safety district by annexation.]
- 1492 [(iii) "Equalized public safety protection tax rate" means the tax rate that results from:]
- 1493 [(A) calculating, for each participating county and each participating municipality,
- 1494 the property tax revenue necessary:]
- 1495 [(I) in the case of a fire district, to cover all of the costs associated with
- 1496 providing fire protection, paramedic, and emergency services:]
- 1497 [(Aa) for a participating county, in the unincorporated area of the county;
- 1498 and]
- 1499 [(Bb) for a participating municipality, in the municipality; or]
- 1500 [(H) in the case of a police district, to cover all the costs:]
- 1501 [(Aa) associated with providing law enforcement service:]
- 1502 [(Ii) for a participating county, in the unincorporated area of the county;
- 1503 and]
- 1504 [(Hii) for a participating municipality, in the municipality; and]
- 1505 [(Bb) that the police district board designates as the costs to be funded by a
- 1506 property tax; and]
- 1507 [(B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all
- 1508 participating counties and all participating municipalities and then dividing that
- 1509 sum by the aggregate taxable value of the property, as adjusted in accordance
- 1510 with Section 59-2-913:]
- 1511 [(I) for participating counties, in the unincorporated area of all participating
- 1512 counties; and]
- 1513 [(H) for participating municipalities, in all the participating municipalities.]
- 1514 [(iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
- 1515 Area Act:]
- 1516 [(A) created to provide fire protection, paramedic, and emergency services; and]
- 1517 [(B) in the creation of which an election was not required under Subsection
- 1518 17B-1-214(3)(d).]
- 1519 [(v) "Participating county" means a county whose unincorporated area is included
- 1520 within a public safety district at the time of the creation of the public safety
- 1521 district.]
- 1522 [(vi) "Participating municipality" means a municipality whose area is included within
- 1523 a public safety district at the time of the creation of the public safety district.]
- 1524 [(vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9,

- 1525 ~~Service Area Act, within a county of the first class:]~~
- 1526 ~~[(A) created to provide law enforcement service; and]~~
- 1527 ~~[(B) in the creation of which an election was not required under Subsection~~
- 1528 ~~17B-1-214(3)(d).]~~
- 1529 ~~[(viii) "Public safety district" means a fire district or a police district.]~~
- 1530 ~~[(ix) "Public safety service" means:]~~
- 1531 ~~[(A) in the case of a public safety district that is a fire district, fire protection,~~
- 1532 ~~paramedic, and emergency services; and]~~
- 1533 ~~[(B) in the case of a public safety district that is a police district, law enforcement~~
- 1534 ~~service.]~~
- 1535 ~~[(b)] (a) In the first year following creation of a public safety district, the certified tax~~
- 1536 ~~rate of each participating county and each participating municipality shall be~~
- 1537 ~~decreased by the amount of the equalized public safety tax rate calculated in~~
- 1538 ~~accordance with Subsection (6).~~
- 1539 ~~[(e)] (b) In the first budget year following annexation to a public safety district, the~~
- 1540 ~~certified tax rate of each annexing county and each annexing municipality shall be~~
- 1541 ~~decreased by an amount equal to the amount of revenue budgeted by the annexing~~
- 1542 ~~county or annexing municipality:~~
- 1543 ~~(i) for public safety service; and~~
- 1544 ~~(ii) in:~~
- 1545 ~~(A) for a taxing entity operating under a January 1 through December 31 fiscal~~
- 1546 ~~year, the prior calendar year; or~~
- 1547 ~~(B) for a taxing entity operating under a July 1 through June 30 fiscal year, the~~
- 1548 ~~prior fiscal year.~~
- 1549 ~~[(d)] (c) Each tax levied under this section by a public safety district shall be considered~~
- 1550 ~~to be levied by:~~
- 1551 ~~(i) each participating county and each annexing county for purposes of the county's~~
- 1552 ~~tax limitation under Section 59-2-908; and~~
- 1553 ~~(ii) each participating municipality and each annexing municipality for purposes of~~
- 1554 ~~the municipality's tax limitation under Section 10-5-112, for a town, or Section~~
- 1555 ~~10-6-133, for a city.~~
- 1556 ~~[(e)] (d) The calculation of a public safety district's certified tax rate for the year of~~
- 1557 ~~annexation shall be adjusted to include an amount of revenue equal to one half of the~~
- 1558 ~~amount of revenue budgeted by the annexing entity for public safety service in the~~

- 1559 annexing entity's prior fiscal year if:
- 1560 (i) the public safety district operates on a January 1 through December 31 fiscal year;
- 1561 (ii) the public safety district approves an annexation of an entity operating on a July 1
- 1562 through June 30 fiscal year; and
- 1563 (iii) the annexation described in Subsection [~~(6)(e)(ii)~~] (7)(d)(ii) takes effect on July 1.
- 1564 [(7)] (8)(a) The base taxable value as defined in Section 17C-1-102 shall be reduced for
- 1565 any year to the extent necessary to provide a community reinvestment agency
- 1566 established under Title 17C, Limited Purpose Local Government Entities -
- 1567 Community Reinvestment Agency Act, with approximately the same amount of
- 1568 money the agency would have received without a reduction in the county's certified
- 1569 tax rate, calculated in accordance with Section 59-2-924, if:
- 1570 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or
- 1571 (3)(a);
- 1572 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of
- 1573 the previous year; and
- 1574 (iii) the decrease results in a reduction of the amount to be paid to the agency under
- 1575 Section 17C-1-403 or 17C-1-404.
- 1576 (b) The base taxable value as defined in Section 17C-1-102 shall be increased in any
- 1577 year to the extent necessary to provide a community reinvestment agency with
- 1578 approximately the same amount of money as the agency would have received without
- 1579 an increase in the certified tax rate that year if:
- 1580 (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due
- 1581 to a decrease in the certified tax rate under Subsection (2) or (3)(a); and
- 1582 (ii) the certified tax rate of a city, school district, special district, or special service
- 1583 district increases independent of the adjustment to the taxable value of the base
- 1584 year.
- 1585 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the
- 1586 amount of money allocated and, when collected, paid each year to a community
- 1587 reinvestment agency established under Title 17C, Limited Purpose Local
- 1588 Government Entities - Community Reinvestment Agency Act, for the payment of
- 1589 bonds or other contract indebtedness, but not for administrative costs, may not be less
- 1590 than [~~that~~] the amount would have been without a decrease in the certified tax rate
- 1591 under Subsection (2) or (3)(a).
- 1592 [(8)(a) For the calendar year beginning on January 1, 2014, the calculation of a county

- 1593 assessing and collecting levy shall be adjusted by the amount necessary to offset:]
- 1594 [(i) any change in the certified tax rate that may result from amendments to Part 16,
1595 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270,
1596 Section 3; and]
- 1597 [(ii) the difference in the amount of revenue a taxing entity receives from or
1598 contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that
1599 may result from amendments to Part 16, Multicounty Assessing and Collecting
1600 Levy, in Laws of Utah 2014, Chapter 270, Section 3.]
- 1601 [(b) A taxing entity is not required to comply with the notice and public hearing
1602 requirements in Section 59-2-919 for an adjustment to the county assessing and
1603 collecting levy described in Subsection (8)(a).]
- 1604 [(9) If a taxing entity receives decreased revenues from uniform fees on tangible personal
1605 property under Section 59-2-405 as a result of any error in applying uniform fees to
1606 motor vehicle registration in the calendar year beginning on January 1, 2023, the
1607 commission may, for the calendar year beginning on January 1, 2024, increase the
1608 taxing entity's budgeted revenue to offset the decreased revenues.]
- 1609 Section 21. Section **59-2-1601** is amended to read:
- 1610 **59-2-1601 (Effective 05/06/26) (Applies beginning 01/01/26). Definitions.**
- 1611 As used in this part:
- 1612 [(1) "County additional property tax" means the property tax levy described in Subsection
1613 59-2-1602(4).]
- 1614 [(2)]
- 1615 (1) "Database" means the same as that term is defined in Section 59-1-1901.
- 1616 (2) "Fund" means the Property Tax Valuation Fund created in Section 59-2-1602.
- 1617 [(3) "Multicounty Appraisal Trust" means the Multicounty Appraisal Trust created by an
1618 agreement:]
- 1619 [(a) entered into by all of the counties in the state; and]
- 1620 [(b) authorized by Title 11, Chapter 13, Interlocal Cooperation Act.]
- 1621 [(4)] (3) "Multicounty assessing and collecting levy" means a property tax [levied] the
1622 counties levy in accordance with Subsection [59-2-1602(2)] 59-2-1602(3).
- 1623 (4) "Program manager" means an association that represents at least two-thirds of the
1624 counties in the state.
- 1625 (5)(a) "Property valuation service" means [any] a service or technology that promotes
1626 uniform assessment levels for the valuation of personal property and real property in

1627 accordance with Part 3, County Assessment.

1628 (b) "Property valuation service" includes statewide aerial imagery, change detection,
1629 sketch validation, exception analysis, commercial valuation modeling, residential
1630 valuation modeling, automated valuation modeling, and equity analysis.

1631 (6) "Statewide property tax system" means a computer assisted system for mass appraisal,
1632 equalization, collection, distribution, and administration related to property tax~~[-, created~~
1633 ~~by the Multicounty Appraisal Trust in accordance with Section 59-2-1606].~~

1634 (7) "STATS" means the Statewide Tax Administration and Technology Solutions program,
1635 created in Section 59-1-1902.

1636 Section 22. Section **59-2-1602** is amended to read:

1637 **59-2-1602 (Effective 05/06/26) (Applies beginning 01/01/26). Property Tax**
1638 **Valuation Fund -- Statewide levy -- Additional county levy.**

1639 (1)(a) There is created a custodial fund in the Division of Finance known as the
1640 "Property Tax Valuation Fund."

1641 (b) The fund consists of:

1642 (i) deposits made and penalties received under Subsection (3);~~[-and]~~

1643 (ii) interest on money deposited into the fund~~[-]~~ ;

1644 (iii) appropriations from the Legislature;

1645 (iv) the statewide property tax system and statewide web portals, including
1646 intellectual property rights; and

1647 (v) the database.

1648 (c)(i) Subject to Subsection (1)(c)(ii), the Division of Finance shall allocate money in
1649 the fund for the calendar year to the program manager:

1650 (A) after the Division of Finance determines that the budget submitted in
1651 accordance with Section 59-2-1605 contains proposed expenses for a use
1652 described in Subsection 59-2-1606(4); and

1653 (B) for revenue the Division of Finance receives after the Division of Finance
1654 makes the determination in accordance with Subsection (1)(c)(i)(A), within 30
1655 days after receipt of the money.

1656 (ii) The Division of Finance may retain an amount equal to the cost of making the
1657 determination described in Subsection (1)(c)(i)(A) before making an allocation.

1658 (d) Subject to the requirements of this section, the program manager shall have:

1659 (i) sole authority to:

1660 (A) determine expenditure of revenue the Division of Finance allocates to the

- 1661 program manager, including provision of property valuation services within
1662 counties; and
- 1663 (B) oversee the maintenance and enhancement of a statewide property tax system,
1664 including statewide web portals, that meets the requirements of this section; and
1665 (ii) control over the property described in Subsections (1)(b)(iv), (1)(b)(v), and (2)
1666 for the purpose and uses described in this section.
- 1667 (e) The program manager may spend money the Division of Finance allocates to the
1668 program manager only for STATS.
- 1669 ~~[(e) Deposits, penalties, and interest described in Subsection (1)(b) shall be disbursed~~
1670 ~~and used as provided in Section 59-2-1603.]~~
- 1671 (2) The following assets are transferred to the program manager to use for STATS:
- 1672 (a) tangible personal property purchased, in whole or in part, with revenue from the
1673 multicounty assessing and collecting levy, including property acquired before May 6,
1674 2026; and
- 1675 (b) unexpended revenue that is:
- 1676 (i) obtained from the multicounty assessing and collecting levy or for the
1677 performance of the duties described in this section, including revenue acquired
1678 before May 6, 2026; and
- 1679 (ii) within the control of the program manager.
- 1680 ~~(3)~~(a) Each county shall annually impose a multicounty assessing and collecting levy as
1681 provided in this Subsection ~~[(2)]~~ (3).
- 1682 (b) The tax rate of the multicounty assessing and collecting levy is the certified revenue
1683 levy rounded up to the sixth decimal place.
- 1684 (c) The state treasurer shall allocate all revenue collected from the multicounty assessing
1685 and collecting levy to the Multicounty Appraisal Trust.
- 1686 ~~[(3)]~~ (4)(a) The county shall state separately the multicounty assessing and collecting
1687 levy [imposed under Subsection (2) shall be separately stated] on the tax notice as a
1688 multicounty assessing and collecting levy.
- 1689 (b) The multicounty assessing and collecting levy is:
- 1690 (i) exempt from Sections 17C-1-403 through 17C-1-406;
- 1691 (ii) in addition to and exempt from the maximum levies allowable under Section
1692 59-2-908; and
- 1693 (iii) exempt from the notice and public hearing requirements of Section 59-2-919.
- 1694 (c)(i) Each county shall transmit quarterly to the state treasurer the revenue ~~[collected]~~

- 1695 the county collects from the multicounty assessing and collecting levy.
- 1696 (ii) ~~The [revenue transmitted under Subsection (3)(c)(i) shall be transmitted-]~~ county
- 1697 shall transmit the revenue described in Subsection (4)(c)(i) no later than the tenth
- 1698 day of the month following the end of the quarter in which the county collects the
- 1699 revenue[is collected].
- 1700 ~~[(iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth~~
- 1701 ~~day of the month following the end of the quarter in which the revenue is~~
- 1702 ~~collected, the county shall pay an interest penalty at the rate of 10% each year~~
- 1703 ~~until the revenue is transmitted.]~~
- 1704 (iii) If a county transmits revenue described in Subsection (4)(c)(i) after the tenth day
- 1705 of the month following the end of the quarter in which the county collects the
- 1706 revenue, the county shall pay an interest penalty at the rate of 10% each year until
- 1707 the county transmits the revenue.
- 1708 (iv) The state treasurer shall deposit the revenue and penalties described in this
- 1709 Subsection (4) into the fund.
- 1710 ~~[(d) The state treasurer shall allocate the penalties received under this Subsection (3) in~~
- 1711 ~~the same manner as revenue is allocated under Subsection (2)(c).]~~
- 1712 ~~[(4)] (5)(a) A county may levy a county additional property tax in accordance with this~~
- 1713 ~~Subsection [(4)] (5).~~
- 1714 (b) The county additional property tax:
- 1715 (i) shall be separately stated on the tax notice as a county assessing and collecting
- 1716 levy;
- 1717 (ii) may not be incorporated into the rate of any other levy;
- 1718 (iii) is exempt from Sections 17C-1-403 through 17C-1-406; and
- 1719 (iv) is in addition to and exempt from the maximum levies allowable under Section
- 1720 59-2-908.
- 1721 (c) ~~[Revenue-]~~ A county shall use revenue collected from the county additional property
- 1722 tax[shall be used] to:
- 1723 (i) promote the accurate valuation and uniform assessment levels of property as
- 1724 required by Section 59-2-103;
- 1725 (ii) promote the efficient administration of the property tax system, including the
- 1726 costs of assessment, collection, and distribution of property taxes;
- 1727 (iii) fund state mandated actions to meet legislative mandates or judicial or
- 1728 administrative orders that relate to promoting:

- 1729 (A) the accurate valuation of property; and
 1730 (B) the establishment and maintenance of uniform assessment levels within and
 1731 among counties; and
 1732 (iv) establish reappraisal programs that:
 1733 (A) are adopted by a resolution or ordinance of the county legislative body; and
 1734 (B) conform to rules the commission makes in accordance with Title 63G,
 1735 Chapter 3, Utah Administrative Rulemaking Act.

1736 Section 23. Section **59-2-1605** is amended to read:

1737 **59-2-1605 (Effective 05/06/26) (Applies beginning 01/01/26). Accounting records**
 1738 **for levies -- Records -- Report to Legislature, commission -- Budget to Division of Finance.**

- 1739 (1) Each county shall separately budget and account for the use of any money [
 1740 ~~received or expended from a levy imposed under]~~ the county receives or spends from a
 1741 levy the county imposes in accordance with Section 59-2-1602.
 1742 (2) The program manager shall separately budget and account for the use of any revenue
 1743 received from the fund.
 1744 (3) On or before October 1 of each year, the program manager shall submit an electronic
 1745 report to the Revenue and Taxation Interim Committee and the commission that
 1746 contains:
 1747 (a) a financial report that includes:
 1748 (i) the amount of revenue allocated to the program manager for the current calendar
 1749 year; and
 1750 (ii) a summary of the uses of the revenue during the current calendar year; and
 1751 (b) a status report on:
 1752 (i) the development, enhancement, and implementation of the statewide property tax
 1753 system and the statewide web portals described in Section 59-2-1606; and
 1754 (ii) achievement of the performance metrics described in Section 59-2-1606.
 1755 (4) On or before December 31 of each year, the program manager shall submit a detailed
 1756 budget for the upcoming calendar year to the Division of Finance.
 1757 (5) For the calendar year that begins on January 1, 2026, the program manager shall submit
 1758 a detailed budget for the current year to the Division of Finance on May 6, 2026.

1759 Section 24. Section **59-2-1606** is amended to read:

1760 **59-2-1606 (Effective 05/06/26) (Applies beginning 01/01/26). Statewide property**
 1761 **tax system funding for counties -- Disbursements to the program manager -- Use of funds.**

- 1762 (1) The [~~funds deposited into the Multicounty Appraisal Trust in accordance with Section~~

- 1763 ~~59-2-1602 shall be used to provide funding for] purpose for creating the fund is to~~
 1764 ~~provide the counties with:~~
- 1765 (a) a statewide property tax system that will promote:
- 1766 (i) the accurate valuation of property;
- 1767 (ii) the establishment and maintenance of uniform assessment levels among counties
 1768 within the state;
- 1769 (iii) efficient administration of the property tax system, including the costs of
 1770 assessment, collection, and distribution of property taxes; and
- 1771 (iv) the uniform filing of a signed statement a county assessor requests under Section
 1772 59-2-306, including implementation of a statewide electronic filing system; and
- 1773 (b) property valuation services~~[-within the counties].~~
- 1774 (2)(a) The statewide property tax system shall comply with rules the commission
 1775 establishes in accordance with Title 63G, Chapter 3, Utah Administrative
 1776 Rulemaking Act.
- 1777 (b) The fund manager, in conjunction with the commission, shall establish annual
 1778 performance metrics for the development of the statewide property tax system.
- 1779 (3)(a) Except as described in Subsection (3)(b), each county shall adopt the statewide
 1780 property tax system.
- 1781 (b) A county may adopt only part of the statewide property tax system or none of the
 1782 system if the county demonstrates to the commission that:
- 1783 (i) the county uses a property tax system that includes a computer assisted mass
 1784 appraisal system and complies with rules the commission establishes in
 1785 accordance with Subsection (2)(a); and
- 1786 (ii) the county's overall system is able to exchange data with and make use of data
 1787 received from the statewide property tax system.
- 1788 ~~[(2)(a) An association representing at least two-thirds of the counties in the state shall~~
 1789 ~~appoint a trustee.]~~
- 1790 ~~[(b) The trustee of the Multicounty Appraisal Trust shall:]~~
- 1791 ~~[(i) determine which projects to fund, including property valuation services within~~
 1792 ~~counties; and]~~
- 1793 ~~[(ii) oversee the administration of a statewide property tax system that meets the~~
 1794 ~~requirements of Subsection (1)(a).]~~
- 1795 ~~[(3)(a) Subject to Subsection (3)(b), the trustee of the Multicounty Appraisal Trust may,~~
 1796 ~~in order to promote the objectives described in Subsection (1), use funds deposited~~

1797 into the Multicounty Appraisal Trust to hire one or more professional appraisers to
 1798 provide property valuation services within a county of the third, fourth, fifth, or sixth
 1799 class.]

1800 [(b) A professional appraiser hired to provide property valuation services under this
 1801 Subsection (3) shall:]

1802 [(i) hold an appraiser's certificate or license from the Division of Real Estate in
 1803 accordance with Title 61, Chapter 2g, Real Estate Appraiser Licensing and
 1804 Certification Act; and]

1805 [(ii) be approved by:]

1806 [(A) the commission; and]

1807 [(B) an association representing two or more counties in the state.]

1808 [(4)(a) Except as provided in Subsection (4)(b), each county shall adopt the statewide
 1809 property tax system on or before January 1, 2026.]

1810 [(b) A county is exempt from the requirement in Subsection (4)(a) if:]

1811 [(i) the county utilizes a computer assisted property tax system for mass appraisal
 1812 other than the statewide property tax system;]

1813 [(ii) the county demonstrates to the trustee of the Multicounty Appraisal Trust and to
 1814 the commission that the property tax system described in Subsection (4)(b)(i) is
 1815 interoperable with the statewide property tax system; and]

1816 [(iii) the trustee of the Multicounty Appraisal Trust and the commission approve the
 1817 county's exemption from the requirement in Subsection (4)(a).]

1818 [(e) The commission and an association that represents at least two-thirds of the counties
 1819 in the state shall assist any county adopting the statewide property tax system.]

1820 [(5)] (4) [In order to promote the objectives described in Subsection (1), the trustee of the
 1821 Multicounty Appraisal Trust shall use funds deposited into the Multicounty Appraisal
 1822 Trust to] To promote the purposes described in Subsection (1), the program manager shall:

1823 (a) maintain and enhance the statewide property tax system in accordance with
 1824 Subsection (2);

1825 (b) subject to Subsection [(6)] (5), develop and maintain a statewide web portal for
 1826 uniform access to property characteristics and features relevant to the valuation of
 1827 real property;

1828 [(b)] (c) subject to Subsection [(7)] (6), develop and maintain a statewide web portal for
 1829 the uniform electronic filing of an application to appeal the valuation or equalization
 1830 of real property with a county board of equalization under Section 59-2-1004; and

- 1831 [(e)] (d) assist counties with tracking and reporting appeals information to the
 1832 commission as required by Section 59-2-1018.
- 1833 [(6)] (5)(a) The statewide web portal for uniform access to property characteristics and
 1834 features developed under Subsection [(5)(a)] (4)(b) shall specify, at a minimum, [
 1835 specify]the following property characteristics and features:
- 1836 [(i) property owner's name];
- 1837 [(ii)] (i) parcel or serial number;
- 1838 [(iii)] (ii) situs address;
- 1839 [(iv) mailing address];
- 1840 [(v)] (iii) tax area;
- 1841 [(vi)] (iv) the neighborhood;
- 1842 [(vii)] (v) property type;
- 1843 [(viii)] (vi) land type;
- 1844 [(ix)] (vii) quality or condition;
- 1845 [(x)] (viii) year of construction;
- 1846 [(xi)] (ix) gross living area;
- 1847 [(xii)] (x) acreage;
- 1848 [(xiii)] (xi) market value; and
- 1849 [(xiv)] (xii) taxable value.
- 1850 (b) In developing the statewide web portal for uniform access to property characteristics
 1851 and features under Subsection [(5)(a)] (4)(b), the [~~Multicounty Appraisal Trust~~]
 1852 program manager may link the statewide web portal to a web portal [~~maintained by~~]
 1853 a county maintains for accessing property characteristics and features within the
 1854 county if the [~~Multicounty Appraisal Trust~~] program manager determines that the
 1855 county web portal meets the requirements of Subsection [(6)(a)] (5)(a).
- 1856 [(7)] (6) In developing the statewide web portal for the uniform electronic filing of appeal
 1857 applications under Subsection [(5)(b)] (4)(c), the [~~Multicounty Appraisal Trust~~] program
 1858 manager may link the statewide web portal to a web portal [~~maintained by~~]a county
 1859 maintains for the uniform electronic filing of appeal applications if the [~~Multicounty~~
 1860 ~~Appraisal Trust~~] program manager determines that the county web portal provides
 1861 equivalent functions as the statewide web portal.
- 1862 Section 25. Section **59-2-2001** is amended to read:
- 1863 **59-2-2001 (Effective 05/06/26) (Applies beginning 01/01/26). Definitions.**
- 1864 As used in this part:

- 1865 (1)(a) "Heavy equipment" means tangible personal property that:
- 1866 (i) is owned by a qualified rental business for purposes of renting;
- 1867 (ii) is utilized or designed for construction, earthmoving, or industrial operations; and
- 1868 (iii) is portable and transferable to the location in which the heavy equipment is used.
- 1869 (b) "Heavy equipment" includes:
- 1870 (i) lift equipment;
- 1871 (ii) material handling equipment;
- 1872 (iii) cranes;
- 1873 (iv) pumps;
- 1874 (v) generators;
- 1875 (vi) compressors;
- 1876 (vii) portable power equipment;
- 1877 (viii) heating, ventilation, and air conditioning equipment;
- 1878 (ix) portable worksite offices and containers;
- 1879 (x) tank trailers; and
- 1880 (xi) self-propelled equipment.
- 1881 (2) "Program manager" means the same as that term is defined in Section 59-2-1601.
- 1882 [~~(2) "Multicounty Appraisal Trust" means the same as that term is defined in Section~~
- 1883 ~~59-2-1601.]~~
- 1884 (3) "Qualified rental business" means a business entity located in this state:
- 1885 (a) that is classified within one of the following NAICS codes of the 2022 North
- 1886 American Industry Classification System of the federal Executive Office of the
- 1887 President, Office of Management and Budget:
- 1888 (i) NAICS Code 532310, General Rental Centers; or
- 1889 (ii) NAICS Code 532412, Construction, Mining, and Forestry Machinery and
- 1890 Equipment Rental and Leasing; and
- 1891 (b) for which 51% or more of the business entity's total annual revenue is derived from
- 1892 the rental of heavy equipment.
- 1893 (4) "Recovery fee" means the fee authorized in Subsection 59-2-2002(1).
- 1894 (5) "Rental" means the same as the terms "lease" or "rental" are defined in Section
- 1895 59-12-102.
- 1896 (6)(a) "Rental charge" means the amount charged to a renter by a qualified rental
- 1897 business for the rental of heavy equipment.
- 1898 (b) "Rental charge" does not include any additional charges separate from the actual cost

1899 of the rental transaction, including costs required for delivery, insurance, or a waiver
1900 of liability.

1901 (7) "Renter" means the person to which a qualified rental business rents heavy equipment.

1902 Section 26. Section **59-2-2002** is amended to read:

1903 **59-2-2002 (Effective 05/06/26) (Applies beginning 01/01/26). Recovery fee for**
1904 **rental of heavy equipment -- Commission study and report.**

1905 (1) A qualified rental business may charge to a renter a fee in an amount equal to 1.5% of
1906 the rental charge for each item of heavy equipment rented in this state.

1907 (2) A recovery fee under Subsection (1):

1908 (a) shall be separately stated on the invoice or receipt for the rental transaction; and

1909 (b) is not subject to a sales and use tax under Chapter 12, Sales and Use Tax Act.

1910 (3) A qualified rental business may not charge a recovery fee to a renter that is a
1911 governmental entity as defined in Section 59-2-511.

1912 (4) Any amount of recovery fees collected by a qualified rental business during a calendar
1913 year shall be used as reimbursement for property taxes paid by the qualified rental
1914 business on heavy equipment in the same calendar year.

1915 (5)(a) The commission shall:

1916 (i) in coordination with county assessors and the [~~Multicounty Appraisal Trust~~]
1917 program manager, conduct a study to determine the need for adjustment to the rate
1918 authorized under Subsection (1) for purposes of property tax reimbursement; and

1919 (ii) on or before September 30, 2027, provide to the Revenue and Taxation Interim
1920 Committee an electronic report of the results of the study required under
1921 Subsection (5)(a)(i), including any recommendations, based on information
1922 received by the commission, for legislative changes to the rate authorized under
1923 Subsection (1).

1924 (b) [~~A~~] Upon request by the commission, a county assessor or the [~~Multicounty~~
1925 ~~Appraisal Trust~~] program manager shall[~~, upon request by the commission,~~] provide
1926 to the commission any information necessary to complete the study required under
1927 Subsection (5)(a)(i).

1928 Section 27. Section **59-35-101** is enacted to read:

1929 **CHAPTER 35. Tax Increment Financing Reporting**

1930 **Part 1. General Provisions**

1931 **59-35-101 (Effective 05/06/26). Definitions.**

1932 As used in this chapter:

- 1933 (1) "Agency" means a community reinvestment agency, as defined in Section 17C-1-102.
- 1934 (2) "Authorization meeting" means a public meeting:
- 1935 (a) conducted by the governing body of a TIF entity;
- 1936 (b) for which the TIF entity provides class A notice under Section 63G-30-102:
- 1937 (i) for a minimum of 10 calendar days before the public meeting; and
- 1938 (ii) with a link to the TIF entity's website where an explanation of each item listed in
- 1939 Subsection 59-2-201(3) may be found; and
- 1940 (c) in which the governing body of the TIF entity addresses each item listed in
- 1941 Subsection 59-2-201(3).
- 1942 (3) "Approximated discount rate" means the assumed rate of return used to discount future
- 1943 cash flows back to the cash's present value.
- 1944 (4) "But-for analysis" means information or data that demonstrates:
- 1945 (a) the benefits of a potential project to the public;
- 1946 (b) the existing impediments to the potential project;
- 1947 (c) that the potential project would be unable to overcome existing impediments and
- 1948 proceed without the use of tax increment; and
- 1949 (d) that the impact of using tax increment to the public is less than the benefits of the
- 1950 potential project to the public.
- 1951 (5) "Collecting entity" means:
- 1952 (a) for sales and use tax increment, the commission; or
- 1953 (b) for property tax increment, the county auditor, county assessor, and county treasurer
- 1954 of each county in which the TIF entity intends to use tax increment.
- 1955 (6) "Collection time period" means the maximum amount of time a TIF entity may collect
- 1956 tax increment after engaging in a specified event.
- 1957 (7) "Database" means a collection of electronic data to track the information that:
- 1958 (a) each TIF entity is required to submit in accordance with this chapter; and
- 1959 (b) the program manager collects in accordance with Section 59-35-301.
- 1960 (8) "Disclosure" means a written acknowledgment, made in a form and in a manner the
- 1961 program manager establishes, that a TIF entity intending to engage in a specified event
- 1962 submits.
- 1963 (9) "Established base year" means the year designated in a project area plan, a project area
- 1964 budget, or an interlocal agreement for the purpose of calculating tax increment.
- 1965 (10) "Governing body" means:

- 1966 (a) for an agency, the community reinvestment agency board;
- 1967 (b) for a municipality, the municipal legislative body;
- 1968 (c) for a county, the county legislative body;
- 1969 (d) for a regional economic development authority, the regional economic development
- 1970 authority's board;
- 1971 (e) for a public infrastructure district, the public infrastructure district's board of trustees;
- 1972 and
- 1973 (f) for a special district, the special district's board of trustees.
- 1974 (11) "Local entity" means:
- 1975 (a) an agency;
- 1976 (b) a municipality;
- 1977 (c) a county;
- 1978 (d) a public infrastructure district; or
- 1979 (e) a special district.
- 1980 (12) "Post-designation parcel" means:
- 1981 (a) except as provided in Subsection (12)(b), the same as that term is defined in Section
- 1982 11-58-601; or
- 1983 (b) for a project area created by the Military Installation Development Authority, a
- 1984 parcel within the project area.
- 1985 (13) "Program manager" means the same as that term is defined in Section 59-2-1601.
- 1986 (14) "Project area" means an area created and designated to receive tax increment according
- 1987 to the terms of an adopted project area plan, project area budget, or interlocal agreement.
- 1988 (15) "Project area budget" means a multi-year projection of annual or cumulative revenue
- 1989 and expenses and other fiscal matters pertaining to a project area that includes:
- 1990 (a) the start and end date for tax increment collection;
- 1991 (b) the number of years remaining that the TIF entity collects tax increment from the
- 1992 project area;
- 1993 (c) the amount of tax increment the TIF entity is authorized to receive from the project
- 1994 area, cumulatively and from each taxing entity, including:
- 1995 (i) the total dollar amount;
- 1996 (ii) the percentage of the total amount of tax increment generated within the project
- 1997 area; and
- 1998 (iii) the remaining amount of tax increment the TIF entity is authorized to receive
- 1999 from the project area, cumulatively and from each taxing entity; and

- 2000 (d) the amount of tax increment the TIF entity:
- 2001 (i) is authorized to use to pay for the TIF entity's administrative costs; and
- 2002 (ii) uses to pay for the TIF entity's administrative costs.
- 2003 (16) "Project area plan" means a written plan that, after the plan's effective date, guides and
- 2004 controls the development within a project area.
- 2005 (17)(a) "Property tax increment" means the amount of revenue a project area generates
- 2006 from property tax that exceeds the amount of revenue from the property tax that was
- 2007 generated in the project area:
- 2008 (i) in the year before the project area is created; or
- 2009 (ii) for a post-designation parcel, the 12 months before the trigger date.
- 2010 (b) "Property tax increment" includes:
- 2011 (i) enhanced property tax revenue;
- 2012 (ii) property tax allocation;
- 2013 (iii) property tax augmentation;
- 2014 (iv) property tax differential;
- 2015 (v) property tax increment; and
- 2016 (vi) tax increment revenue.
- 2017 (18) "Regional economic development authority" means:
- 2018 (a) the Utah Inland Port Authority created in Section 11-58-201;
- 2019 (b) the Point of the Mountain State Land Authority created in Section 11-59-201;
- 2020 (c) the Utah Fairpark Area Investment and Restoration District created in Section
- 2021 11-70-201; or
- 2022 (d) the Military Installation Development Authority created in Section 63H-1-201.
- 2023 (19) "Sales and use tax increment" means the amount of revenue a project area generates
- 2024 from sales and use tax that exceeds the amount of revenue from the sales and use tax
- 2025 that was generated in the project area for the established base year.
- 2026 (20) "Specified event" means:
- 2027 (a) for a local entity, triggering tax increment; or
- 2028 (b) for a regional economic development authority, entering into a tax increment
- 2029 agreement or approving a bond authorization.
- 2030 (21) "STATS" means the Statewide Tax Administration and Technology Solutions
- 2031 program, created in Section 59-1-1902.
- 2032 (22) "Tax increment" means property tax increment and sales and use tax increment.
- 2033 (23) "Taxing entity" means a government entity that:

- 2034 (a) imposes a tax on property located within a project area; or
 2035 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act,
 2036 within a project area.
- 2037 (24) "TIF entity" means a political subdivision of the state that:
 2038 (a) for purposes of Part 2, Pre-increment Disclosure and Reporting, intends to engage in
 2039 a specified event; and
 2040 (b) for purposes of Part 3, Tax Increment Receipt Reporting, receives or is authorized to
 2041 receive tax increment for an approved project area.
- 2042 (25) "Trigger date" means:
 2043 (a) except as provided in Subsections (25)(b) and (c), the same as that term is defined in
 2044 Section 11-58-601;
 2045 (b) for a project area created by the Military Installation Development Authority, the day
 2046 on which the authority receives the first property tax allocation from the parcel; or
 2047 (c) for a project area created by the Utah Fairpark Area Investment and Restoration
 2048 District, the same as the term "transition date" is defined in Section 11-70-101.
 2049 Section 28. Section **59-35-201** is enacted to read:

Part 2. Pre-increment Disclosure and Reporting

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

- 2051 (1) Beginning July 1, 2026, a TIF entity intending to use tax increment shall, before each
 2052 specified event:
 2053 (a) conduct an authorization meeting; and
 2054 (b) submit the disclosure described in Subsection (3).
- 2055 (2) An authorization meeting may be part of another public meeting of the TIF entity's
 2056 governing body if the disclosure and agenda for the public meeting clearly describe the
 2057 authorization meeting portion of the public meeting.
- 2058 (3) Within 30 days after the day on which a TIF entity holds an authorization meeting, a
 2059 TIF entity shall submit a disclosure to the program manager that includes:
 2060 (a) a copy of the notice for and the minutes from the TIF entity's authorization meeting;
 2061 (b) the public good to be addressed through the use of tax increment, including a
 2062 description of each project the TIF entity intends to pursue with the use of tax
 2063 increment;
 2064 (c) the type of tax increment sought for use;
 2065 (d) the amount of tax increment that a TIF entity is authorized to use as a result of a
 2066 specified event;
 2067

- 2068 (i) in total; and
- 2069 (ii) separately for property tax increment and sales and use tax increment, if the TIF
- 2070 entity seeks to use more than one type of tax increment;
- 2071 (e) a cost analysis reflecting the administrative costs imposed on the commission and the
- 2072 county to administer the collection, calculation, and distribution of the proposed tax
- 2073 increment;
- 2074 (f) a but-for analysis of each project the TIF entity intends to pursue with the use of tax
- 2075 increment; and
- 2076 (g) an explanation of how the benefit to residents or taxpayers near the project area is
- 2077 proportionate to the benefit to any party benefiting from the TIF entity's use of tax
- 2078 increment, as described in Section 59-35-202.

2079 (4) A TIF entity shall comply with the requirements of this part every time the TIF entity

2080 intends to engage in a specified event.

2081 Section 29. Section **59-35-202** is enacted to read:

2082 **59-35-202 (Effective 05/06/26). Analyzing proportionate benefit.**

2083 In analyzing the proportionate benefit to residents or taxpayers near the project area, a

2084 TIF entity shall prepare an estimate, in present value by using an approximated discount rate of

2085 the following:

- 2086 (1) the amount of revenue that will be allocated to any party in the form of tax increment, or
- 2087 bond financing secured by tax increment, each year over the collection time period or 40
- 2088 years, whichever is greater; and
- 2089 (2) the amount of revenue expected to be received by each taxing entity each year over 40
- 2090 years.

2091 Section 30. Section **59-35-203** is enacted to read:

2092 **59-35-203 (Effective 05/06/26). Notifications -- Redislosure -- Use of excess tax**

2093 **increment -- Termination of tax increment.**

2094 (1) A TIF entity that submits the required information under Section 59-35-201 may engage

2095 in a specified event according to:

- 2096 (a) the statutory requirements governing the TIF entity; and
- 2097 (b) this section.

2098 (2)(a) Except as provided in Subsection (2)(b), a TIF entity described in Subsection (1)

2099 shall notify:

- 2100 (i) within 30 calendar days, all taxing entities that will be affected by a planned tax
- 2101 increment area:

- 2102 (A) for which the TIF entity has submitted the information required under Section
2103 59-35-201; and
- 2104 (B) that the TIF entity intends to trigger tax increment;
- 2105 (ii) the collecting entities no later than December 31 the year before the TIF entity
2106 intends to begin receiving property tax increment; and
- 2107 (iii) the commission no later than 180 days before the beginning of the fiscal quarter
2108 during which the TIF entity intends to begin receiving sales and use tax increment.
- 2109 (b) If the TIF entity is required to comply with a different notification time period than
2110 the time periods described in Subsection (2)(a), the TIF entity shall comply with the
2111 notification period that provides the greater amount of time for notification.
- 2112 (3)(a) If a TIF entity does not engage in a specified event within five years after the day
2113 on which the TIF entity submits the information required by Section 59-35-201, the
2114 TIF entity shall:
- 2115 (i) hold a new authorization meeting, with updated information if applicable; and
2116 (ii) submit the information required by Section 59-35-201.
- 2117 (b)(i) If a TIF entity's disclosure includes all the information required by this
2118 Subsection (3), the TIF entity may engage in a specified event.
- 2119 (ii) If the program manager notifies the TIF entity of a deficiency in the disclosure,
2120 the TIF entity shall provide the requested additional disclosure information.
- 2121 (iii) A TIF entity that receives a request from the program manager under Subsection
2122 (3)(b)(ii) shall respond to the request.
- 2123 (4)(a) A local entity that receives more tax increment than projected is required to use
2124 the additional or excess revenue to defease any bond the local entity issued or
2125 accelerate repayment of any debts the local entity incurred if the bond or debt does
2126 not have any penalty or prohibition on defeasance of the bond or acceleration of the
2127 debt repayment.
- 2128 (b) A TIF entity may not use tax increment for any purpose other than the purpose
2129 described in the disclosure.
- 2130 (c)(i) A TIF entity is responsible for monitoring the TIF entity's receipt of tax
2131 increment and notifying taxing entities and collecting entities when the TIF entity
2132 is approaching, has met, or has exceeded the amount of tax increment stated in the
2133 disclosure.
- 2134 (ii) A TIF entity that receives more than the amount of tax increment stated in the
2135 disclosure:

- 2136 (A) shall immediately inform the county auditor, the county assessor, and the
 2137 commission;
- 2138 (B) shall be responsible for ensuring the excess tax increment is returned to the
 2139 appropriate taxing entities; and
- 2140 (C) may request assistance from the county and the commission in fulfilling the
 2141 duty described in Subsection (4)(c)(ii)(B).

2142 (5) At the end of a collection time period, or upon receipt of the amount of tax increment
 2143 stated in a disclosure, the TIF entity may not receive tax increment.

2144 (6) A TIF entity shall comply with the requirements of this part for any additional or
 2145 subsequent specified event.

2146 Section 31. Section **59-35-204** is enacted to read:

2147 **59-35-204 (Effective 05/06/26). Transparency.**

2148 The program manager shall coordinate with the collecting entities to recommend
 2149 processes for the responsible and transparent receipt of property tax increment, sales and use
 2150 tax increment, and tax increment, including by implementing processes to ensure a TIF entity
 2151 stops receiving tax increment once the TIF entity receives the amount of tax increment stated
 2152 in the disclosure under Section 59-35-201.

2153 Section 32. Section **59-35-301** is enacted to read:

2154 **Part 3. Tax Increment Receipt Reporting**

2155 **59-35-301 (Effective 05/06/26). TIF entity reporting requirements.**

2156 (1) On or before January 1, 2027, a TIF entity shall submit to the program manager for each
 2157 project area:

- 2158 (a) the project area plan;
- 2159 (b) the project area budget;
- 2160 (c) applicable interlocal agreements; and
- 2161 (d) a map of each project area.

2162 (2) A TIF entity shall submit the information described in Subsection (1) for a new project
 2163 area created after January 1, 2027, before January 1 of the year after the year in which
 2164 the project area is created.

2165 (3) On January 1, 2028, and on each January 1 thereafter, a TIF entity shall submit to the
 2166 program manager a summary of the progress of each project area.

2167 (4) The program manager shall establish the manner in which a TIF entity shall submit the
 2168 information described in Subsections (1) through (3).

2169 (5) Annually, the program manager shall collect, with input from the county and the TIF

- 2170 entities:
- 2171 (a) an assessment of the change in the project area's value, including:
- 2172 (i) the taxable value from the established base year;
- 2173 (ii) the estimated current assessed value; and
- 2174 (iii) the percentage change between the base taxable value and the estimated current
- 2175 assessed value;
- 2176 (b)(i) if the TIF entity has received tax increment from a project area, the amount of
- 2177 tax increment by calendar year, including:
- 2178 (A) a comparison of the actual tax increment received for each year to the
- 2179 forecasted tax increment for each year when the TIF entity created the project
- 2180 area;
- 2181 (B) the TIF entity's historical receipts and expenditures of tax increment for each
- 2182 project area budget;
- 2183 (C) a list of each taxing entity that imposes a tax within the project area;
- 2184 (D) a description of the benefits that each taxing entity receives from the project
- 2185 area; and
- 2186 (E) the percentage of additional value that each taxing entity provides to the
- 2187 project area; or
- 2188 (ii) if the TIF entity has not yet received tax increment from an approved project area:
- 2189 (A) the year in which the TIF entity expects to begin receiving tax increment for
- 2190 the project area;
- 2191 (B) a list of each taxing entity that imposes a tax within the project area;
- 2192 (C) a description of the benefits that each taxing entity is expected to receive from
- 2193 the project area; and
- 2194 (D) the percentage of additional value that each taxing entity provides to the
- 2195 project area;
- 2196 (c) the total amount of tax increment a TIF entity may receive from the project area
- 2197 cumulatively and from each taxing entity;
- 2198 (d) the total amount of tax increment the TIF entity pays to a taxing entity, if applicable;
- 2199 (e) a TIF entity's outstanding principal on bonds or loans for project area costs;
- 2200 (f) a description of current and anticipated project area development, including:
- 2201 (i) any significant infrastructure development, site development, participation
- 2202 agreements, or vertical construction within the project area; and
- 2203 (ii) other details of TIF entity action and development within the project area,

- 2204 including:
- 2205 (A) the total acreage developed after the TIF entity established the project area;
- 2206 (B) the total undeveloped acreage the TIF entity expects to develop before the
- 2207 project area is dissolved;
- 2208 (C) the percentage of residential development, if applicable; and
- 2209 (D) the total number of housing units authorized, if applicable;
- 2210 (g) a summary of the portions of the project area plan and the budget that include:
- 2211 (i) the number of years remaining that the TIF entity may receive tax increment from
- 2212 the project area;
- 2213 (ii) the estimated amount of tax increment that the TIF entity is authorized to receive
- 2214 from the project area for the current calendar year; and
- 2215 (iii) the estimated amount of tax increment to be paid to the TIF entity for the next
- 2216 calendar year; and
- 2217 (h) a description of how the receipt of tax increment during the previous year furthered
- 2218 the goals, policies, and purposes of the project area.
- 2219 (6) The provisions of this section apply regardless of when the project area is created.
- 2220 (7) Any information a TIF entity submits in accordance with this section is for
- 2221 informational purposes only.
- 2222 Section 33. Section **59-35-302** is enacted to read:
- 2223 **59-35-302 (Effective 05/06/26). Program manager report to Legislature, county**
- 2224 **auditor, county treasurer -- Auditing.**
- 2225 (1) At or before the October interim meeting of the Political Subdivisions Interim
- 2226 Committee, the program manager shall present:
- 2227 (a) annually, a written report of the information in the database that includes:
- 2228 (i) a list of TIF entities that failed to comply with the requirements of Sections
- 2229 59-35-201, 59-35-203, and 59-35-301 during the preceding reporting period;
- 2230 (ii) a statewide summary of:
- 2231 (A) the number of project areas receiving tax increment; and
- 2232 (B) the total acres included in project areas receiving tax increment;
- 2233 (iii) for each county, a summary of:
- 2234 (A) the number of project areas receiving tax increment;
- 2235 (B) the total acres included in project areas;
- 2236 (C) the total acres included in project areas compared to the total taxable acres in
- 2237 the county;

- 2238 (D) the percentage of property tax for all taxing entities within the county that is
2239 allocated as tax increment;
- 2240 (E) the total amount of tax increment projected in all project area budgets;
2241 (F) the estimated tax increment from project area budgets that has not yet been
2242 received;
- 2243 (G) a description of any project area that is approved but has not received tax
2244 increment; and
- 2245 (H) project areas dissolved during the previous year;
- 2246 (iv) information about the benefits that project areas provide to each county and the
2247 state, which shall include information relating to two or more of the following:
- 2248 (A) the average percentage change in assessed value for each county within
2249 project areas during the reporting period;
- 2250 (B) the percentage change in assessed value within a county, excluding project
2251 areas, during the reporting period;
- 2252 (C) a comparison of the growth rate between project areas and areas of the county
2253 that are not within a project area;
- 2254 (D) public infrastructure paid for with tax increment;
2255 (E) publicly accessible parks, trails, plazas, or other public amenities paid for with
2256 tax increment;
- 2257 (F) affordable housing units tax increment creates, preserves, or supports; and
2258 (G) new jobs created with tax increment; and
- 2259 (v) any recommendation for legislation; and
- 2260 (b) every three years, beginning in 2030, a copy of the results of the independent audit
2261 described in Subsection (3).
- 2262 (2)(a) If the program manager does not receive, on or before April 1 of the year the
2263 information is due, the information that a TIF entity is required to provide under
2264 Section 59-35-301, the program manager shall:
- 2265 (i) refer the noncompliant TIF entity to the state auditor for review; and
2266 (ii) post a notice on the STATS website identifying the noncompliant TIF entity and
2267 describing the TIF entity's noncompliance.
- 2268 (b) If, for two consecutive years, the program manager does not receive information a
2269 TIF entity is required to provide under Section 59-35-301:
- 2270 (i) the program manager shall notify, no later than April 1 of the second consecutive
2271 year, the county auditor and the county treasurer of the county in which the

- 2272 noncompliant TIF entity is located of the TIF entity's noncompliance; and
 2273 (ii) upon receiving the notice described in Subsection (2)(b)(i), the county treasurer
 2274 shall withhold from the TIF entity 20% of the amount of tax increment the TIF
 2275 entity is entitled to receive.
- 2276 (c)(i) Subject to Subsection (2)(c)(ii), the county treasurer may not withhold funds as
 2277 described in Subsection (2)(b)(ii) if the disbursement of tax increment is necessary
 2278 to meet contractual or debt service obligations.
- 2279 (ii) The TIF entity shall submit to the county treasurer evidence of the contractual or
 2280 debt service obligation and the need for tax increment to serve the contract or debt.
- 2281 (d) If, after having funds withheld under Subsection (2)(b)(ii), a TIF entity complies
 2282 with Section 59-35-301:
- 2283 (i) the program manager shall notify the county auditor and the county treasurer that
 2284 the TIF entity complied with Section 59-35-301; and
- 2285 (ii) the county treasurer shall disburse the withheld funds to the TIF entity.
- 2286 (3) Every three years, beginning in 2030, the program manager shall obtain an independent
 2287 audit of the database and the information reported to the Political Subdivisions Interim
 2288 Committee in accordance with Subsection (1).
- 2289 (4)(a) The database, reporting, and auditing requirements of this part are a supplement to
 2290 the state auditor's authority to audit TIF entities.
- 2291 (b) The program manager is not subject to audit by the state auditor for any reason
 2292 beyond the audit of the program manager's receipt of government funds to administer
 2293 STATS.
- 2294 Section 34. Section **63H-1-501** is amended to read:
- 2295 **63H-1-501 (Effective 05/06/26). Authority receipt and use of property tax**
 2296 **allocation -- Contractual annual payment -- Distribution of property tax allocation.**
- 2297 (1)(a) The authority may:
- 2298 (i) subject to Subsection (1)(b):
- 2299 (A) receive up to 75% of the property tax allocation for up to 25 years, as
 2300 provided in this part; and
- 2301 (B) after the time period described in Subsection (1)(a)(i)(A) expires, receive up
 2302 to 75% of the property tax allocation for up to 15 years, if the board determines
 2303 the additional years will produce significant benefit; and
- 2304 (ii) use the property tax allocation before, during, and after the period described in
 2305 Subsection (1)(a)(i).

- 2306 (b) With respect to a parcel located within a project area, the 25-year period described in
2307 Subsection (1)(a)(i)(A) begins on the day on which the authority receives the first
2308 property tax allocation from that parcel.
- 2309 (2)(a) For purposes of Subsection (1)(b), the authority may designate an improved
2310 portion of a parcel in a project area as a separate parcel.
- 2311 (b) An authority designation of an improved portion of a parcel as a separate parcel
2312 under Subsection (2)(a) is for purposes of Subsection (1)(b) only and does not
2313 constitute a subdivision for any other purpose.
- 2314 (c) A county recorder shall assign a separate tax identification number to the improved
2315 portion of a parcel designated by the authority as a separate parcel under Subsection
2316 (2)(a).
- 2317 (3) Improvements on a parcel within a project area become subject to property tax on
2318 January 1 immediately following the day on which the authority or an entity designated
2319 by the authority issues a certificate of occupancy with respect to those improvements.
- 2320 (4)(a) If the authority or an entity designated by the authority has not issued a certificate
2321 of occupancy for a private parcel within a project area, the private parcel owner shall
2322 make an annual payment to the authority:
- 2323 (i) that is equal to 1.2% of the taxable value of the parcel above the base taxable
2324 value of the parcel; and
- 2325 (ii) until the parcel becomes subject to the property tax described in Subsection (3).
- 2326 (b) The authority may use the revenue from payments described in Subsection (4)(a) for
2327 any purpose described in Subsection 63H-1-502(1).
- 2328 (c) The authority may submit for recording to the office of the recorder of the county in
2329 which a private parcel described in Subsection (4)(a) is located:
- 2330 (i) a copy of an agreement between the authority and the private parcel owner that
2331 memorializes the payment obligation under Subsection (4)(a); or
- 2332 (ii) a notice that describes the payment obligation under Subsection (4)(a).
- 2333 (d) An owner of a private parcel described in Subsection (4)(a) may not be required to
2334 make a payment that exceeds or is in addition to the payment described in Subsection
2335 (4)(a)(i) until the private parcel becomes subject to the property tax described in
2336 Subsection (3).
- 2337 (e) Upon the transfer of title of a private parcel described in Subsection (4)(a), the
2338 amount of the annual payment required under Subsection (4)(a) shall be:
- 2339 (i) treated the same as a property tax; and

- 2340 (ii) prorated between the previous owner and the owner who acquires title from the
2341 previous owner.
- 2342 (f) A person who fails to pay or is delinquent in paying an annual payment described in
2343 Subsection (4)(a) is subject to the same penalties and interest as the failure or
2344 delinquent payment of a property tax in accordance with Title 59, Chapter 2, Property
2345 Tax Act.
- 2346 (g) A county treasurer shall:
- 2347 (i) include the annual payment described in Subsection (4)(a) on a county property
2348 tax notice in accordance with Section 59-2-1317; and
- 2349 (ii) collect the annual payment as part of the property tax collection.
- 2350 (h) A county auditor shall include the annual payment described in Subsection (4)(a) on
2351 the notice of property valuation in accordance with Subsection 59-2-919.1(1).
- 2352 (5) Each county that collects property tax on property within a project area shall pay and
2353 distribute to the authority the property tax allocation and dedicated tax collections that
2354 the authority is entitled to collect under this title, in the manner and at the time provided
2355 in Section 59-2-1365.
- 2356 (6)(a) The board shall determine by resolution when the entire project area or an
2357 individual parcel within a project area is subject to property tax allocation.
- 2358 (b) The board shall amend the project area budget to reflect whether a parcel within a
2359 project area is subject to property tax allocation.
- 2360 (7) The following property owned by the authority is not subject to any property tax under
2361 Title 59, Chapter 2, Property Tax Act, or any privilege tax under Title 59, Chapter 4,
2362 Privilege Tax, regardless of whether the authority enters into a long-term operating
2363 agreement with a privately owned entity under which the privately owned entity agrees
2364 to operate the property:
- 2365 (a) a hotel;
- 2366 (b) a hotel condominium unit in a condominium project, as defined in Section 57-8-3;
2367 and
- 2368 (c) a commercial condominium unit in a condominium project, as defined in Section
2369 57-8-3.
- 2370 (8) If the authority intends to receive or receives tax increment, as defined in Section
2371 59-35-101, the authority shall comply with the reporting requirements described in Title
2372 59, Chapter 35, Tax Increment Financing Reporting.
2373 Section 35. Section **631-1-259** is amended to read:

2374 **63I-1-259 (Effective 05/06/26). Repeal dates: Title 59.**

2375 (1) Subsection 59-1-403(4)(aa), regarding a requirement for the State Tax Commission to
 2376 inform the Department of Workforce Services whether an individual claimed a federal
 2377 earned income tax credit, is repealed July 1, 2029.

2378 [~~(2) Section 59-2-1603, Allocation of money in the Property Tax Valuation Fund -- Use of~~
 2379 ~~funds, is repealed July 1, 2030.~~]

2380 [~~(3)~~ (2) Section 59-5-304, Tax credit for mining exploration, is repealed July 1, 2037.

2381 [~~(4)~~ (3) Section 59-7-618.1, Tax credit related to alternative fuel heavy duty vehicles, is
 2382 repealed July 1, 2029.

2383 [~~(5)~~ (4) Section 59-9-102.5, Offset for occupational health and safety related donations, is
 2384 repealed December 31, 2030.

2385 [~~(6)~~ (5) Section 59-10-1033.1, Tax credit related to alternative fuel heavy duty vehicles, is
 2386 repealed July 1, 2029.

2387 [~~(7)~~ (6) Subsection 59-28-103(5), regarding a tax rate on certain transactions that take place
 2388 within a county of the first class, is repealed July 1, 2047.

2389 Section 36. Section **63N-3-602** is amended to read:

2390 **63N-3-602 (Effective 05/06/26). Definitions.**

2391 As used in this part:

2392 (1) "Affordable housing" means housing occupied or reserved for occupancy by households
 2393 with a gross household income:

2394 (a) equal to or less than 80% of the county median gross income for households of the
 2395 same size, in certain circumstances as provided in this part; or

2396 (b) equal to or less than 60% of the county median gross income for households of the
 2397 same size, in certain circumstances as provided in this part.

2398 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

2399 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
 2400 roll last equalized during the base year.

2401 (4) "Base year" means, for each property tax increment collection period triggered within a
 2402 proposed housing and transit reinvestment zone or convention center reinvestment zone
 2403 project area, the calendar year prior to the calendar year the property tax increment
 2404 begins to be collected for the parcels that are in a project that is triggered for that
 2405 collection period.

2406 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and
 2407 efficient service that may include dedicated lanes, busways, traffic signal priority,

- 2408 off-board fare collection, elevated platforms, and enhanced stations.
- 2409 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed
2410 station, stop, or terminal that is specifically identified as needed in phase one of a
2411 metropolitan planning organization's adopted long-range transportation plan and in
2412 phase one of the relevant public transit district's adopted long-range transit plan:
- 2413 (a) along an existing bus rapid transit line; or
2414 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 2415 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.
- 2416 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a
2417 large public transit district.
2418 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public
2419 transit district.
- 2420 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed
2421 station, stop, or terminal, which has been specifically identified as needed in phase one
2422 of a metropolitan planning organization's adopted long-range transportation plan and in
2423 phase one of the relevant public transit district's adopted long-range transit plan:
- 2424 (a) along an existing commuter rail line;
2425 (b) along an extension to an existing commuter rail line or new commuter rail line;
2426 (c) along a fixed guideway extension from an existing commuter rail line; or
2427 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an
2428 existing commuter rail station.
- 2429 (10) "Convention center" means a convention center owned by a county of the first class
2430 within a city of the first class.
- 2431 (11) "Convention center revitalization project" means a project within a city of the first
2432 class within a county of the first class for the revitalization, activation, and
2433 modernization of a convention center and the surrounding area, including projects
2434 meeting the objectives described in Section 63N-3-603.1.
- 2435 (12) "Convention center reinvestment zone" means a convention center reinvestment zone
2436 created under this part.
- 2437 (13)(a) "Developable area" means the portion of land within a housing and transit
2438 reinvestment zone available for development and construction of business and
2439 residential uses.
2440 (b) "Developable area" does not include portions of land within a housing and transit
2441 reinvestment zone that are allocated to:

- 2442 (i) parks;
- 2443 (ii) recreation facilities;
- 2444 (iii) open space;
- 2445 (iv) trails;
- 2446 (v) publicly-owned roadway facilities; or
- 2447 (vi) other public facilities.
- 2448 (14) "Dwelling unit" means one or more rooms arranged for the use of one or more
- 2449 individuals living together, as a single housekeeping unit normally having cooking,
- 2450 living, sanitary, and sleeping facilities.
- 2451 (15) "Eligible municipality" means a city that:
- 2452 (a)(i) is the county seat of a county of the first class; or
- 2453 (ii) a city of the first class located in a county of the first class; and
- 2454 (b) has a convention center within the boundary of the city.
- 2455 (16) "Enhanced development" means the construction of mixed uses including housing,
- 2456 commercial uses, and related facilities.
- 2457 (17) "Enhanced development costs" means extra costs associated with structured parking
- 2458 costs, vertical construction costs, horizontal construction costs, life safety costs,
- 2459 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
- 2460 height of buildings or enhanced development.
- 2461 (18) "First home investment zone" means the same as that term is defined in Section
- 2462 63N-3-1601.
- 2463 (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 2464 (20) "Horizontal construction costs" means the additional costs associated with earthwork,
- 2465 over excavation, utility work, transportation infrastructure, and landscaping to achieve
- 2466 enhanced development in the housing and transit reinvestment zone.
- 2467 (21) "Housing and transit reinvestment zone" means a housing and transit reinvestment
- 2468 zone created pursuant to this part.
- 2469 (22) "Housing and transit reinvestment zone committee" means a housing and transit
- 2470 reinvestment zone committee created pursuant to Section 63N-3-605.
- 2471 (23) "Large public transit district" means the same as that term is defined in Section
- 2472 17B-2a-802.
- 2473 (24) "Light rail" means a passenger rail public transit system with right-of-way and fixed
- 2474 rails:
- 2475 (a) dedicated to exclusive use by light-rail public transit vehicles;

- 2476 (b) that may cross streets at grade; and
2477 (c) that may share parts of surface streets.
- 2478 (25) "Light rail station" means an existing station, stop, or terminal or a proposed station,
2479 stop, or terminal, which has been specifically identified as needed in phase one of a
2480 metropolitan planning organization's adopted long-range transportation plan and in
2481 phase one of the relevant public transit district's adopted long-range plan:
2482 (a) along an existing light rail line; or
2483 (b) along an extension to an existing light rail line or new light rail line.
- 2484 (26) "Metropolitan planning organization" means the same as that term is defined in
2485 Section 72-1-208.5.
- 2486 (27) "Mixed use development" means development with a mix of:
2487 (a) multi-family residential use; and
2488 (b) at least one additional land use, which shall be a significant part of the overall
2489 development.
- 2490 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 2491 (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 2492 (30) "Participation agreement" means the same as that term is defined in Section 17C-1-102,
2493 except that the agency may not provide and the person may not receive a direct subsidy.
- 2494 (31) "Project" means a housing and transit reinvestment zone or convention center
2495 reinvestment zone created under this part.
- 2496 (32)(a) "Property tax increment" means the difference between:
2497 (i) the amount of property tax revenue generated each tax year by a taxing entity from
2498 the area within a housing and transit reinvestment zone [-]or convention center
2499 reinvestment zone designated in the applicable reinvestment zone proposal as the
2500 area from which tax increment is to be collected, using the current assessed value
2501 and each taxing entity's current certified tax rate as defined in Section 59-2-924;
2502 and
2503 (ii) the amount of property tax revenue that would be generated from that same area
2504 using the base taxable value and each taxing entity's current certified tax rate as
2505 defined in Section 59-2-924.
- 2506 (b) "Property tax increment" does not include property tax revenue from:
2507 (i) a multicounty assessing and collecting levy described in [~~Subsection 59-2-1602(2)~~]
2508 Section 59-2-1602;
2509 (ii) a county additional property tax described in [~~Subsection 59-2-1602(4)~~] Section

- 2510 59-2-1602; or
- 2511 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 2512 (33) "Public transit county" means a county that has created a small public transit district.
- 2513 (34) "Public transit hub" means a public transit depot or station where four or more routes
- 2514 serving separate parts of the county-created transit district stop to transfer riders between
- 2515 routes.
- 2516 (35) "Sales and use tax base year" means:
- 2517 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by
- 2518 the first year pertaining to the tax imposed in Section 59-12-103 after the sales and
- 2519 use tax boundary for a housing and transit reinvestment zone is established; or
- 2520 (b) for a convention center reinvestment zone, a sales and use tax year determined by the
- 2521 year specified in the approved proposal for a convention center reinvestment zone,
- 2522 pertaining to the taxes:
- 2523 (i) imposed under Section 59-12-103;
- 2524 (ii) imposed by a city of the first class in a county of the first class under Title 59,
- 2525 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 2526 (iii) imposed by a city of the first class in a county of the first class under Section
- 2527 59-12-402.1;
- 2528 (iv) imposed by a county of the first class under Section 59-12-1102; and
- 2529 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local
- 2530 Option Sales and Use Taxes for Transportation Act.
- 2531 (36) "Sales and use tax boundary" means:
- 2532 (a) for a housing and transit reinvestment zone, a boundary created as described in
- 2533 Section 63N-3-604, based on state sales and use tax collection boundaries that
- 2534 correspond as closely as reasonably practicable to the housing and transit
- 2535 reinvestment zone boundary; or
- 2536 (b) for a convention center reinvestment zone, a boundary created as described in
- 2537 Section 63N-3-604.1, based on state sales and use tax collection boundaries that
- 2538 correspond as closely as reasonably practicable to the convention center reinvestment
- 2539 zone boundary.
- 2540 (37) "Sales and use tax increment" means:
- 2541 (a) for a housing and transit reinvestment zone, the difference between:
- 2542 (i) the amount of state sales and use tax revenue generated each year following the
- 2543 sales and use tax base year by the sales and use tax from the area within a housing

- 2544 and transit reinvestment zone designated in the housing and transit reinvestment
 2545 zone proposal as the area from which sales and use tax increment is to be
 2546 collected; and
- 2547 (ii) the amount of state sales and use tax revenue that was generated from that same
 2548 area during the sales and use tax base year; or
- 2549 (b) for a convention center reinvestment zone, the difference between:
- 2550 (i) the amount of sales and use tax revenue generated each year following the sales
 2551 and use tax base year by the sales and use tax from the area within a convention
 2552 center reinvestment zone designated in the convention center reinvestment zone
 2553 proposal as the area from which sales and use tax increment is to be collected; and
- 2554 (ii) the amount of sales and use tax revenue that was generated from that same area
 2555 during the sales and use tax base year.
- 2556 (38) "Sales and use tax revenue" means:
- 2557 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax
 2558 imposed under Section 59-12-103; or
- 2559 (b) for a convention center reinvestment zone, revenue that is generated from:
- 2560 (i) the sales and use taxes imposed under Section 59-12-103; and
- 2561 (ii) the sales and use taxes:
- 2562 (A) imposed by a city of the first class in a county of the first class under Title 59,
 2563 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 2564 (B) imposed by a city of the first class in a county of the first class under Section
 2565 59-12-402.1;
- 2566 (C) imposed by a county of the first class under Section 59-12-1102; and
- 2567 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22,
 2568 Local Option Sales and Use Taxes for Transportation Act.
- 2569 (39) "Small public transit district" means the same as that term is defined in Section
 2570 17B-2a-802.
- 2571 (40) "Tax Commission" means the State Tax Commission created in Section 59-1-201.
- 2572 (41) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 2573 (42) "Vertical construction costs" means the additional costs associated with construction
 2574 above four stories and structured parking to achieve enhanced development in the
 2575 housing and transit reinvestment zone.
- 2576 Section 37. Section **63N-3-603.1** is amended to read:
- 2577 **63N-3-603.1 (Effective 05/06/26). Applicability, requirements, and limitations on**

2578 **a convention center reinvestment zone.**

- 2579 (1) A convention center reinvestment zone proposal created under this part shall
2580 demonstrate how the proposal addresses the following objectives:
- 2581 (a) redevelopment of a convention center and the surrounding area's infrastructure and
2582 assets;
 - 2583 (b) activation of unrealized economic opportunities related to the convention center and
2584 surrounding infrastructure and assets;
 - 2585 (c) modernization of infrastructure and design of the convention center and surrounding
2586 area and related public spaces;
 - 2587 (d) encouragement of transformative development and investment, including parking
2588 improvements;
 - 2589 (e) promotion of economic development and employment opportunities;
 - 2590 (f) improvement of the aesthetic, functionality, and walkability of the [-]convention
2591 center and surrounding area;
 - 2592 (g) enhancement of tourism opportunities; and
 - 2593 (h) creation of outdoor event space to accommodate events or festivals open to the
2594 public.
- 2595 (2) A convention center reinvestment zone in a capital city proposal created under this part
2596 shall also demonstrate how the proposal addresses the following objectives:
- 2597 (a) redevelopment of a convention center and surrounding infrastructure and assets that
2598 directly serve the convention center, including parking facilities;
 - 2599 (b) modernization of infrastructure and design of the convention center; and
 - 2600 (c) improvement of the aesthetic, functionality, and walkability of the convention center.
- 2601 (3) The Governor's Office of Economic Opportunity shall propose a convention center
2602 reinvestment zone to accomplish the objectives described in Subsections (1) and (2).
- 2603 (4)(a)(i) A convention center reinvestment zone proposal may propose the capture of
2604 100% of the property tax increment and 100% of the sales and use tax increment
2605 described in Subsection 63N-3-602(38)(b)(ii) for a period of 30 years.
- 2606 (ii) For a convention center reinvestment zone in a capital city, in addition to the
2607 proposed capture of property tax increment and sales and use tax increment
2608 described in Subsection (4)(a)(i), the convention center reinvestment zone may
2609 propose the capture of 50% of the sales and use tax increment described in
2610 Subsection 63N-3-602(38)(b)(i).
- 2611 (b) The convention center reinvestment zone proposal shall include the respective start

- 2612 date and base year date from which to calculate:
- 2613 (i) the 30-year period of property tax increment; and
- 2614 (ii) the 30-year period of the sales and use tax increment.
- 2615 (c) The convention center reinvestment zone proposal may not stagger the collection
- 2616 periods for the parcels within the convention center reinvestment zone boundary and
- 2617 the parcels within the convention center reinvestment zone boundary shall have the
- 2618 same 30-year collection period.
- 2619 (d) The convention center reinvestment zone proposal start date for the 30-year period
- 2620 described in this Subsection (4), shall be no sooner than January 1 of the year of the
- 2621 identified tax collection year.
- 2622 (e)(i) For a convention center reinvestment zone in a capital city, revenue from the
- 2623 property tax increment and sales and use tax increment shall be distributed
- 2624 directly to a convention center public infrastructure district in a capital city created
- 2625 as required in Subsection 63N-3-607(8)(b); and
- 2626 (ii) For a convention center reinvestment zone in a city other than a capital city,
- 2627 revenue from the property tax increment and sales and use tax increment may be
- 2628 distributed directly to the municipality or public infrastructure district as described
- 2629 in the convention center reinvestment zone proposal.
- 2630 (5) The Governor's Office of Economic Opportunity may only propose a convention center
- 2631 reinvestment zone:
- 2632 (a) within the boundary of the eligible municipality;
- 2633 (b) consisting of a total area:
- 2634 (i) not to exceed 50 acres; or
- 2635 (ii) if greater than 50 acres, approved by the relevant eligible municipality;
- 2636 (c) consisting only of contiguous parcels; and
- 2637 (d) for a convention center reinvestment zone in a capital city, in an area that includes
- 2638 any portion of an existing convention center and any city block that is bordered by an
- 2639 existing convention center.
- 2640 (6)(a) For a convention center reinvestment zone in a capital city, the Governor's Office
- 2641 of Economic Opportunity shall propose a convention center reinvestment zone on or
- 2642 before April 15, 2025.
- 2643 (b) For a convention center reinvestment zone that is not in a capital city, the Governor's
- 2644 Office of Economic Opportunity shall propose a convention center reinvestment zone
- 2645 within 60 days after receiving a petition from the relevant city.

2646 (7) A convention center reinvestment zone does not count toward the maximum of eight
2647 housing and transit reinvestment zones in a given county as provided in Subsection
2648 63N-3-603(7)(a).

2649 (8) A municipality or public infrastructure district that intends to receive or receives tax
2650 increment, as defined in Section 59-35-101, shall comply with the requirements
2651 described in Title 59, Chapter 35, Tax Increment Financing Reporting.

2652 Section 38. Section **63N-3-607** is amended to read:

2653 **63N-3-607 (Effective 05/06/26). Payment, use, and administration of revenue**
2654 **from a housing and transit reinvestment zone.**

2655 (1) In accordance with this part:

2656 (a) a municipality or public transit county may receive and use property tax increment
2657 and housing and transit reinvestment zone funds;

2658 (b)(i) a public infrastructure district shall use the funds from a convention center
2659 reinvestment zone in a capital city within or for the benefit of a convention center
2660 reinvestment zone in a capital city; and

2661 (ii) funds from a convention center reinvestment zone in a capital city may be used
2662 outside of the capital city convention center reinvestment zone if the use meets the
2663 objectives described in Section 63N-3-603.1 and is determined by the board of the
2664 public infrastructure district to be a direct benefit to the convention center
2665 reinvestment zone in a capital city; and

2666 (c) a municipality or a public infrastructure district may receive and use property tax
2667 increment and convention center reinvestment zone funds for a convention center
2668 reinvestment zone that is not within a capital city.

2669 (2)(a) Except as provided in Subsection (3), a county that collects property tax on
2670 property located within a housing and transit reinvestment zone shall, in accordance
2671 with Section 59-2-1365, distribute to the municipality or public transit county any
2672 property tax increment the municipality or public transit county is authorized to
2673 receive up to the maximum approved by the housing and transit reinvestment zone
2674 committee.

2675 (b) Property tax increment distributed to a municipality or public transit county in
2676 accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality
2677 or public transit county.

2678 (c)(i) Property tax increment paid to the municipality or public transit county are
2679 housing and transit reinvestment zone funds and shall be administered by an

- 2680 agency created by the municipality or public transit county within which the
2681 housing and transit reinvestment zone is located.
- 2682 (ii) Before an agency may receive housing and transit reinvestment zone funds from
2683 the municipality or public transit county, the municipality or public transit county
2684 and the agency shall enter into an interlocal agreement with terms that:
- 2685 (A) are consistent with the approval of the housing and transit reinvestment zone
2686 committee; and
- 2687 (B) meet the requirements of Section 63N-3-603 or, for a convention center
2688 reinvestment zone, the requirements of Section 63N-3-603.1.
- 2689 (3)(a) A county that collects property tax on property located within a convention center
2690 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the
2691 relevant public infrastructure district created by the eligible municipality any
2692 property tax increment the public infrastructure district is authorized to receive up to
2693 the amounts approved by the housing and transit reinvestment zone committee.
- 2694 (b) Property tax increment distributed to a public infrastructure district in accordance
2695 with Subsection (3)(a) is not revenue of the taxing entity or municipality.
- 2696 (c) Property tax increment paid to the public infrastructure district are convention center
2697 reinvestment zone funds and shall be administered by the public infrastructure district
2698 within which the convention center reinvestment zone is located.
- 2699 (4)(a)(i) A municipality or public transit county and agency shall use housing and
2700 transit reinvestment zone funds within, or for the direct benefit of, the housing and
2701 transit reinvestment zone.
- 2702 (ii) A public infrastructure district shall use convention center reinvestment zone
2703 funds within, or for the benefit of, the convention center reinvestment zone.
- 2704 (b) If any housing and transit reinvestment zone funds will be used outside of the
2705 housing and transit reinvestment zone, there ~~must~~ shall be a finding in the approved
2706 proposal for a housing and transit reinvestment zone that the use of the housing and
2707 transit reinvestment zone funds outside of the housing and transit reinvestment zone
2708 will directly benefit the housing and transit reinvestment zone.
- 2709 (5)(a) A municipality or public transit county shall use housing and transit reinvestment
2710 zone funds to achieve the purposes described in Subsections 63N-3-603(1) and (2),
2711 by paying all or part of the costs of any of the following:
- 2712 (i) income targeted housing costs;
- 2713 (ii) structured parking within the housing and transit reinvestment zone;

- 2714 (iii) enhanced development costs;
- 2715 (iv) horizontal construction costs;
- 2716 (v) vertical construction costs;
- 2717 (vi) property acquisition costs within the housing and transit reinvestment zone;
- 2718 (vii) the costs of the municipality or public transit county to create and administer the
- 2719 housing and transit reinvestment zone, which may not exceed 2% of the total
- 2720 housing and transit reinvestment zone funds, plus the costs to complete the gap
- 2721 analysis described in Subsection 63N-3-604(2); or
- 2722 (viii) subject to Subsection (5)(b), costs for the construction or expansion of child
- 2723 care facilities within the boundary of the housing and transit reinvestment zone.
- 2724 (b) A municipality or public transit county may not use more than 1% of the total
- 2725 housing and transit reinvestment zone funds to pay costs described in Subsection
- 2726 (5)(a)(viii).
- 2727 (c) A public infrastructure district shall use convention center reinvestment zone funds
- 2728 to achieve the purposes described in Section 63N-3-603.1.
- 2729 (6) Housing and transit reinvestment zone funds may be paid to a participant, if the agency
- 2730 and participant enter into a participation agreement that requires the participant to utilize
- 2731 the housing and transit reinvestment zone funds as allowed in this section.
- 2732 (7)(a) Housing and transit reinvestment zone funds may be used to pay all of the costs of
- 2733 bonds issued by the municipality or public transit county in accordance with Title
- 2734 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the
- 2735 bonds including interest.
- 2736 (b) Convention center reinvestment zone funds may be used to pay all of the costs of
- 2737 debt incurred by the public infrastructure district, including the cost to issue and
- 2738 repay the debt including interest.
- 2739 (8)(a) A municipality or public transit county may create one or more public
- 2740 infrastructure districts within the housing and transit reinvestment zone under Title
- 2741 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing
- 2742 and transit reinvestment zone funds to guarantee the payment of public infrastructure
- 2743 bonds issued by a public infrastructure district.
- 2744 (b) An eligible municipality that is a capital city shall create one or more public
- 2745 infrastructure districts within the convention center reinvestment zone under Title
- 2746 17D, Chapter 4, Public Infrastructure District Act, and the convention center
- 2747 reinvestment zone funds may be used to pay all or any portion of debt incurred by the

2748 public infrastructure district, including the cost to issue and repay the debt including
2749 interest.

2750 (9) A municipality, public transit county, or public infrastructure district that intends to
2751 receive or receives tax increment, as defined in Section 59-35-101, shall comply with
2752 the requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.

2753 Section 39. Section **63N-3-609** is amended to read:

2754 **63N-3-609 (Effective 05/06/26). Property tax increment protections.**

2755 (1) Upon petition by a participating taxing entity or on the initiative of the housing and
2756 transit reinvestment zone committee creating a housing and transit reinvestment zone or
2757 convention center reinvestment zone, a housing and transit reinvestment zone or
2758 convention center reinvestment zone may suspend or terminate the collection of
2759 property tax increment in a housing and transit reinvestment zone or convention center
2760 reinvestment zone if the housing and transit reinvestment zone committee determines,
2761 by clear and convincing evidence, presented in a public meeting of the housing and
2762 transit reinvestment zone committee, that:

2763 (a) a substantial portion of the property tax increment collected in the housing and transit
2764 reinvestment zone or convention center reinvestment zone has not or will not be used
2765 for the purposes provided in Section 63N-3-607; and

2766 (b)(i) the housing and transit reinvestment zone or convention center reinvestment
2767 zone and related public infrastructure district has no indebtedness secured by
2768 funds provided for in this chapter; or

2769 (ii) the housing and transit reinvestment zone or convention center reinvestment zone
2770 and related public infrastructure district has no binding financial obligations
2771 secured by this chapter.

2772 (2) A housing and transit reinvestment zone or convention center reinvestment zone may
2773 not collect property tax increment in excess of the property tax increment projections or
2774 limitations set forth in the housing and transit reinvestment zone or convention center
2775 reinvestment zone proposal and disclosed in accordance with Title 59, Chapter 35, Part
2776 2, Pre-increment Disclosure and Reporting.

2777 (3) The agency administering the property tax increment collected in a housing and transit
2778 reinvestment zone under Subsection 63N-3-607(2)(c) or the public infrastructure district
2779 administering the property tax increment collected in a convention center reinvestment
2780 zone under Subsection 63N-3-607(3)(c), shall have standing in a court with proper
2781 jurisdiction to enforce provisions of the housing and transit reinvestment zone or

2782 convention center reinvestment zone proposal, participation agreements, and other
 2783 agreements for the use of the property tax increment collected.

2784 (4) The agency administering property tax increment from a housing and transit
 2785 reinvestment zone under Subsection 63N-3-607(2)(c) or the public infrastructure district
 2786 administering the property tax increment collected in a convention center reinvestment
 2787 zone under Subsection 63N-3-607(3)(c) which is collecting property tax increment shall
 2788 follow the [~~reporting~~]requirements described in [~~Section 17C-1-603~~] Title 59, Chapter
 2789 35, Tax Increment Financing Reporting, and the audit requirements described in
 2790 Sections 17C-1-604 and 17C-1-605.

2791 (5) For each housing and transit reinvestment zone or convention center reinvestment zone
 2792 collecting tax increment within a county, the county auditor shall follow the reporting
 2793 requirement found in Section 17C-1-606.

2794 Section 40. Section **63N-3-1601** is amended to read:

2795 **63N-3-1601 (Effective 05/06/26). Definitions.**

2796 (1) "Affordable housing" means:

2797 (a) for homes that are not owner occupied, housing occupied or reserved for occupancy
 2798 by households with a gross household income equal to or less than 80% of the county
 2799 median gross income for households of the same size; or

2800 (b)(i) for homes that are owner occupied, housing that is priced at 80% of the county
 2801 median home price; or

2802 (ii) for homes that are owner occupied, housing that is priced at 80% of the zip code
 2803 median home price if:

2804 (A) the proposal described in Section 63N-3-1603 demonstrates that a deviation
 2805 from the county median home price will achieve the objectives described in
 2806 Subsection 63N-3-1602(1); and

2807 (B) the zip code median home price is based upon county property tax assessment
 2808 data.

2809 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

2810 (3) "Base taxable value" means the same as that term is defined in Section 63N-3-602.

2811 (4) "Base year" means, for each tax increment collection period triggered within a proposed
 2812 first home investment zone area, the calendar year prior to the calendar year the tax
 2813 increment begins to be collected for those parcels triggered for that collection period.

2814 (5)(a) "Developable area" means the portion of land within a first home investment zone
 2815 available for development and construction of business and residential uses.

- 2816 (b) "Developable area" does not include portions of land within a first home investment
2817 zone that are allocated to:
- 2818 (i) parks;
 - 2819 (ii) recreation facilities;
 - 2820 (iii) open spaces;
 - 2821 (iv) trails;
 - 2822 (v) parking;
 - 2823 (vi) roadway facilities; or
 - 2824 (vii) other public facilities.
- 2825 (6) "Dwelling unit" means the same as that term is defined in Section 63N-3-602.
- 2826 (7) "Extraterritorial home" means a dwelling unit that is included as part of the first home
2827 investment zone proposal that:
- 2828 (a) is located within the municipality proposing the first home investment zone but
2829 outside the boundary of the first home investment zone;
 - 2830 (b) is part of a development with a density of at least six units per acre;
 - 2831 (c) is not located within an existing housing and transit reinvestment zone or an area that
2832 could be included in a housing and transit reinvestment zone;
 - 2833 (d) has not been issued a building permit by the municipality as of the date of the
2834 approval of the first home investment zone; and
 - 2835 (e) is required to be owner occupied for no less than 25 years.
- 2836 (8) "First home investment zone" means a first home investment zone created in accordance
2837 with this part.
- 2838 (9) "Home" means a dwelling unit.
- 2839 (10) "Housing and transit reinvestment zone" means the same as that term is defined in
2840 Section 63N-3-602.
- 2841 (11) "Housing and transit reinvestment zone committee" means the housing and transit
2842 reinvestment zone committee described in Section 63N-3-605.
- 2843 (12) "Metropolitan planning organization" means the same as that term is defined in
2844 Section 72-1-208.5.
- 2845 (13) "Mixed use development" means the same as that term is defined in Section [
2846 ~~63N-3-603~~] 63N-3-602.
- 2847 (14) "Moderate income housing plan" means the same as that term is defined in Section
2848 11-41-102.
- 2849 (15) "Municipality" means the same as that term is defined in Section 10-1-104.

- 2850 (16) "Owner occupied" means private real property that is:
2851 (a) used for a single-family residential purpose; and
2852 (b) required to be occupied by the owner of the real property for no less than 25 years.
- 2853 (17) "Project area" means the same as that term is defined in Section 17C-1-102.
- 2854 (18)(a) "Project improvements" means site improvements and facilities that are:
2855 (i) planned and designed to provide service for development resulting from a
2856 development activity;
2857 (ii) necessary for the use and convenience of the occupants or users of development
2858 resulting from a development activity; and
2859 (iii) not identified or reimbursed as a system improvement.
- 2860 (b) "Project improvements" does not mean system improvements.
- 2861 (19) "State Tax Commission" means the State Tax Commission created in Section 59-1-201.
- 2862 (20)(a) "System improvements" means existing and future public facilities that are
2863 designed to provide services to service areas within the community at large.
2864 (b) "System improvements" does not mean project improvements.
- 2865 (21)(a) "Tax increment" means the difference between:
2866 (i) the amount of property tax revenue generated each tax year by a taxing entity from
2867 the area within a first home investment zone designated in the first home
2868 investment zone proposal as the area from which tax increment is to be collected,
2869 using the current assessed value and each taxing entity's current certified tax rate
2870 as defined in Section 59-2-924; and
2871 (ii) the amount of property tax revenue that would be generated from that same area
2872 using the base taxable value and each taxing entity's current certified tax rate as
2873 defined in Section 59-2-924.
- 2874 (b) "Tax increment" does not include property tax revenue from~~[:]~~ a multicounty
2875 assessing and collecting levy or a county additional property tax described in Section
2876 59-2-1602.
2877 [~~(i) a multicounty assessing and collecting levy described in Subsection~~
2878 ~~59-2-1602(2); or]~~
2879 [~~(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~
- 2880 (22) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 2881 (23) "Unencumbered annual community reinvestment agency revenue" means tax
2882 increment revenue received by the agency for purposes identified in Title 17C, Limited
2883 Purpose Local Government Entities - Community Reinvestment Agency Act, that:

2884 (a) have not been designated or restricted for future qualified uses as approved by the
2885 agency board related to a specific project area; and

2886 (b) do not have a date certain by which the tax increment [~~revenues~~] revenue will be used.
2887 Section 41. Section **63N-3-1606** is amended to read:

2888 **63N-3-1606 (Effective 05/06/26). Payment, use, and administration of tax**
2889 **increment from a first home investment zone.**

2890 (1) A municipality may receive and use tax increment and first home investment zone funds
2891 in accordance with this part.

2892 (2)(a) A county that collects property tax on property located within a first home
2893 investment zone shall, in accordance with Section 59-2-1365, distribute to the
2894 municipality any tax increment the municipality is authorized to receive up to the
2895 maximum approved by the housing and transit reinvestment zone committee.

2896 (b)(i) Except as provided in Subsection (2)(b)(ii), tax increment paid to the
2897 municipality are first home investment zone funds and shall be administered by
2898 the municipality within which the first home investment zone is located.

2899 (ii) A municipality may contract with an agency, county, or a housing authority to
2900 administer tax increment and the first home investment zone, ensure compliance
2901 with first home investment zone requirements, and administer deed restrictions.

2902 (iii) Before an agency may receive first home investment zone funds from the
2903 municipality, the municipality and the agency shall enter into an interlocal
2904 agreement with terms that:

2905 (A) are consistent with the approval of the housing and transit reinvestment zone
2906 committee; and

2907 (B) meet the requirements of Section 63N-3-1502.

2908 (3)(a) A municipality and the agency shall use first home investment zone funds for the
2909 benefit of the first home investment zone and related extraterritorial housing.

2910 (b) If any first home investment zone funds will be used outside of the first home
2911 investment zone there [~~must~~] shall be a finding in the approved proposal for a first
2912 home investment zone that the use of the first home investment zone funds outside of
2913 the first home investment zone will directly benefit the first home investment zone or
2914 related extraterritorial homes.

2915 (4) In accordance with Subsection 63N-3-1502(4)(e), a municipality shall use the first home
2916 investment zone funds to achieve the purposes described in Subsections 63N-3-1502(1)
2917 and (2), by paying all or part of the costs associated with the first home investment zone

- 2918 and extraterritorial homes, including:
- 2919 (a) project improvements;
- 2920 (b) system improvements; and
- 2921 (c) the costs of the municipality to create and administer the first home investment zone,
- 2922 which may not exceed 2% of the total first home investment zone funds, plus the
- 2923 costs to complete the gap analysis described in Subsection 63N-3-1603(2).
- 2924 (5) First home investment zone funds may be paid to a participant, if the agency and
- 2925 participant enter into a participation agreement which requires the participant to utilize
- 2926 the first home investment zone funds as allowed in this section.
- 2927 (6) First home investment zone funds may be used to pay all of the costs of bonds issued by
- 2928 the municipality in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds,
- 2929 including the cost to issue and repay the bonds including interest.
- 2930 (7) A municipality may create one or more public infrastructure districts within the city
- 2931 under Title 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the
- 2932 first home investment zone funds to guarantee the payment of public infrastructure
- 2933 bonds issued by a public infrastructure district.
- 2934 (8) A municipality, agency, or public infrastructure district that intends to receive or
- 2935 receives tax increment, as defined in Section 59-35-101, shall comply with the
- 2936 requirements described in Title 59, Chapter 35, Tax Increment Financing Reporting.
- 2937 Section 42. Section **63N-3-1608** is amended to read:
- 2938 **63N-3-1608 (Effective 05/06/26). Tax increment protections.**
- 2939 (1) Upon petition by a participating taxing entity or on the initiative of the housing and
- 2940 transit reinvestment zone committee creating a first home investment zone, a first home
- 2941 investment zone may suspend or terminate the collection of tax increment in a first home
- 2942 investment zone if the housing and transit reinvestment zone committee determines, by
- 2943 clear and convincing evidence, presented in a public meeting of the housing and transit
- 2944 reinvestment zone committee, that:
- 2945 (a) a substantial portion of the tax increment collected in the first home investment zone
- 2946 has not or will not be used for the purposes provided in Section 63N-3-1606; and
- 2947 (b)(i) the first home investment zone has no indebtedness; or
- 2948 (ii) the first home investment zone has no binding financial obligations.
- 2949 (2) A first home investment zone may not collect tax increment in excess of the tax
- 2950 increment projections or limitations set forth in the first home investment zone proposal
- 2951 and disclosed in accordance with Title 59, Chapter 35, Part 2, Pre-increment Disclosure

2952 and Reporting.

2953 (3) The agency administering the tax increment collected in a first home investment zone
2954 under Subsection 63N-3-1606(2), shall have standing in a court with proper jurisdiction
2955 to enforce provisions of the first home investment zone proposal, participation
2956 agreements, and other agreements for the use of the tax increment collected.

2957 (4) The agency administering tax increment from a first home investment zone under
2958 Subsection 63N-3-1606(2) shall follow the [~~reporting~~]requirements described in [
2959 ~~Section 17C-1-603~~] Title 59, Chapter 35, Tax Increment Financing Reporting, and the
2960 audit requirements described in Sections 17C-1-604 and 17C-1-605.

2961 (5) For each first home investment zone collecting tax increment within a county, the
2962 county auditor shall follow the reporting requirement found in Section 17C-1-606.

2963 Section 43. Section **63N-3-1701** is amended to read:

2964 **63N-3-1701 (Effective 05/06/26). Definitions.**

2965 As used in this part:

2966 (1) "Base taxable value" means the taxable value of land within a qualified development
2967 zone as shown upon the assessment roll last equalized during the property tax base year.

2968 (2) "Committee" means a major sporting event venue zone committee described in Section
2969 63N-3-1706.

2970 (3) "Creating entity" means a municipality or a county.

2971 (4) "Impacted primary area" means the land outside a major sporting event venue zone but
2972 within one mile of the boundary of the major sporting event venue zone.

2973 (5)(a) "Major sporting event venue" means a venue that has been or is proposed to be
2974 used for the Olympic Games, as confirmed by the Salt Lake City-Utah Committee for
2975 the Games, a site, arena, or facility along with supporting or adjacent structures [~~so~~
2976 ~~long as~~] if the expected expenditures to construct, demolish, reconstruct, modify,
2977 upgrade, or expand the site, arena, or facility exceeds \$100,000,000.

2978 (b) "Major sporting event venue" includes structures where an international competition
2979 or professional athletic event is not taking place directly but where media, athletes,
2980 spectators, organizers, and officials associated with the international competition or
2981 professional athletic event are hosted in direct connection with the international
2982 competition or professional athletic event taking place at a location described in
2983 Subsection (5)(a).

2984 (6) "Major sporting event venue zone" means the land, as described in a proposal to create a
2985 major sporting event venue zone or a proposal to amend a major sporting event venue

2986 zone, or as approved by a committee for a major sporting event venue zone, upon which
 2987 there are one or more major sporting event venues.

2988 (7) "Major sporting event venue zone revenue" means all the revenue captured by a creating
 2989 entity for an area described in a major sporting event venue zone and if applicable the
 2990 secondary project area, including:

- 2991 (a) property tax increment;
- 2992 (b) if applicable, local sales and use tax increment;
- 2993 (c) if applicable, accommodations tax;
- 2994 (d) if applicable, transient room tax; and
- 2995 (e) if applicable, resort communities sales and use tax and additional resort communities
 2996 sales and use tax.

2997 (8) "Property tax base year" means, for each property tax increment collection period
 2998 triggered within a qualified development zone or a proposed qualified development
 2999 zone, the calendar year before the calendar year in which the property tax increment
 3000 begins to be collected for the parcels triggered for that collection period.

3001 (9)(a) "Property tax increment" means the difference between:

- 3002 (i) the amount of property tax revenue generated each tax year by a taxing entity
 3003 within a qualified development zone, or proposed qualified development zone,
 3004 from which property tax increment is to be collected, using the current assessed
 3005 value and each taxing entity's current certified tax rate as defined in Section
 3006 59-2-924; and
- 3007 (ii) the amount of property tax revenue that would be generated from the area
 3008 described in Subsection (9)(a)(i) using the base taxable value and each taxing
 3009 entity's current certified tax rate as defined in Section 59-2-924.

3010 (b) "Property tax increment" does not include property tax revenue from~~[:]~~ a
 3011 multicounty assessing and collecting levy or a county additional property tax
 3012 described in Section 59-2-1602.

3013 ~~[(i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);~~
 3014 ~~or]~~

3015 ~~[(ii) a county additional property tax described in Subsection 59-2-1602(4).]~~

3016 (10) "Proposal" means a document, physical or electronic, developed by a creating entity:

- 3017 (a) outlining the need for a major sporting event venue zone;
- 3018 (b) describing the impacted primary area of a proposed major sporting event venue zone;
- 3019 (c) describing the proposed secondary project area of a proposed major sporting event

- 3020 venue zone, if any; and
- 3021 (d) submitted to a major sporting event venue zone committee.
- 3022 (11) "Qualified development zone" means the property within a major sporting event venue
3023 zone, and, if applicable, the secondary project area, as approved by the committee as
3024 described in this part.
- 3025 (12) "Sales and use tax base year" means a sales and use tax year determined by the first
3026 year pertaining to the tax imposed in Section 59-12-103 after the sales and use tax
3027 boundary for a major sporting event venue zone is established.
- 3028 (13)(a) "Sales and use tax boundary" means a boundary established as described in
3029 Sections 63N-3-1707 and 63N-3-1710, based on sales and use tax collection that
3030 corresponds as closely as reasonably practicable to the boundary of the major
3031 sporting event venue zone.
- 3032 (b) "Sales and use tax boundary" does not include land described in a secondary project
3033 area.
- 3034 (14) "Sales and use tax increment" means the difference between:
- 3035 (a) the amount of local sales and use tax revenue generated each year following the sales
3036 and use tax base year by the local sales and use tax from the area within a sales and
3037 use tax boundary from which local sales and use tax increment is to be collected; and
- 3038 (b) the amount of local sales and use tax revenue that was generated from within the
3039 sales and use tax boundary during the sales and use tax base year.
- 3040 (15)(a) "Secondary project area" means land, as described in a proposal to create a major
3041 sporting event venue zone or a proposal to amend a major sporting event venue zone,
3042 or as approved by a committee for a major sporting event venue zone:
- 3043 (i) located in the same jurisdiction as the creating entity for the major sporting event
3044 venue zone;
- 3045 (ii) located no more than two miles from the boundary of the major sporting event
3046 venue zone;
- 3047 (iii) connected to a major sporting event venue zone by a transportation system; and
- 3048 (iv) not exceeding 50 acres.
- 3049 (b) "Secondary project area" may include:
- 3050 (i) land that is not contiguous to the major sporting event venue zone, if the land
3051 designated in the secondary project area is the only or primary point of transit by
3052 which an individual may begin to access the major sporting event venue zone; and
- 3053 (ii) the land on which a connecting transportation system sits if the transportation

3054 system requires infrastructure that is permanently affixed to the land.

3055 (16) "Transportation system" means:

3056 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including
3057 connected structures;

3058 (b) an airport or aerial transit infrastructure;

3059 (c) a public transit facility; or

3060 (d) any other modes or form of conveyance used by the public.

3061 Section 44. Section **63N-3-1708** is amended to read:

3062 **63N-3-1708 (Effective 05/06/26). Major sporting event venue zone boundaries --**
3063 **Reporting requirements.**

3064 (1) After a major sporting event venue zone is approved by the committee, as described in
3065 Section 63N-3-1706, the committee shall provide notice to the State Tax Commission,
3066 no later than 90 days after the day on which the committee approves the proposal:

3067 (a) of the creation of the major sporting event venue zone, including the information
3068 described in Subsection (2);

3069 (b) if the committee approves the creating entity to receive local sales and use tax
3070 increment, the information described in Subsection (3); and

3071 (c) [-]any information to the State Tax Commission required by the State Tax
3072 Commission.

3073 (2) The notice described in Subsection (1)(a) shall include:

3074 (a) a statement that the major sporting event venue zone will be established under this
3075 part;

3076 (b) the approval date and effective date of the major sporting event venue zone;

3077 (c) the boundary of the qualified development zone;

3078 (d) the sales and use tax base year, if applicable; and

3079 (e) the sales and use tax boundary, if applicable.

3080 (3) After the effective date of a major sporting event venue zone, as described in Section
3081 63N-3-1707, the creating entity shall provide a written report, no later than August 1, on
3082 the creating entity's activities to implement the objectives of the major sporting event
3083 venue zone to the executive director.

3084 (4) If the creating entity intends to receive or receives tax increment, as defined in Section
3085 59-35-101, the creating entity shall comply with the requirements described in Title 59,
3086 Chapter 35, Tax Increment Financing Reporting.

3087 [(4)] (5)(a) The executive director shall annually provide a written report, no later than

3088 October 1, summarizing all reports received by the executive director under
3089 Subsection (3), to the:

- 3090 (i) Revenue and Taxation Interim Committee;
3091 (ii) Political Subdivisions Interim Committee; and
3092 (iii) Economic Development and Workforce Services Interim Committee.

3093 (b) The executive director shall include with the written report described in Subsection
3094 (4)(a) any recommendations to the Legislature for statutory changes to this chapter or
3095 Title 11, Chapter 71, Major Sporting Event Venue Zones.

3096 Section 45. **Repealer.**

3097 This bill repeals:

3098 Section **59-2-1603, Allocation of money in the Property Tax Valuation Fund -- Use of**
3099 **funds.**

3100 Section 46. **Effective Date.**

3101 (1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.

3102 (2)(a) The actions affecting Section 59-2-919.1 (Effective 07/01/26) take effect on July
3103 1, 2026.

3104 (b) The actions affecting Section 59-2-924 take effect on January 1, 2027.

3105 Section 47. **Retrospective operation.**

3106 The actions affecting the following sections have retrospective operation to January 1,
3107 2026:

3108 (1) Section 59-2-306.5;

3109 (2) Section 59-2-307;

3110 (3) Section 59-2-308;

3111 (4) Section 59-2-704;

3112 (5) Section 59-2-919.1 (Superseded 07/01/26);

3113 (6) Section 59-2-924.2;

3114 (7) Section 59-2-1601;

3115 (8) Section 59-2-1602;

3116 (9) Section 59-2-1603;

3117 (10) Section 59-2-1605;

3118 (11) Section 59-2-1606;

3119 (12) Section 59-2-2001; and

3120 (13) Section 59-2-2002.