



To Wasatch County Property Owners,

Your County Assessor’s office has worked hard in the last two years to update assessments of real property county-wide. This year we invested special effort into updating commercial property assessments. Our goal is to make property taxes as fair as possible, and up-to-date assessments do just that. Here’s how:

Utah’s novel tax system is commonly referred to as “Truth in Taxation.” It holds each taxing entity’s revenue steady, and requires an entity gather public input before increasing tax revenues. This adds transparency, and usually keeps property value windfalls in the hands of owners instead of government, but it makes the math complicated. Bear with me here.

Property tax starts with revenues, specifically how much was collected by governments the previous year. That number is divided by the total taxable value of all properties in the tax area to calculate a certified tax rate. That rate is then applied to your property.

$$\frac{\text{Tax Revenue}}{\text{Taxable Value}} = \text{Tax Rate}$$

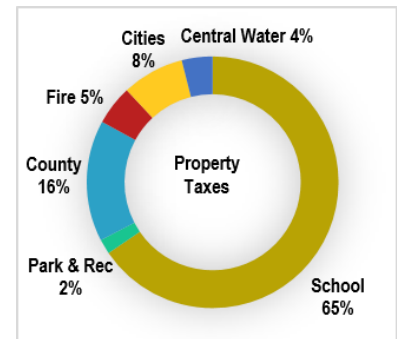
Government revenues don’t change year to year except from “new growth” (development), which is calculated separately so that the equation above stays the same year-to-year. There are ways, however, that the values in the equation can (and do) change.

First, if a taxing entity wants to generate more revenue through truth in taxation, calculated rates will increase and your bill will increase. Truth in Taxation requires that the public hearings for those revenue increases be listed on the valuation notice that is mailed in July.

Second, if ALL property values go up or down uniformly, the calculated rates will change accordingly, but your bill will stay the same. The rate adjusts to balance taxable values to revenues.

Third, if YOUR property value goes up more or less than other properties in the tax area, rates will adjust like in the second example, but your bill will also go up or down because your property represents a slightly greater or lesser portion of the overall tax value in the area. Even if the totals didn’t change, your property would take a different share of generating revenues. This is where up-to-date assessments come in. They keep each payer’s portion of the levy relative to the value of their property. This state-code required process is how our office helps make your property tax fair.

In reality, all three scenarios occur simultaneously. Utah law requires property characteristics reviewed once every five years, and technology and market data help us update values regularly. Property used as a primary residence or for agriculture can have their taxable value reduced. Our push to update commercial assessments this year will incidentally reduce bills for homeowners outside a few market hotspots. The work is dynamic and complicated, but we are confident the process is fair, and we continue striving to make it fair.



Your County Assessor,
Todd Griffin