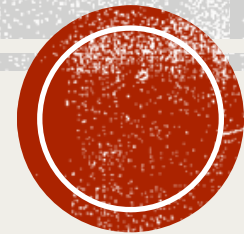


CERTIFIED TAX RATES

2015 Utah County Assessed Values



ABBREVIATIONS

- **BOE:** The County Board of Equalization which handles disputes in the valuation of real and personal property.
- **CA:** Centrally assessed property (real and personal property that crosses county boundaries, like gas lines, cable facilities, etc.)
- **CDRA:** Community Development and Renewal Agencies.
- **CTR:** Certified Tax Rate not Choose the Right 😊
- **PYPP:** Prior Year Personal Property which is business personal property like computers and furniture.



CERTIFIED TAX RATES ARE CALCULATED TO:

- Generate the same amount of property tax revenue as the prior year
- Additional Revenue comes from growth in value in a tax area
- The rate is calculated on the sum total amount of value within the tax area with several adjustments factored in
- The rate will float higher or lower depending on the total amount of value in the tax area
 - If values overall go up, the rate adjusts down
 - If values overall go down, the rate adjusts up
- The tax rate itself is not an indicator of how much property tax revenue a taxing entity will receive
- Tax revenue is tied directly to value and growth in value, not the tax rate
- The calculation of the rate is multi-step process that uses basic math



CERTIFIED TAX RATE CALCULATION

Formula

Highland City 2015

Prior Year Adjusted Budgeted Revenue

1,638,761

divided by

/

Certified Tax Rate Value

1,044,917,269

equals

=

Certified Tax Rate (CTR)

.001568



PRIOR YR ADJ BUDGETED REVENUE CALCULATION

Revenue Formula

Highland City 2015

Prior Year Budgeted Revenue	1,631,232
subtract	-
Redemption Difference	-7,530
equals	=
Prior Year Adjusted Budget Revenue	1,638,761

Redemption Difference Formula

Highland City 2015

Current Year 5 Yr Average Redemptions* (yrs 2009-2014)	147,415
subtract	-
Past Year 5 Yr Average Redemptions (yrs 2008-2013)	154,945
equals	=
Redemption Difference	-7,530

*Redemptions are total delinquent prior years taxes that are collected and paid in the current year. ex. 2012 taxes paid in 2014.



CERTIFIED TAX RATE VALUE FORMULA

Formula

Highland City 2015

Total Value (Real, CA, PY PP)	1,194,266,650
subtract Total CDRA Value (Real, CA, PY PP)	- 0
subtract Semiconductor Value	- 0
equals Adjust Total Value A	= 1,194,266,650
subtract BOE Adjustment (3yr Average)	- 4,231,173
equals Adjusted Total Value B	= 1,190,035,477
multiplied by Collection Rate (5yr Average)	x 92.63
equals Proposed Tax Rate Value	= 1,102,329,862
subtract New Growth for Certified Tax Rate	- 57,412,593
equals	=
Certified Tax Rate Value	1,044,917,269



CERTIFIED RATE REVENUE FORMULA

Formula

Highland City 2015

Certified Tax Rate Value	1,044,917,269
add	+
New Growth for Certified Tax Rate	57,412,593
equals	=
Proposed Tax Rate Value	1,102,329,862
multiplied by	x
Calculated Certified Tax Rate	.001568
equals	=
Certified Rate Revenue	1,728,453



CALCULATED NEW GROWTH FORMULA

2015 New Growth Values

Total Value (Real, CA, PY PP)	1,194,266,650
subtract	-
Total CDRA Value (Real, CA, PY PP)	0
subtract	-
Semiconductor Year-End (2014)	0
subtract	-
Reappraise/Factoring/Leg Adjust	73,146,628
2015 New Growth Adjusted Value	1,121,120,022

2014 New Growth Year End Values

Total Year End Value (Real, CA, PY PP)	1,059,139,462
subtract	-
Total Year End CDRA Value (Real, CA, PY PP)	0
subtract	-
Semiconductor Prior Year Year End (2013)	0
2014 New Growth Adjusted Value	1,059,139,462

2015 New Growth Adjusted Value	1,121,120,022
subtract	-
2014 New Growth Adjusted Value	1,059,139,462
Calculated New Growth Value	61,980,560
multiplied by Collection Rate	92.63
New Growth Value for Certified Tax Rate	57,412,593



WHAT IS NEW GROWTH?

- For Real/Locally Assessed Property growth is the difference between the previous year's year end value and the current year assessed value with the following values subtracted from the total:
 - CDRA Values
 - Reappraisal Value-Individual Parcels
 - Factored Reappraisal-Mass Appraisal
 - Any adjustments to value required by the Utah State Legislature
- For Centrally Assessed growth is the difference between the previous year's year end value and the current year assessed value.
- For Personal Business Property growth is the difference in value for the previous two year's year end value. For 2015 that was tax year 2014 and tax year 2013.



SOME FINAL NUMBERS

Highland City's 2014 Calculated Tax Revenue (unadjusted)

\$1,631,232

Utah County's 2015 Calculated Tax Revenue

\$1,728,453

Total New Revenue

\$97,221

Highland's Percentage of Total Tax Charged to Utah County Residents in 2014

14.78%

