

1 **R884-24P-27. Standards for Assessment Level and Uniformity of Performance Pursuant to**
2 **Utah Code Ann. Sections 59-2-704 and 59-2-704.5.**

3 (1) Definitions.

4 (a) "Coefficient of dispersion (COD)" means the average deviation of a group of
5 assessment ratios taken around the median and expressed as a percent of that measure.

6 (b) "Coefficient of variation (COV)" means the standard deviation expressed as a
7 percentage of the mean.

8 (c) "Division" means the Property Tax Division of the commission.

9 (d) "Nonparametric" means data samples that are not normally distributed.

10 (e) "Parametric" means data samples that are normally distributed.

11 (f) "Urban counties" means counties classified as first or second class counties pursuant
12 to Section 17-50-501.

13 (2) The commission adopts the following standards of assessment performance.

14 (a) For assessment level in each property class, subclass, and geographical area in each
15 county, the measure of central tendency shall meet one of the following measures[-];

16 (i) ~~[The]~~For a county of the first, second, third or fourth class, the measure of central
17 tendency shall be within:

18 (A) [40]5 percent of the legal level of assessment for county-wide residential property[-];

19 or

20 (B) 10 percent of the legal level of assessment for all other classes of property.

21 (ii) For a county of the fifth or sixth class, the measure of central tendency shall be
22 within 10 percent of the legal level of assessment for all property.

23 (iii) The 95 percent confidence interval of the measure of central tendency shall contain
24 the legal level of assessment.

25 (b) For uniformity of the property assessments in each class of property for which a
26 detailed review is conducted during the current year, the measure of dispersion shall be within
27 the following limits.

28 (i) In urban counties:

29 (A) a COD of 15 percent or less for primary residential property, and 20 percent or less
30 for commercial property, vacant land, and secondary residential property; and

31 (B) a COV of 19 percent or less for primary residential property, and 25 percent or less
32 for commercial property, vacant land, and secondary residential property.

33 (ii) In rural counties:

34 (A) a COD of 20 percent or less for primary residential property, and 25 percent or less
35 for commercial property, vacant land, and secondary residential property; and

36 (B) a COV of 25 percent or less for primary residential property, and 31 percent or less
37 for commercial property, vacant land, and secondary residential property.

38 (iii) For a rural or small jurisdiction with limited development, or for a jurisdiction with
39 a depressed market, the county assessor may petition the division for a five percentage point
40 increase in the COD or COV for one year only. After sufficient examination, the division may
41 determine that a one-year expansion of the COD or COV is appropriate.

42 (c) Statistical measures.

43 (i) The measure of central tendency shall be the mean for parametric samples and the
44 median for nonparametric samples.

45 (ii) The measure of dispersion shall be the COV for parametric samples and the COD for
46 nonparametric samples.

47 (iii) To achieve statistical accuracy in determining assessment level under Subsection
48 (2)(a) and uniformity under Subsection (2)(b) for any property class, subclass, or geographical
49 area, the minimum sample size shall consist of 10 or more ratios.

50 (3) Each year the division shall conduct and publish an assessment-to-sale ratio study to
51 determine if each county complies with the standards in Subsection (2).

52 (a) To meet the minimum sample size, the study period may be extended.

53 (b) A smaller sample size may be used if:

54 (i) that sample size is at least 10 percent of the class or subclass population; or

55 (ii) both the division and the county agree that the sample may produce statistics that
56 imply corrective action appropriate to the class or subclass of property.

57 (c) If the division, after consultation with the counties, determines that the sample size
58 does not produce reliable statistical data, an alternate performance evaluation may be conducted,
59 which may result in corrective action. The alternate performance evaluation shall include review
60 and analysis of the following:

61 (i) the county's procedures for collection and use of market data, including sales, income,
62 rental, expense, vacancy rates, and capitalization rates;

63 (ii) the county-wide land, residential, and commercial valuation guidelines and their
64 associated procedures for maintaining current market values;

65 (iii) the accuracy and uniformity of the county's individual property data through a field
66 audit of randomly selected properties; and

67 (iv) the county's level of personnel training, ratio of appraisers to parcels, level of
68 funding, and other workload and resource considerations.

69 (d) All input to the sample used to measure performance shall be completed by March 31
70 of each study year.

71 (e) The division shall conduct a preliminary annual assessment-to-sale ratio study by
72 April 30 of the study year, allowing counties to apply adjustments to their tax roll prior to the
73 May 22 deadline.

74 (f) The division shall complete the final study immediately following the closing of the
75 tax roll on May 22.

76 (4) The division shall order corrective action if the results of the final study do not meet
77 the standards set forth in Subsection (2).

78 (a) Assessment level adjustments, or factor orders, shall be calculated by dividing the
79 legal level of assessment by one of the following:

80 (i) the measure of central tendency, if the uniformity of the ratios meets the standards
81 outlined in Subsection (2)(b); or

82 (ii) the 95 percent confidence interval limit nearest the legal level of assessment, if the
83 uniformity of the ratios does not meet the standards outlined in Subsection (2)(b).

84 (b) Uniformity adjustments or other corrective action shall be ordered if the property
85 fails to meet the standards outlined in ~~Subsection~~ Subsections (2)(b)[-] and (c). A corrective
86 action order may contain language requiring a county to create, modify, or follow its five-year
87 plan for a detailed review of property characteristics.

88 (d) All corrective action orders shall be issued by June 10 of the study year, or within
89 five working days after the completion of the final study, whichever is later.

90 (5) The commission adopts the following procedures to insure compliance and facilitate
91 implementation of ordered corrective action.

92 (a) Prior to the filing of an appeal, the division shall retain authority to correct errors and,
93 with agreement of the affected county, issue amended orders or stipulate with the affected county
94 to any appropriate alternative action without commission approval. Any stipulation by the
95 division subsequent to an appeal is subject to commission approval.

96 (b) A county receiving a corrective action order resulting from this rule may file and
97 appeal with the commission pursuant to rule R861-1A-11.

98 (c) A corrective action order will become the final commission order if the county does
99 not appeal in a timely manner, or does not prevail in the appeals process.

100 (d) The division may assist local jurisdictions to ensure implementation of any corrective
101 action orders by the following deadlines.

102 (i) Factor orders shall be implemented in the current study year prior to the mailing of
103 valuation notices.

104 (ii) Other corrective action shall be implemented prior to May 22 of the year following
105 the study year.

106 (e) The division shall complete audits to determine compliance with corrective action
107 orders as soon after the deadlines set forth in Subsection (5)(d) as practical. The division shall
108 review the results of the compliance audit with the county and make any necessary adjustments
109 to the compliance audit within 15 days of initiating the audit. These adjustments shall be limited
110 to the analysis performed during the compliance audit and may not include review of the data
111 used to arrive at the underlying factor order. After any adjustments, the compliance audit will
112 then be given to the commission for any necessary action.

Utah Open and Public Meetings Act

Annual Training
Updated May 2018



When a quorum of a public body meets to discuss or act on a subject over which the body has jurisdiction or advisory power, it must follow OPMA



Open Meetings

- Notices
 - Annual
 - Meeting--at least 24 hours
- Agendas
 - Identify topics for consideration with reasonable specificity
 - May discuss topics not on the agenda without taking action
- Recordings
- Minutes
 - Pending
 - Approved
- Electronic meetings OK after adopting a governing resolution, rule or ordinance



Closed Meetings

- Must start in an open meeting
- Announce reasons for closing and location of closed meeting
 - Permitted topics
 - Prohibited topics
- $\frac{2}{3}$ of members present must vote to close the meeting
- No action permitted
- Recording generally required
- Return to open meeting to take action



Exceptions

- Group message
- Chance gathering
- Social gathering
- Public body with executive and legislative powers--administrative & operational
- USTC--confidential tax matters
- Routine conversations of large public transit district trustees



2018 Legislative Updates

- HB179--Required training must be available online
- SB136--Exempts routine conversations of large public transit district trustees
- SB178--Taxed Interlocal Entity is a public body
- SB238--Subcommittees of the Legislative Management Committee are not public bodies when evaluating potential employees



Questions?



TAX COMMISSION AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Eliason

Senate Sponsor: Lincoln Fillmore

LONG TITLE

Committee Note:

The Revenue and Taxation Interim Committee recommended this bill.

General Description:

This bill modifies provisions relating to closed meetings held by the State Tax Commission.

Highlighted Provisions:

This bill:

- ▶ extends the authorization for the State Tax Commission to hold a meeting that is not open to the public to provide guidance to its employees on the interpretation and application of a law administered by the commission;

- ▶ requires the State Tax Commission to provide certain reports to the Revenue and Taxation Interim Committee containing information on all State Tax Commission meetings that were held to provide guidance to commission employees that were not open to the public; and

- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:



28 AMENDS:

29 **59-1-213.2**, as enacted by Laws of Utah 2017, Chapter 201

30 **63I-1-259**, as last amended by Laws of Utah 2018, Chapter 281

31

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

33 Section 1. Section **59-1-213.2** is amended to read:

34 **59-1-213.2. Annual report on provision of guidance by the commission.**

35 (1) (a) Subject to Subsection (2), the commission shall provide an electronic report to
36 the Revenue and Taxation Interim Committee on or before September 30, [~~2017~~] 2020, and on
37 or before September 30, [~~2018~~] 2023.

38 (b) The electronic report described in Subsection (1)(a) shall contain the following:

39 (i) the number of meetings that the commission held under Subsection **59-1-405(1)(g)**
40 during the 12-month period preceding the report;

41 (ii) the dates of any meetings described in Subsection (1)(b)(i);

42 (iii) a listing of the tax types discussed during the meetings described in Subsection
43 (1)(b)(i); and

44 (iv) a summary of the outcome of the meetings described in Subsection (1)(b)(i).

45 (2) In making the report required by Subsection (1), the commission shall protect the
46 name, address, social security number, or taxpayer identification number of a taxpayer.

47 Section 2. Section **63I-1-259** is amended to read:

48 **63I-1-259. Repeal dates, Title 59.**

49 (1) Section **59-1-213.1** is repealed on May 9, [~~2019~~] 2024.

50 (2) Section **59-1-213.2** is repealed on May 9, [~~2019~~] 2024.

51 (3) Subsection **59-1-405(1)(g)** is repealed on May 9, [~~2019~~] 2024.

52 (4) Subsection **59-1-405(2)(b)** is repealed on May 9, [~~2019~~] 2024.

53 (5) Section **59-7-618** is repealed July 1, 2020.

54 (6) Section **59-9-102.5** is repealed December 31, 2020.

55 (7) Section **59-10-1033** is repealed July 1, 2020.

56 (8) Subsection **59-12-2219(13)** is repealed on June 30, 2020.

57 (9) Title 59, Chapter 28, State Transient Room Tax Act, is repealed on January 1,
58 2023.