

House Revenue and Taxation Committee

February 20th, 2025

Bill: 1st substitute HB 428 – Property Tax Changes

Sponsor: Representative Jill Koford

Floor Sponsor: Undeclared

UASD Position: Tracking

This Bill modifies provisions related to property tax.

Discussion: The Committee adopted the 1st substitute, which removes the provision from the original Bill that would have increased the property tax exemption for residential property from 45% to 50% of fair market value. This Bill now requires that the minimum basic tax rate imposed by school districts be certified through consensus between the State Tax Commission, the Governor's Office of Planning and Budget, and the Office of the Legislative Fiscal Analyst. Additionally, it allows for the use of funds from the Public Education Economic Stabilization Restricted Account to address certain shortfalls in the basic school program. The sponsor explained that the purpose of this Bill is to measure the shift of the property tax burden from commercial property owners to residential property owners, with the hope that it will promote greater transparency. The Utah Taxpayers Association expressed appreciation to the sponsor for their ongoing collaboration as they work with the sponsor to ensure that the burden isn't placed on the commercial property owners and voiced support for the 1st substitute.

Yeas: 10

Nays: 0

N/V: 1

Outcome: 1st substitute HB 428 passed out of the Committee with a favorable recommendation.