



***Assessment
of
Salt Lake
County
2019***

Overview

- **Most property values increased this past year.**
- **Many taxing entities (ex. Cities and school districts) are proposing tax increases in 2019.**
- **An increase in property value does not necessarily mean an increase in property tax.**

Overview

- In tax areas without proposed tax increases the following is typically true:
 - If your value increase was more than the average value increase in a taxing area, you will receive a ***tax increase***.
 - If your value increase was less than the average value increase in a taxing area, you will see a ***tax decrease***.

Property Tax is the mechanism used in Utah to determine the share of **Government Services.**

In other words, we buy services and pay for them with property tax.

- ***Schools***
- ***Transportation***
- ***Police Protection***
- ***Fire Protection***
- ***Snow Removal***
- ***Recreational Centers***
- ***Sanitation***
- ***Flood Control***
- ***Water***
- ***Planning & Zoning***
- ***Health Care***
- ***Criminal Prosecution***
- ***Voting***
- ***Substance Abuse***
- ***Assessing & Collecting***
- ***Mosquito Abatement***
- ***Libraries***
- ***Animal Control***
- ***Parks & Zoo Facilities***
- ***Government Buildings***
- ***Elderly & Disabled Services***
- ***Plus many other services***

The Duty of the County Assessor is to value all tangible property

**“All Tangible Property...
assessed at a uniform and equal rate
in proportion to its *fair market value*”**

Article XIII of the Utah Constitution

What the Law Requires

§59-2-103

“All tangible taxable property located within the state shall be assessed and taxed at a uniform and equal rate on the basis of its fair market value, as valued on January 1...”

§59-2-301

“The County Assessor shall assess all property located within the county...”

§59-2-303.1

“...each county assessor shall annually update property values,...based on a systematic review of current market data. In addition, the Assessor shall complete a detailed review of property characteristics for each property at least once every five years.”

§59-2-1001.(2) “The county board of equalization shall adjust and equalize the valuation and assessment of.. real property...”

Market Value

is the common denominator shared by all types of property.



What is Market Value?

- **§59-2-102(12)**
 - **“Fair market value” means the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.**

Simplified Study of Three Comparable Houses



Sold for \$461,000

What is the fair
market value of
each home?



Sold for \$439,000



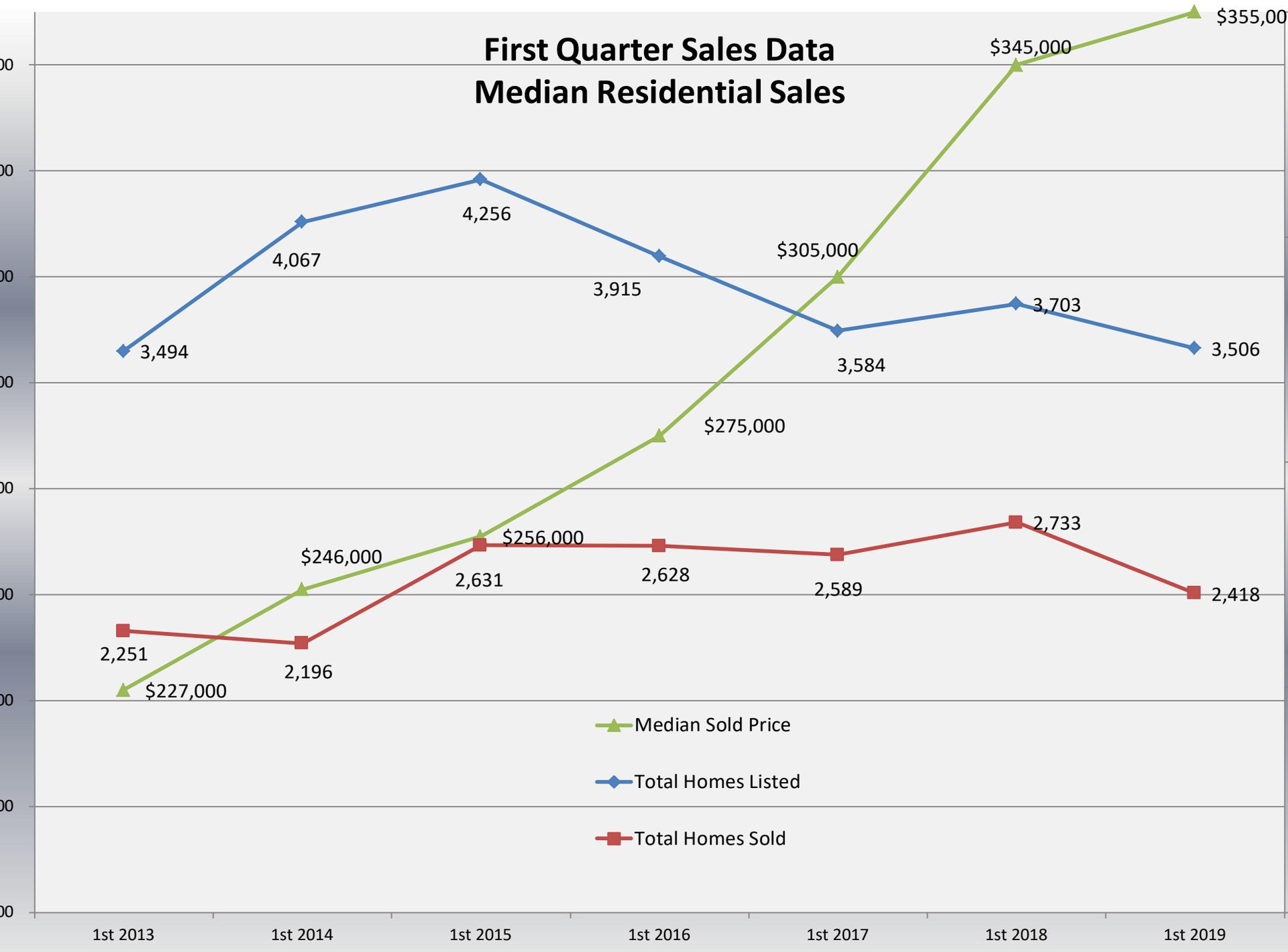
Has not sold

Suggested Value
for all three:

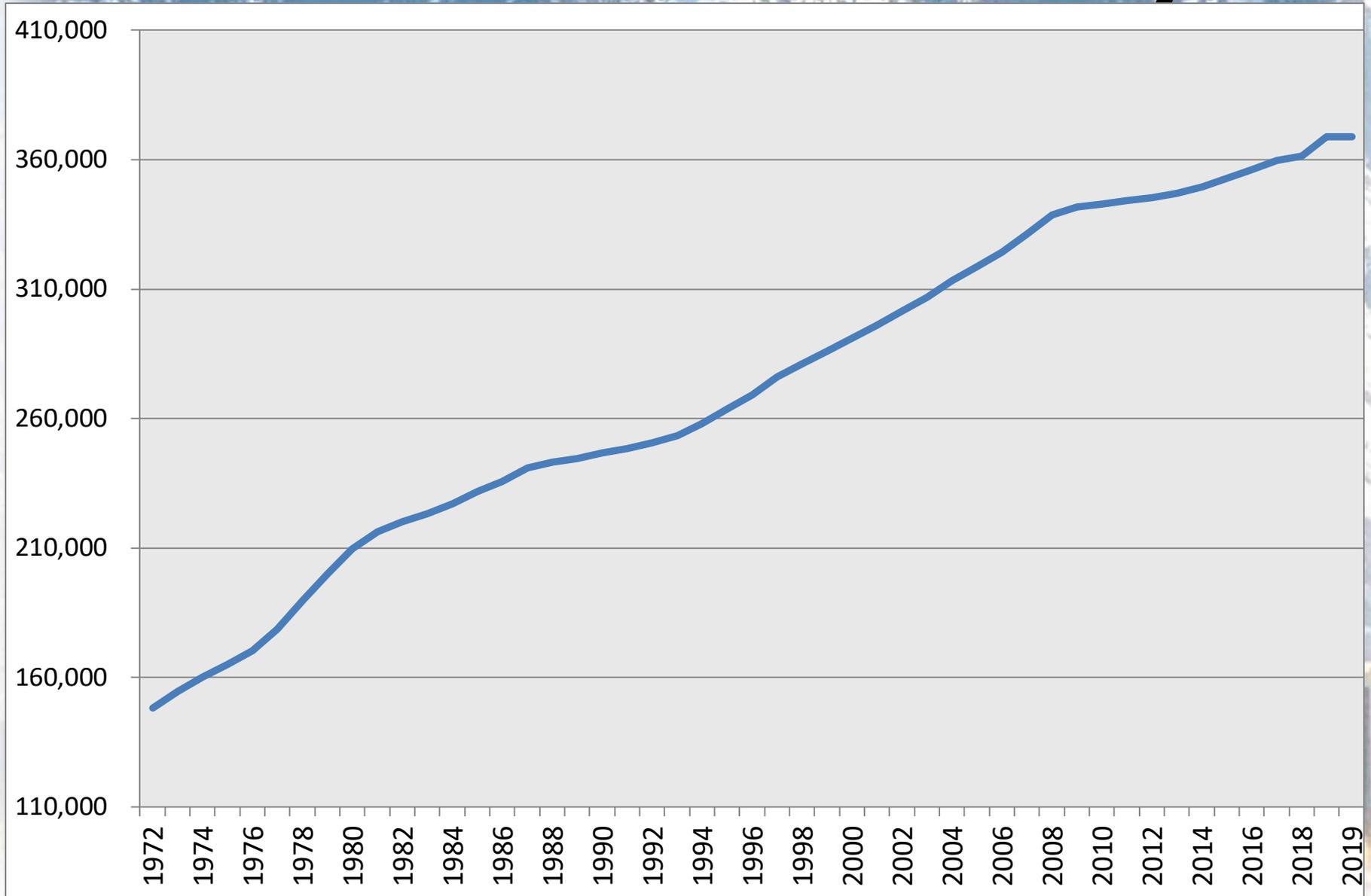
\$450,000

First Quarter Sales Data

Median Residential Sales

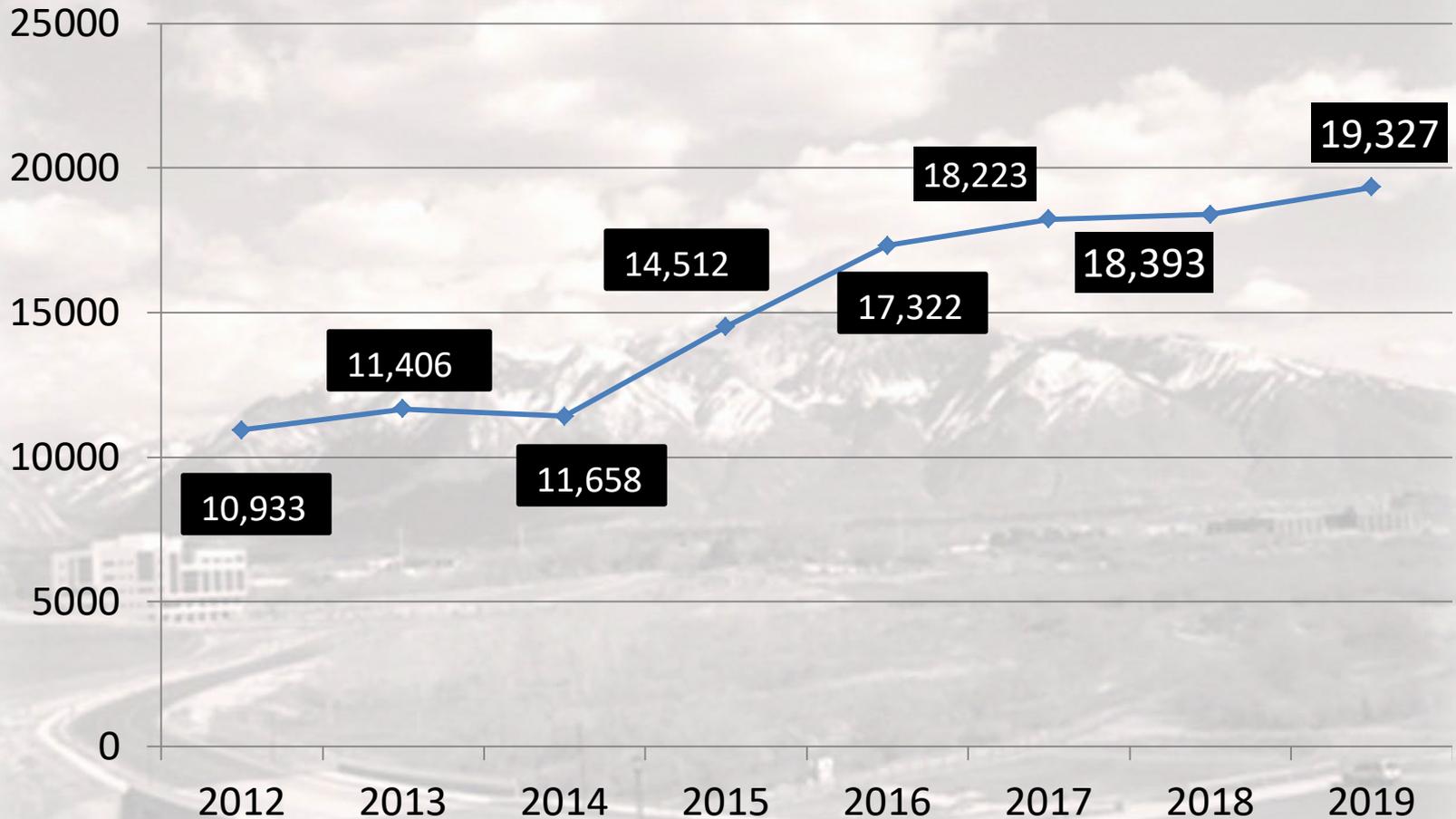


Parcel Count History



Assessor Uses Market Sales

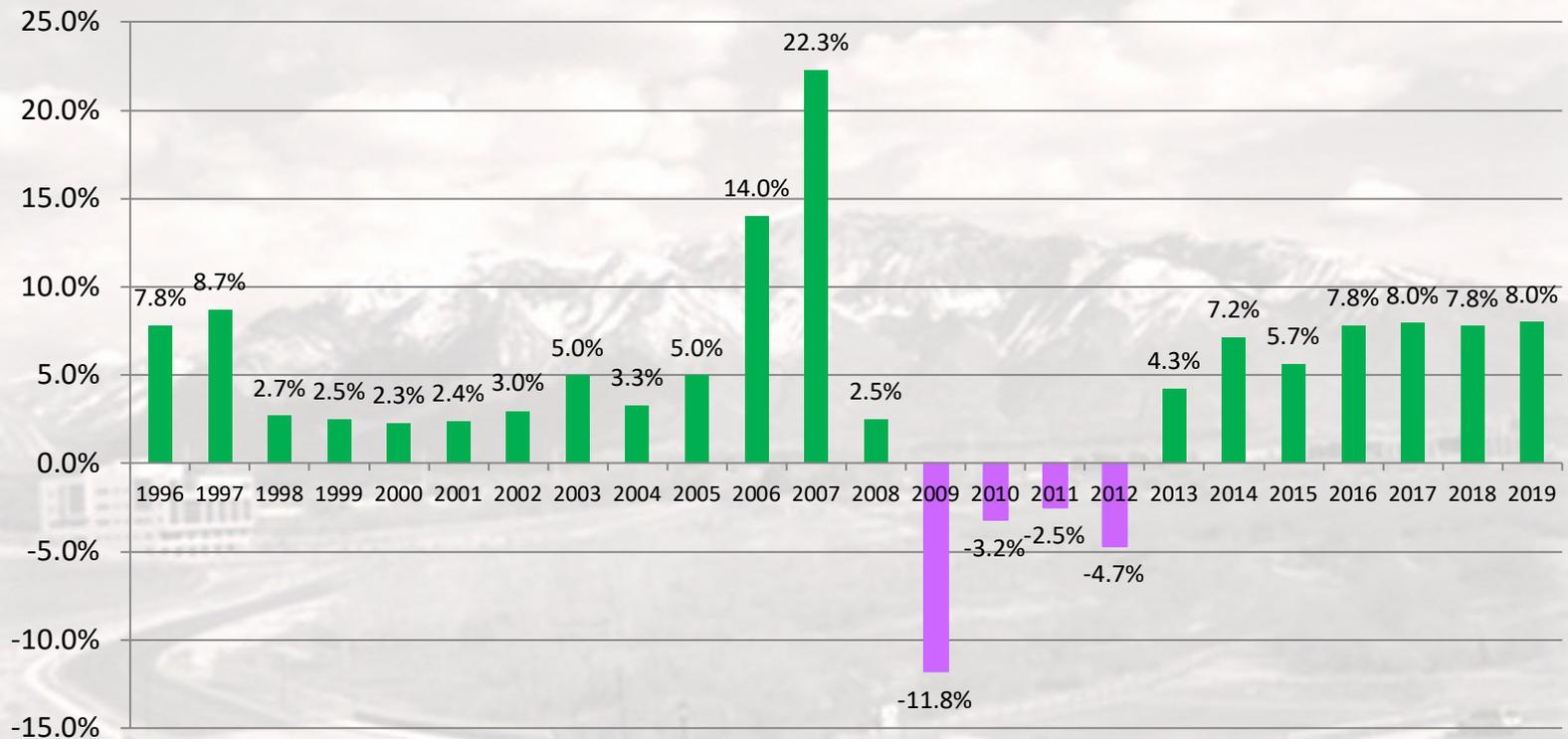
January 2012 – May 2019



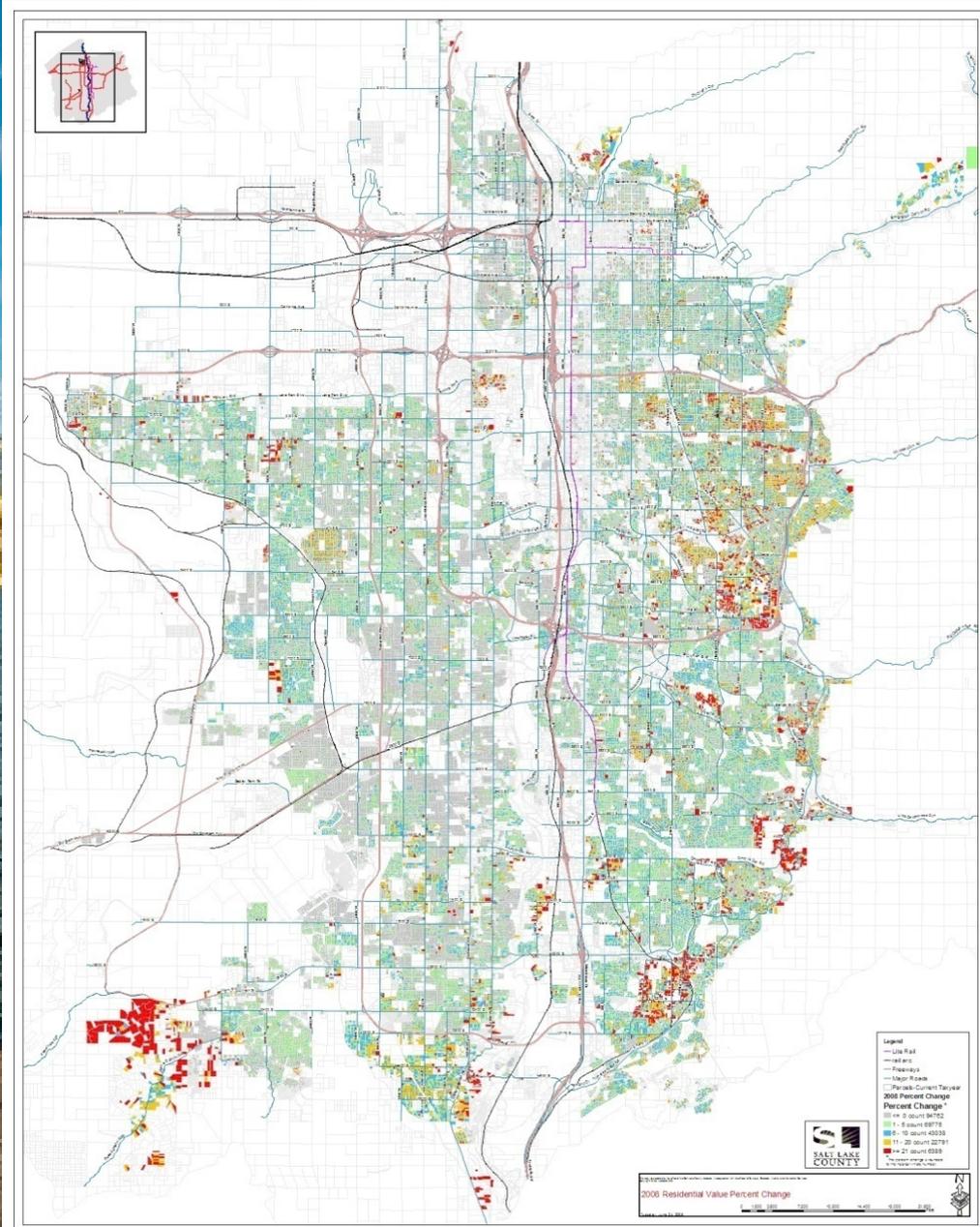
Every year market values are statistically developed using mathematical models with actual verified sales occurring throughout the county.

Salt Lake County Historical

Percent Change in Market Value – County Wide (Residential)



2008 Residential Value Percent Change

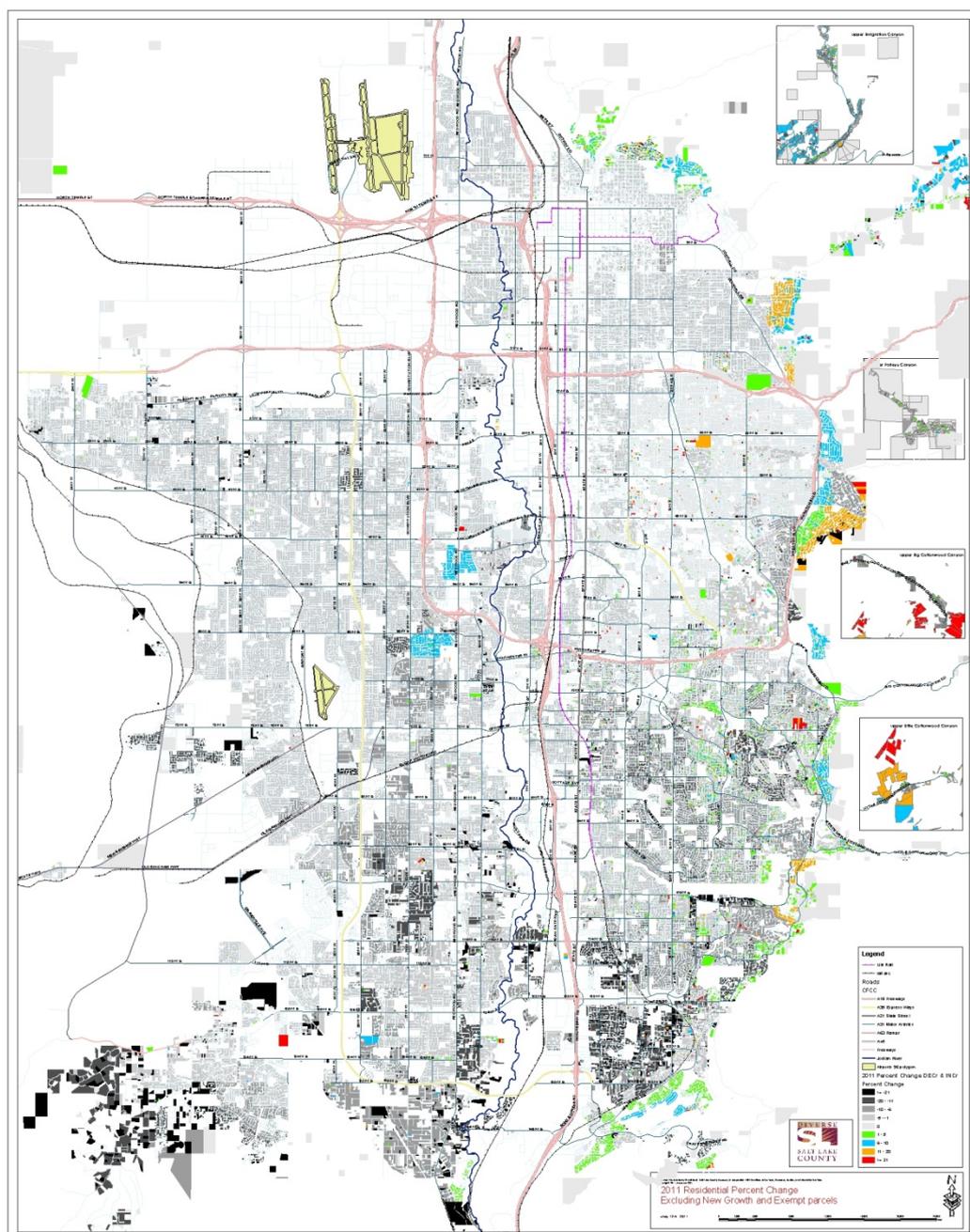


Percent Change

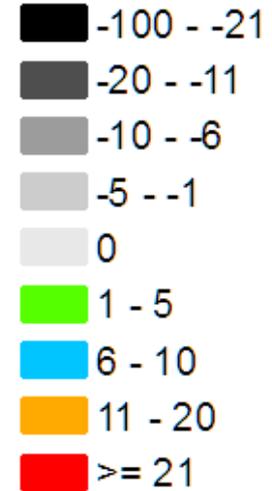
- ≤ 0
- 1 - 5
- 6 - 10
- 11 - 20
- ≥ 21

Rounded to the nearest whole number

2011 Residential Value Percent Change

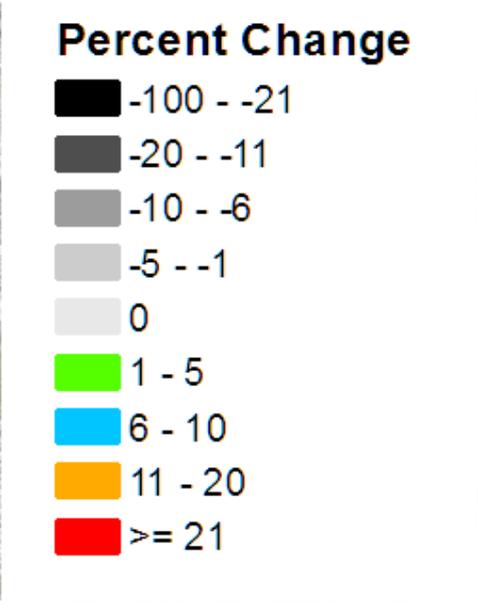
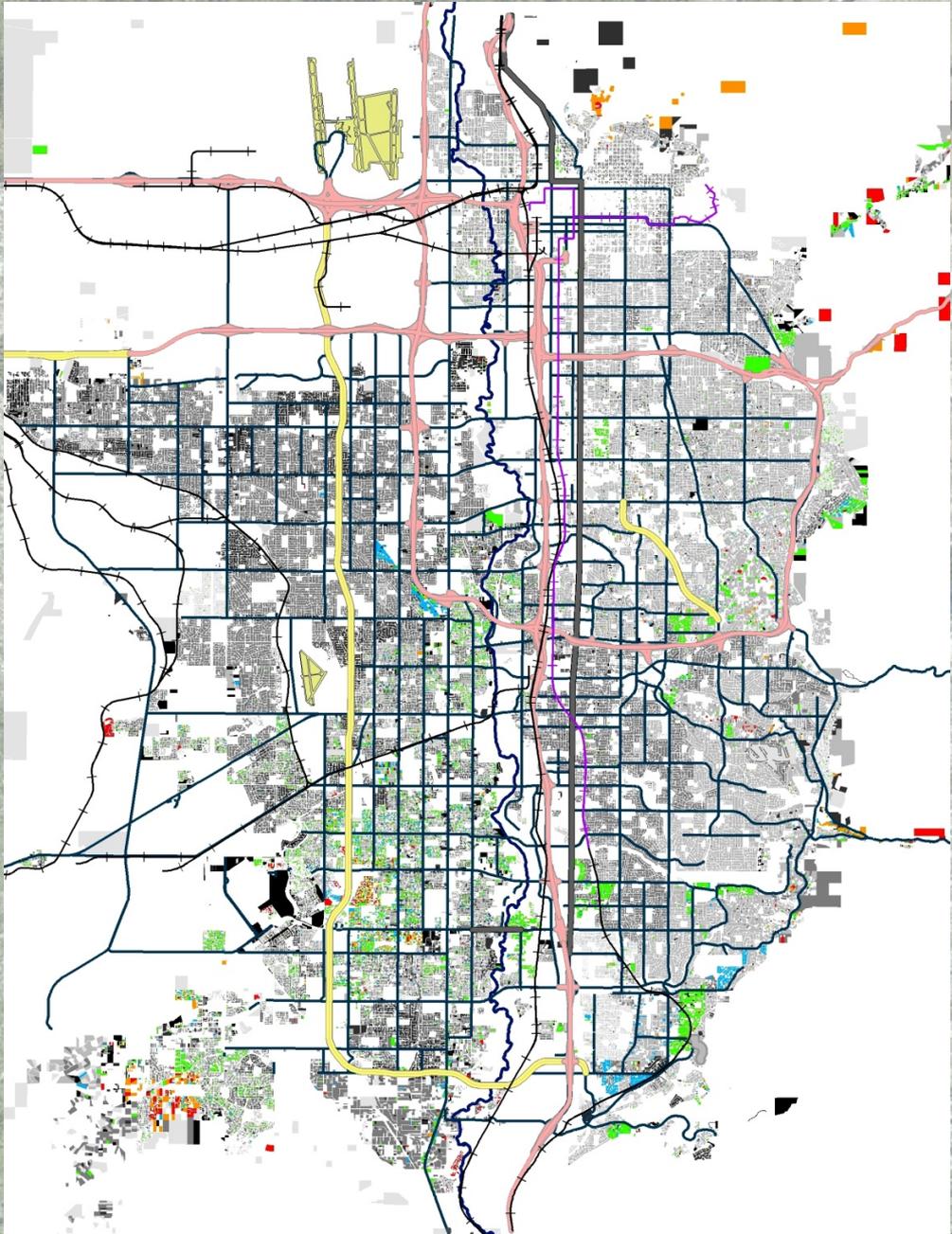


Percent Change



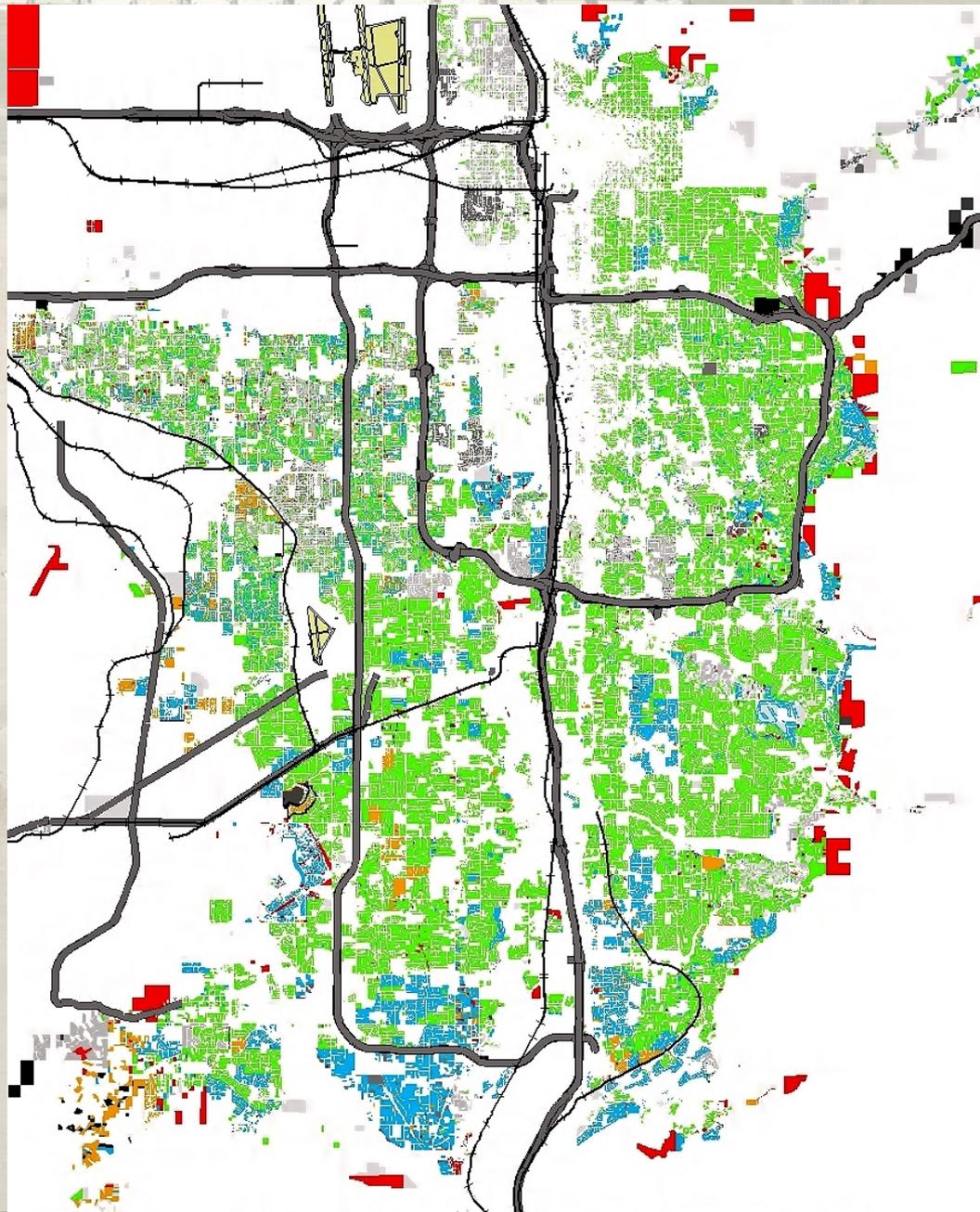
Rounded to the nearest whole number

2012 Residential Percent Value Change

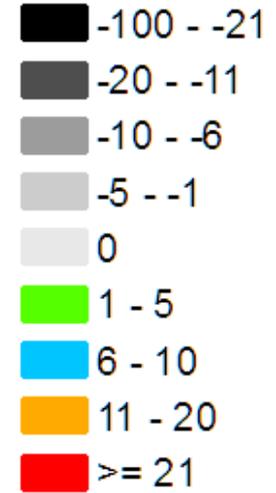


Rounded to the nearest whole number

2013 Residential Percent Value Change

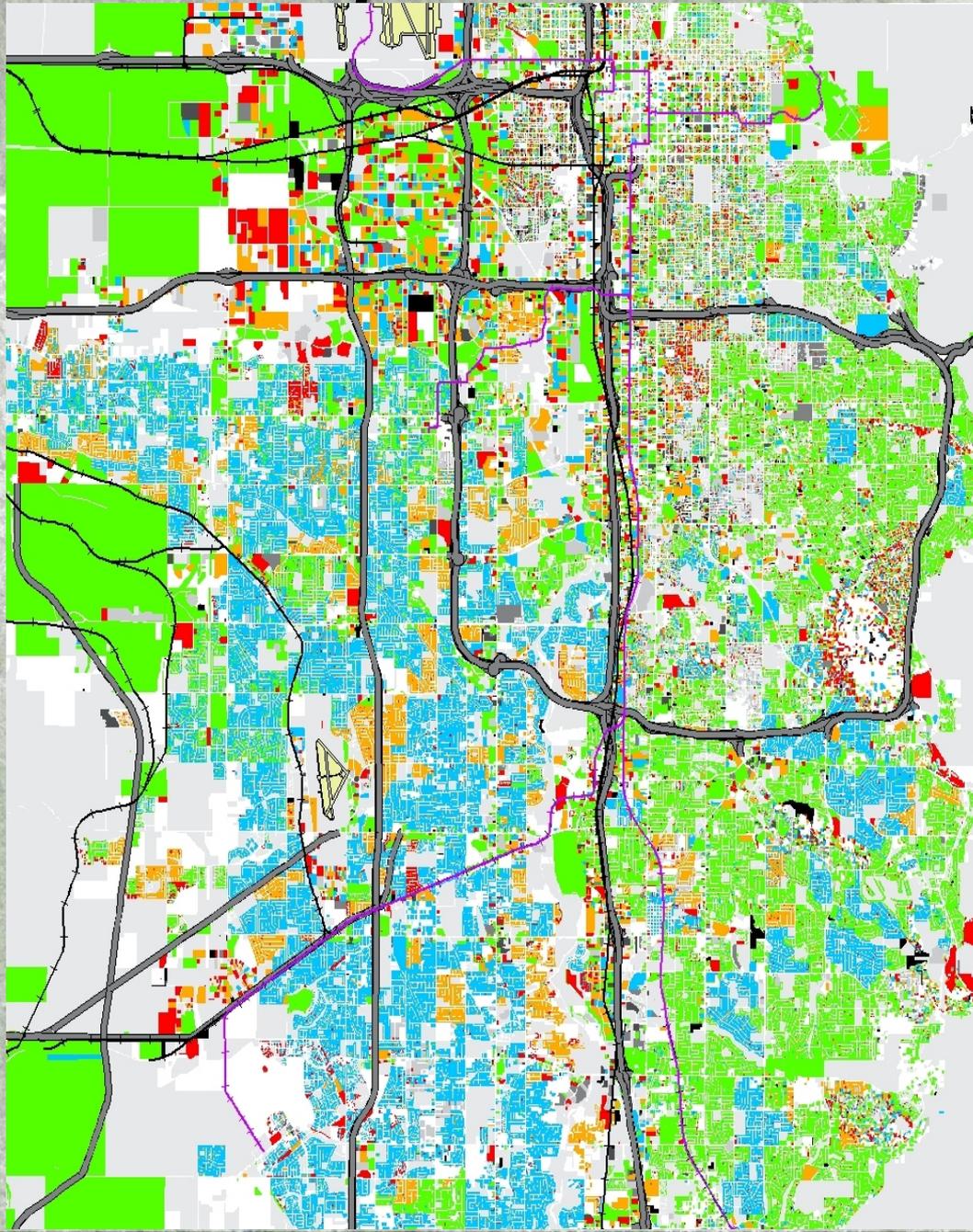


Percent Change



Rounded to the nearest whole number

2014 All Properties Percent Value Change

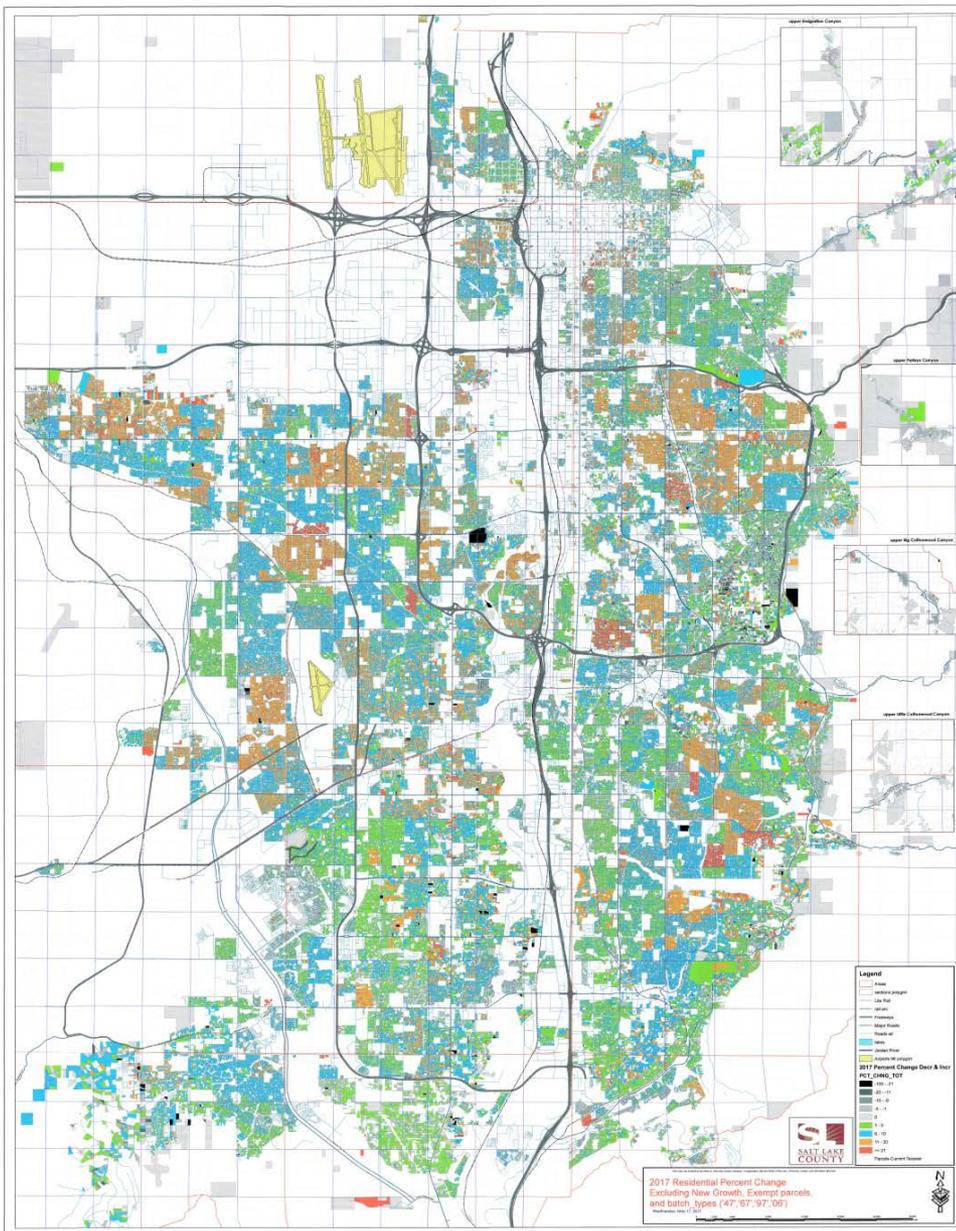


Percent Change

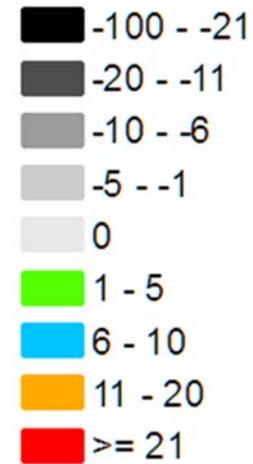
- -100 - -21
- -20 - -11
- -10 - -6
- -5 - -1
- 0
- 1 - 5
- 6 - 10
- 11 - 20
- ≥ 21

Rounded to the nearest whole number

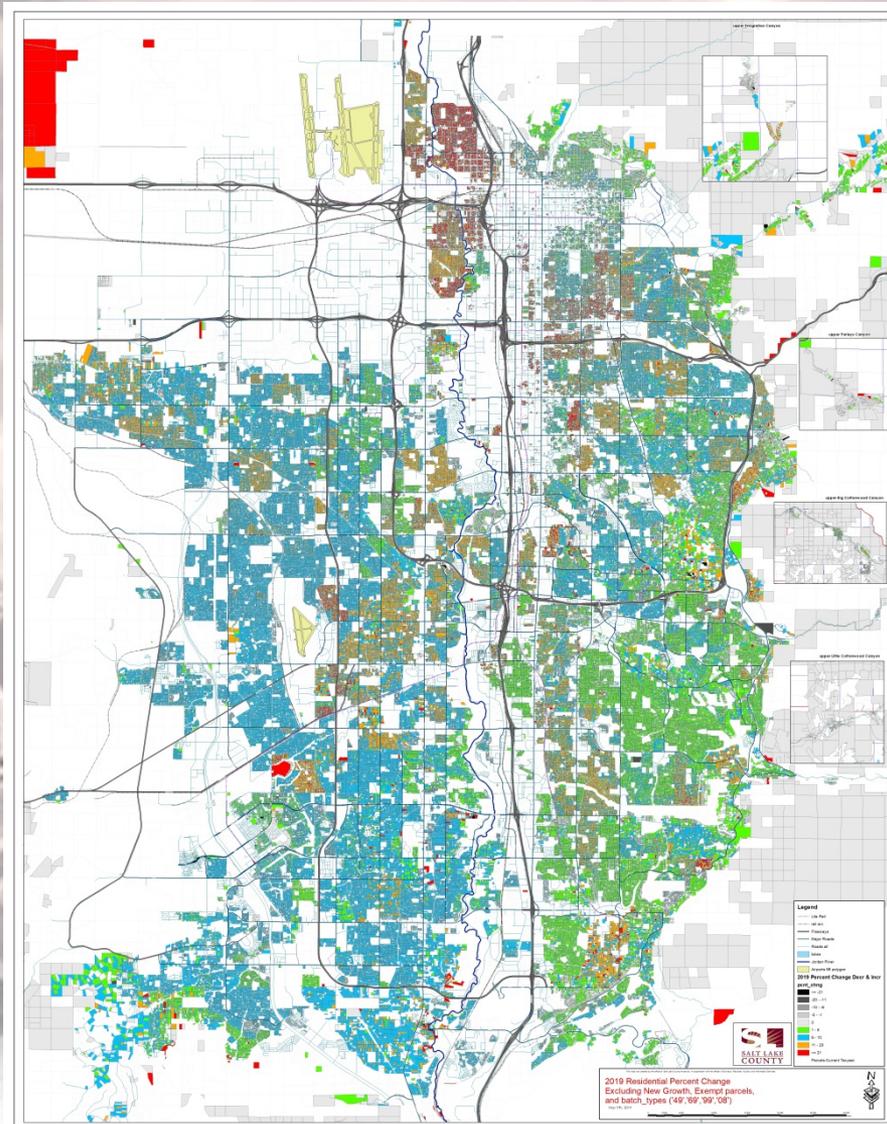
2017 Residential Value Percent Change



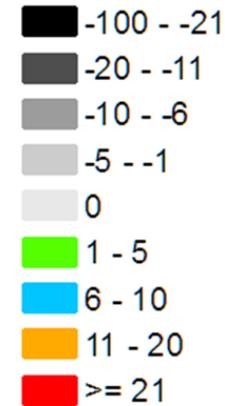
Percent Change



2019 Residential Value Percent Change

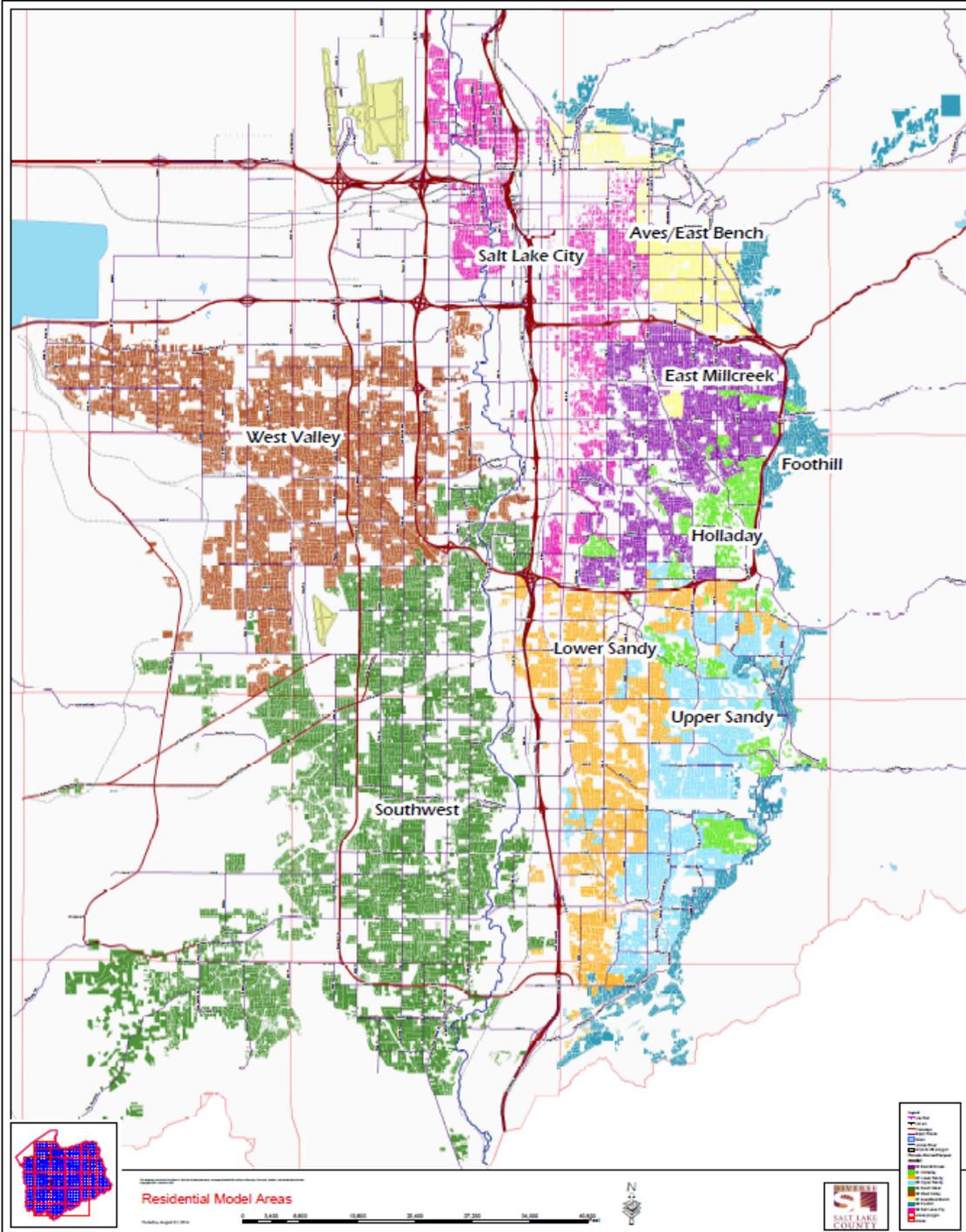


Percent Change



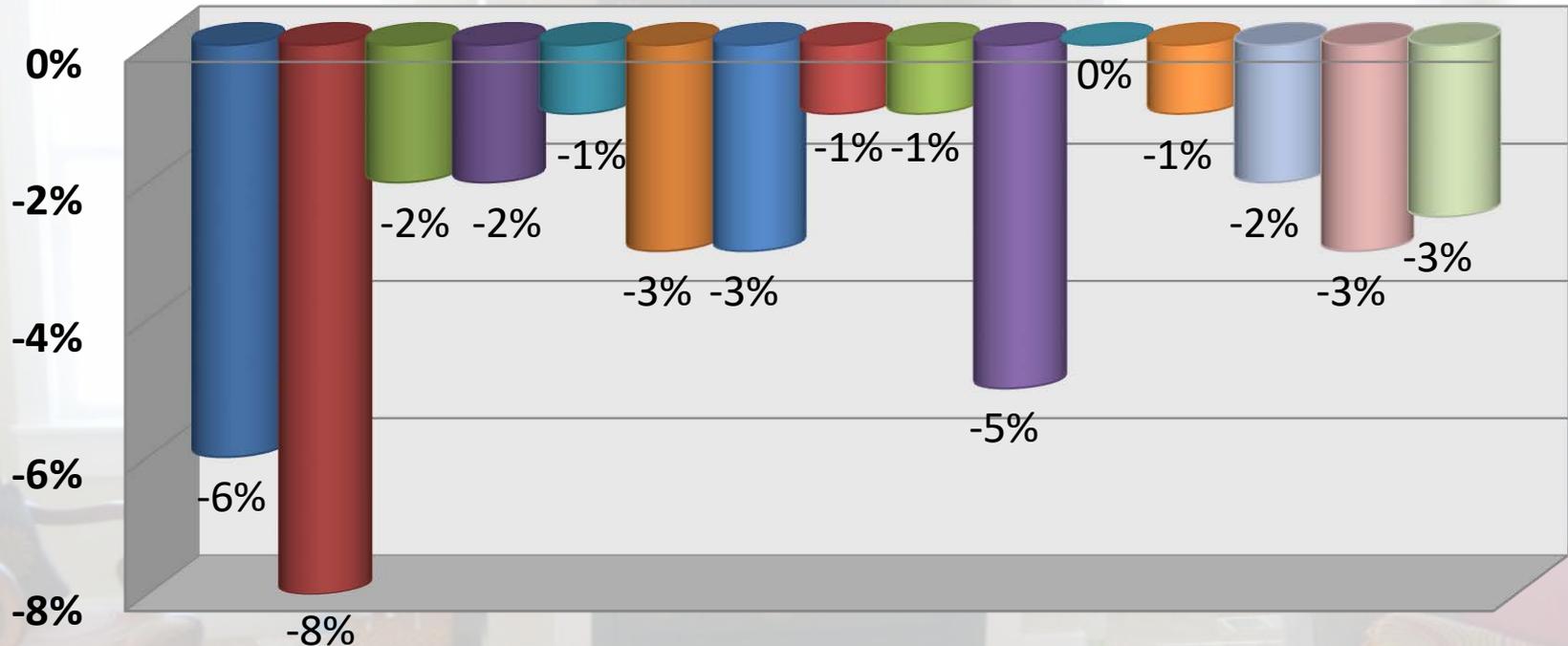
Model Areas

This year we implemented new models on residential properties County-wide



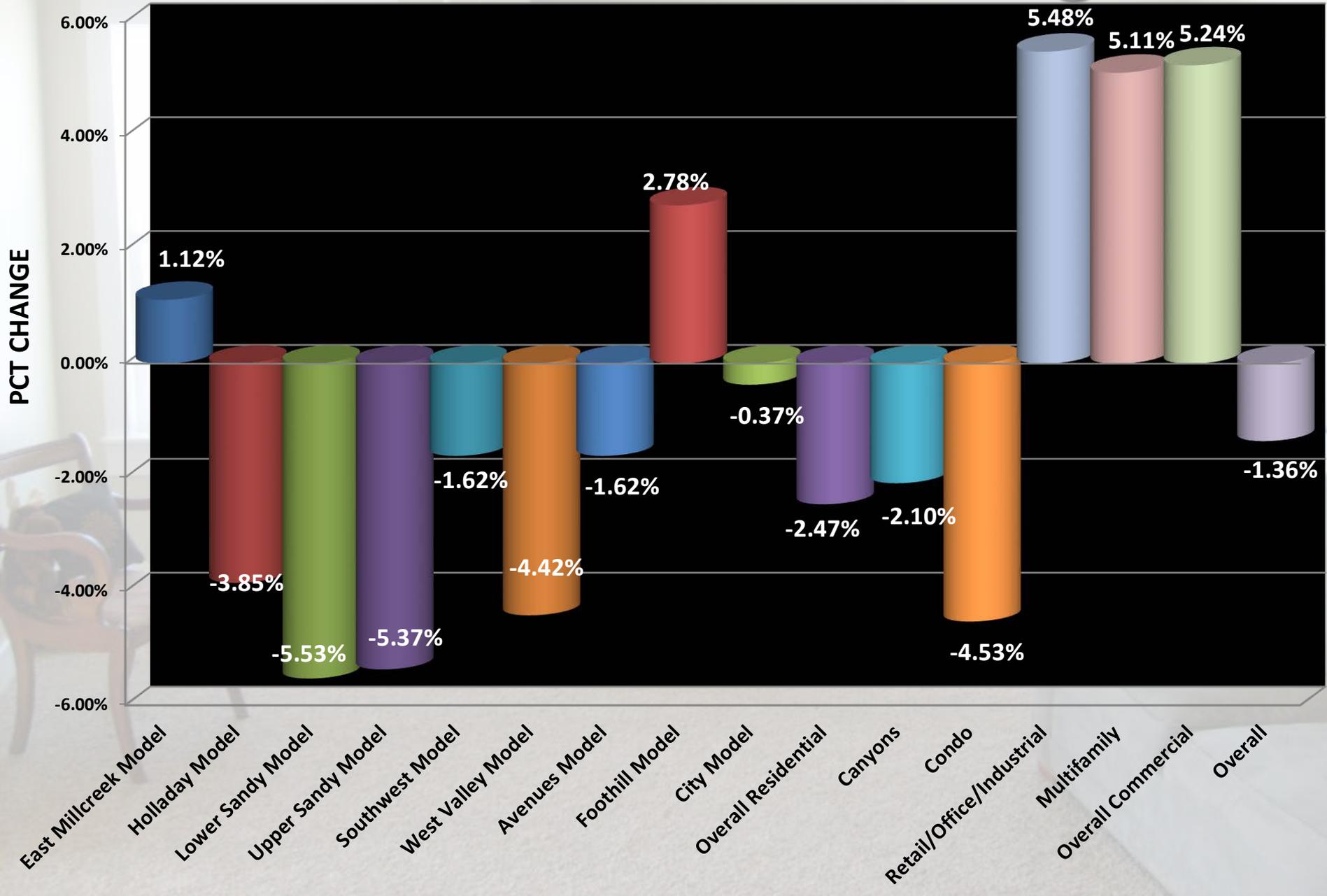
2010 Market Values Changes

% Change by Model Area (Rounded to nearest whole number)

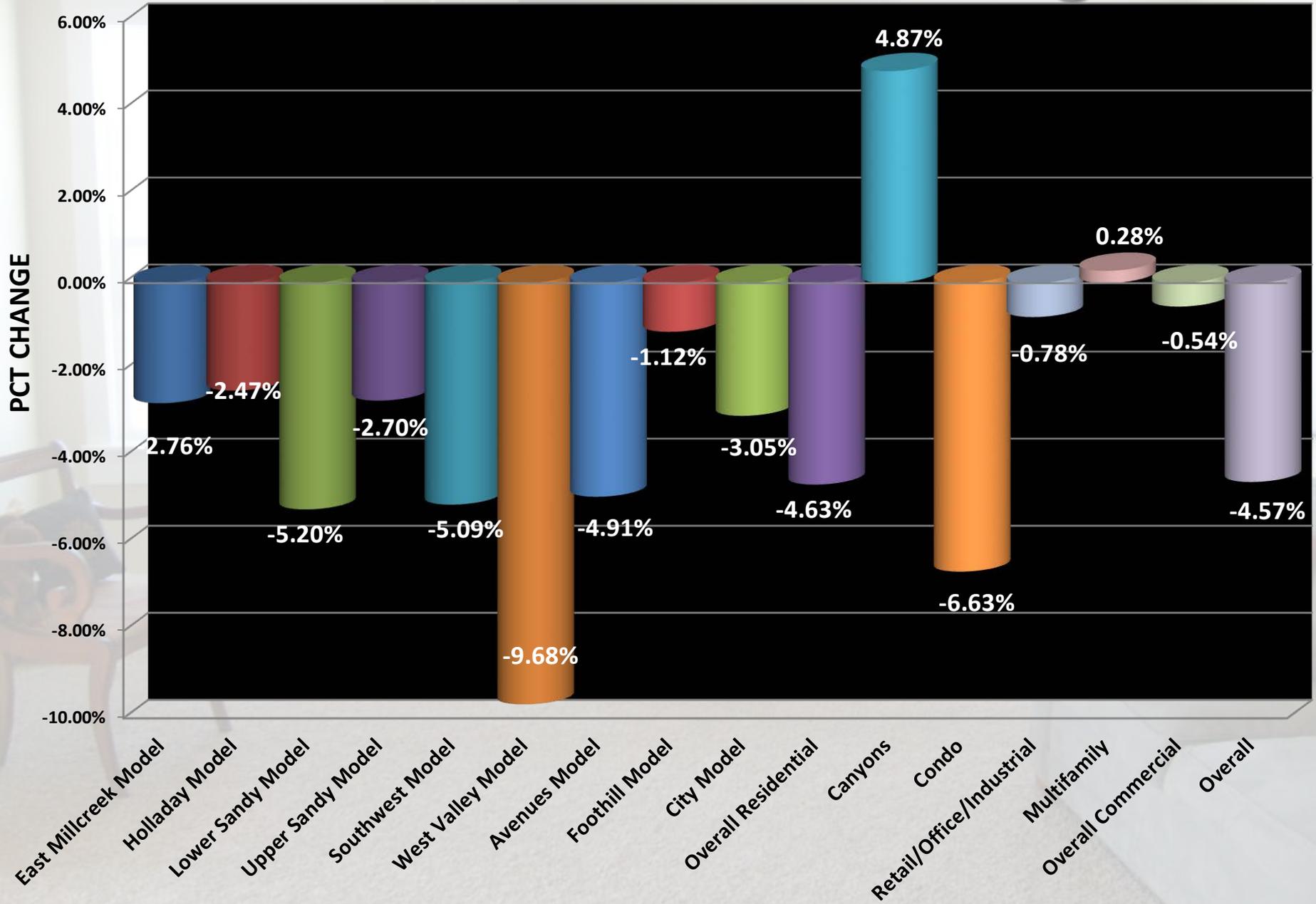


- East Millcreek Model
- Upper Sandy Model
- Avenues Model
- Canyons
- Multihousing
- Holladay Model
- Southwest Model
- Foothill Model
- Condo's
- All Res Improved
- Lower Sandy Model
- West Valley Model
- City Model
- Retail/Office/Industrial
- All Property Types

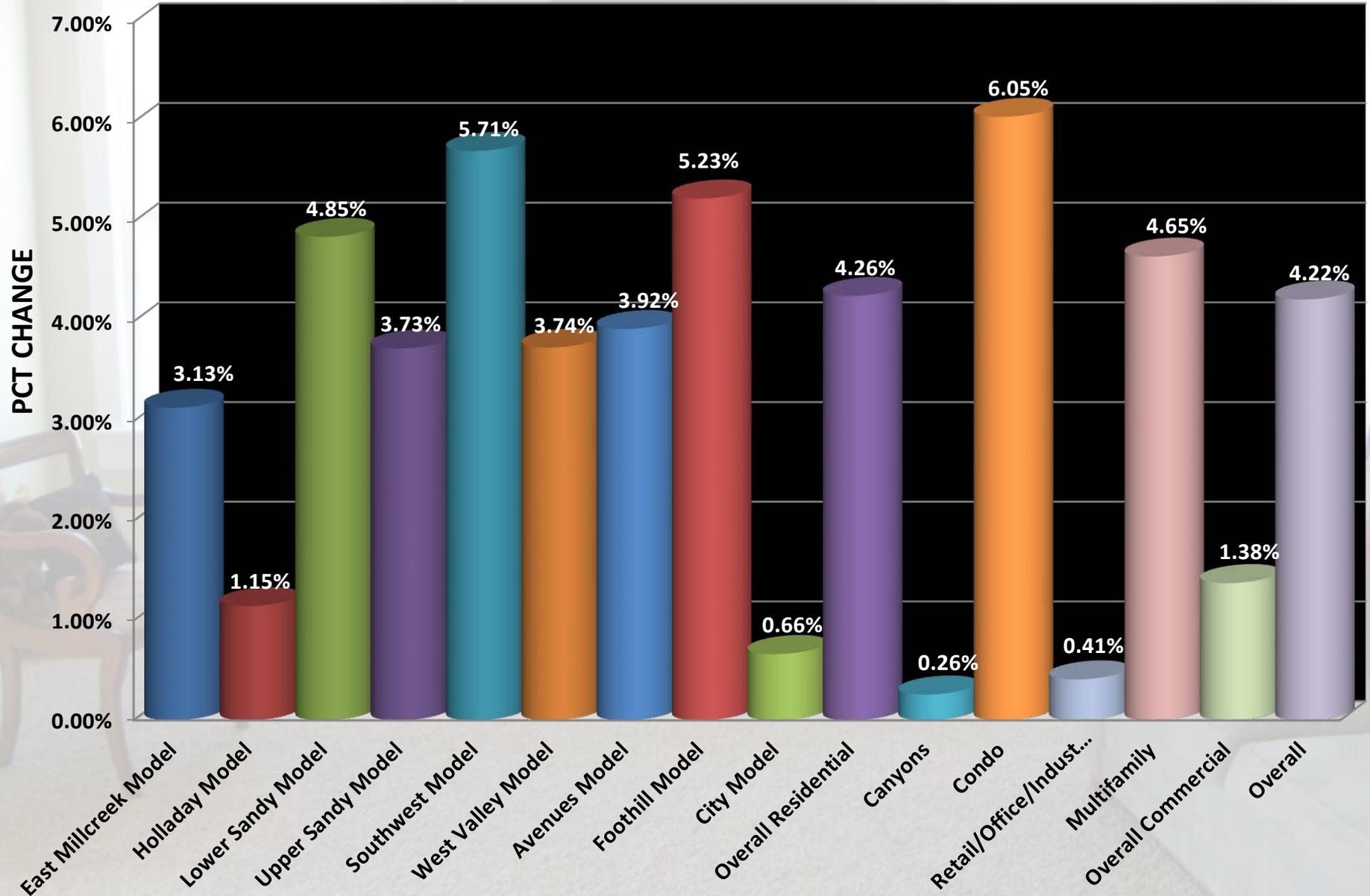
2011 Market Values Changes



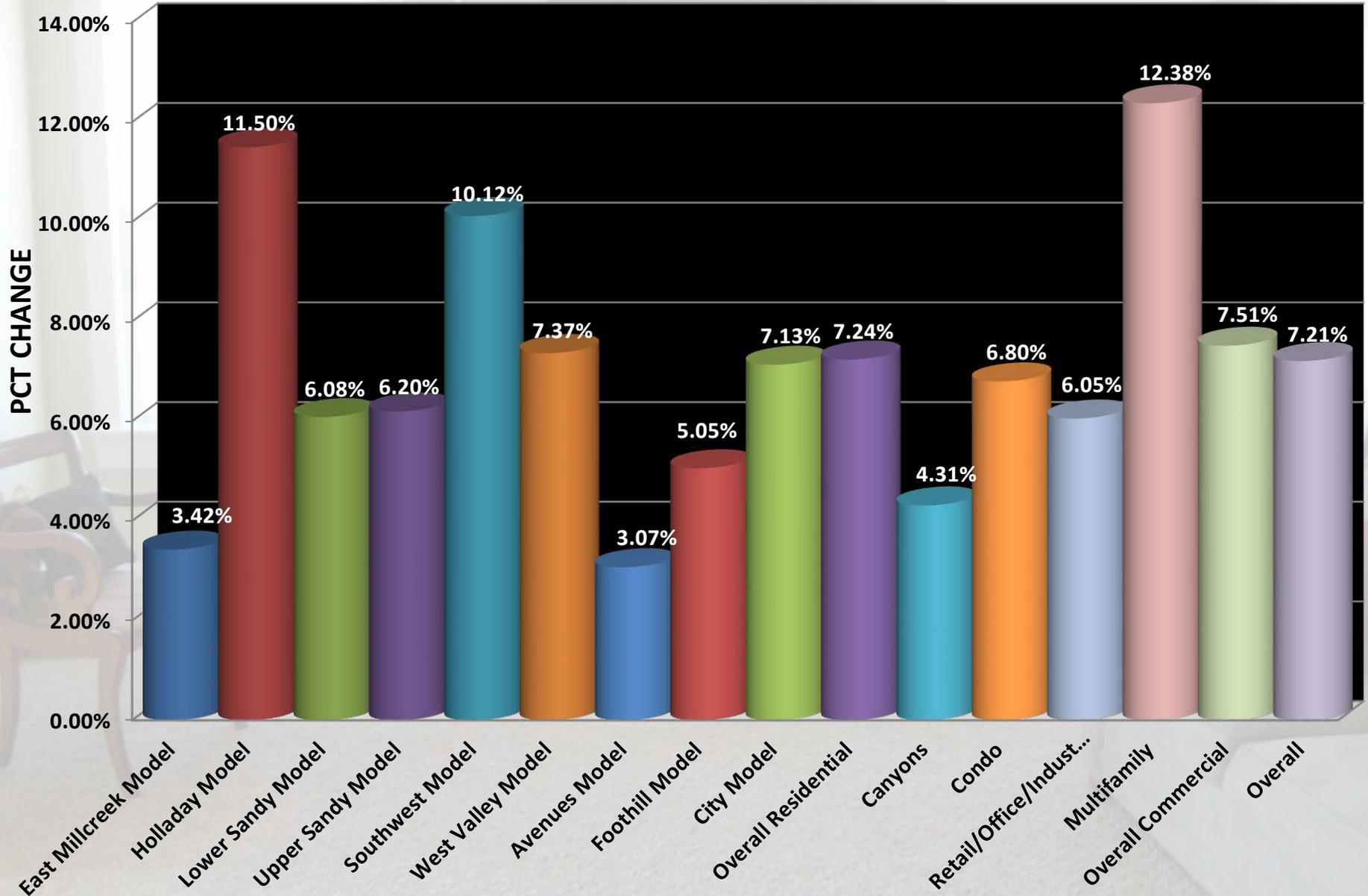
2012 Market Values Changes



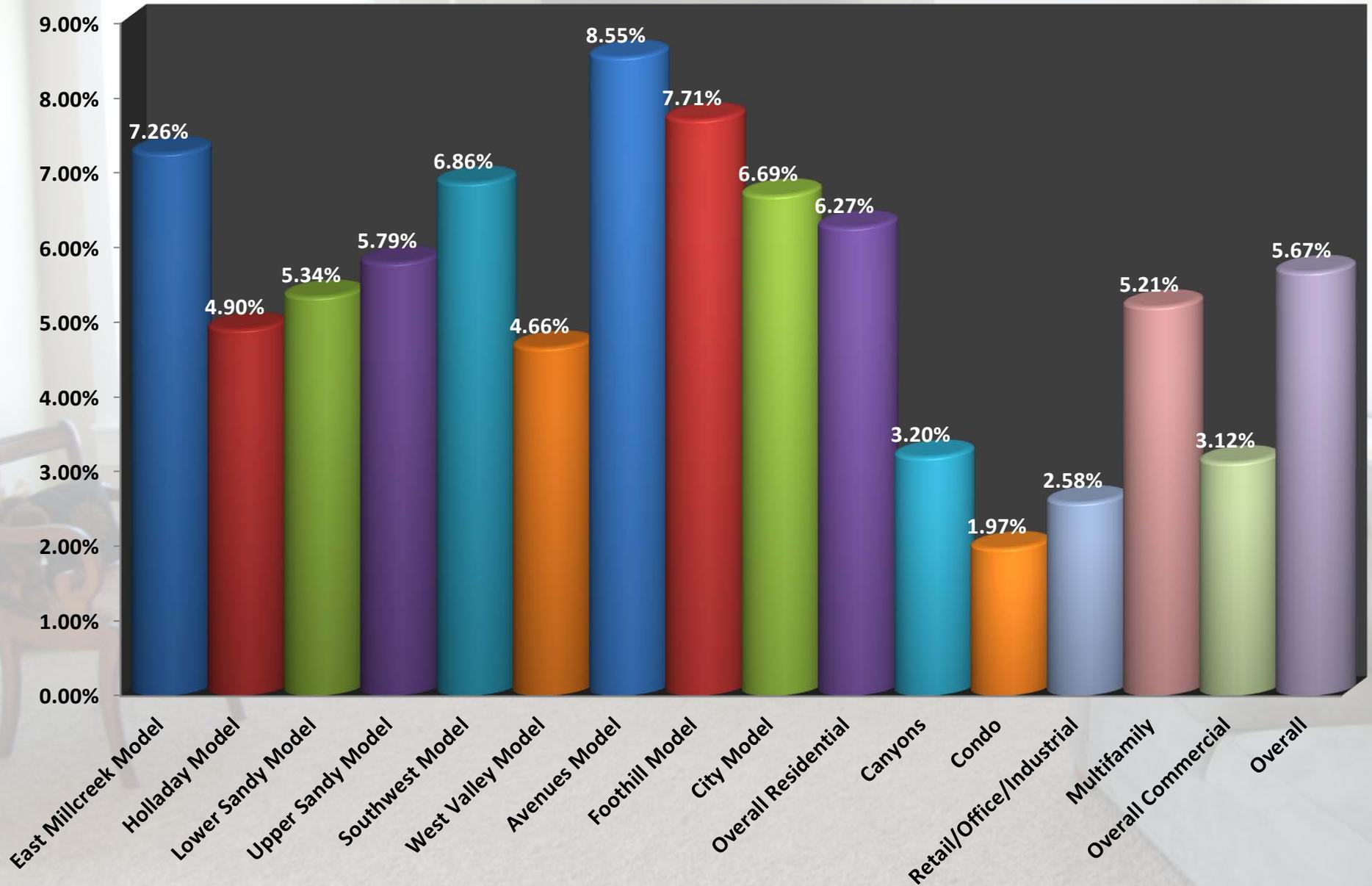
2013 Market Values Changes



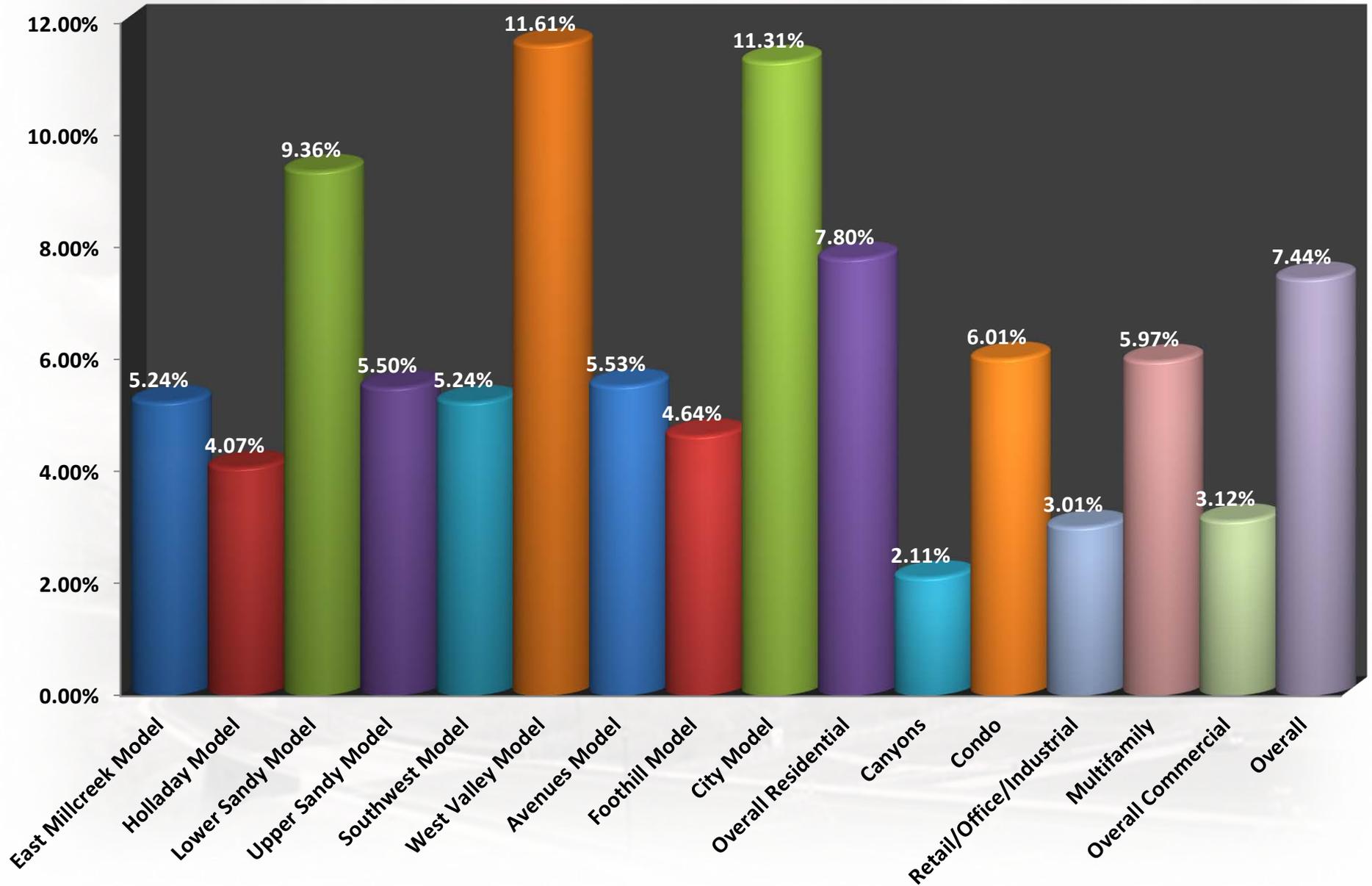
2014 Market Values Changes



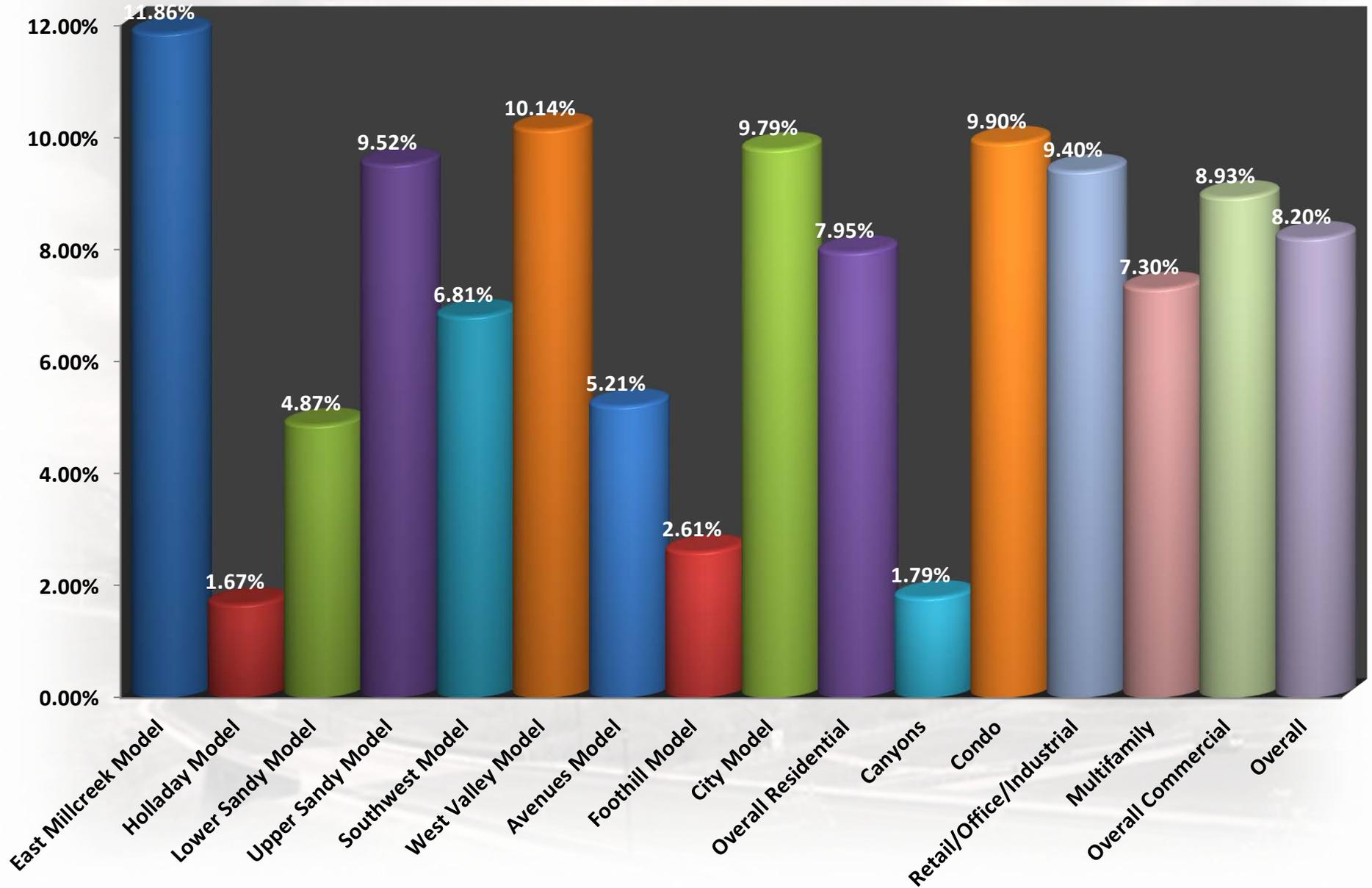
2015 Market Values Changes



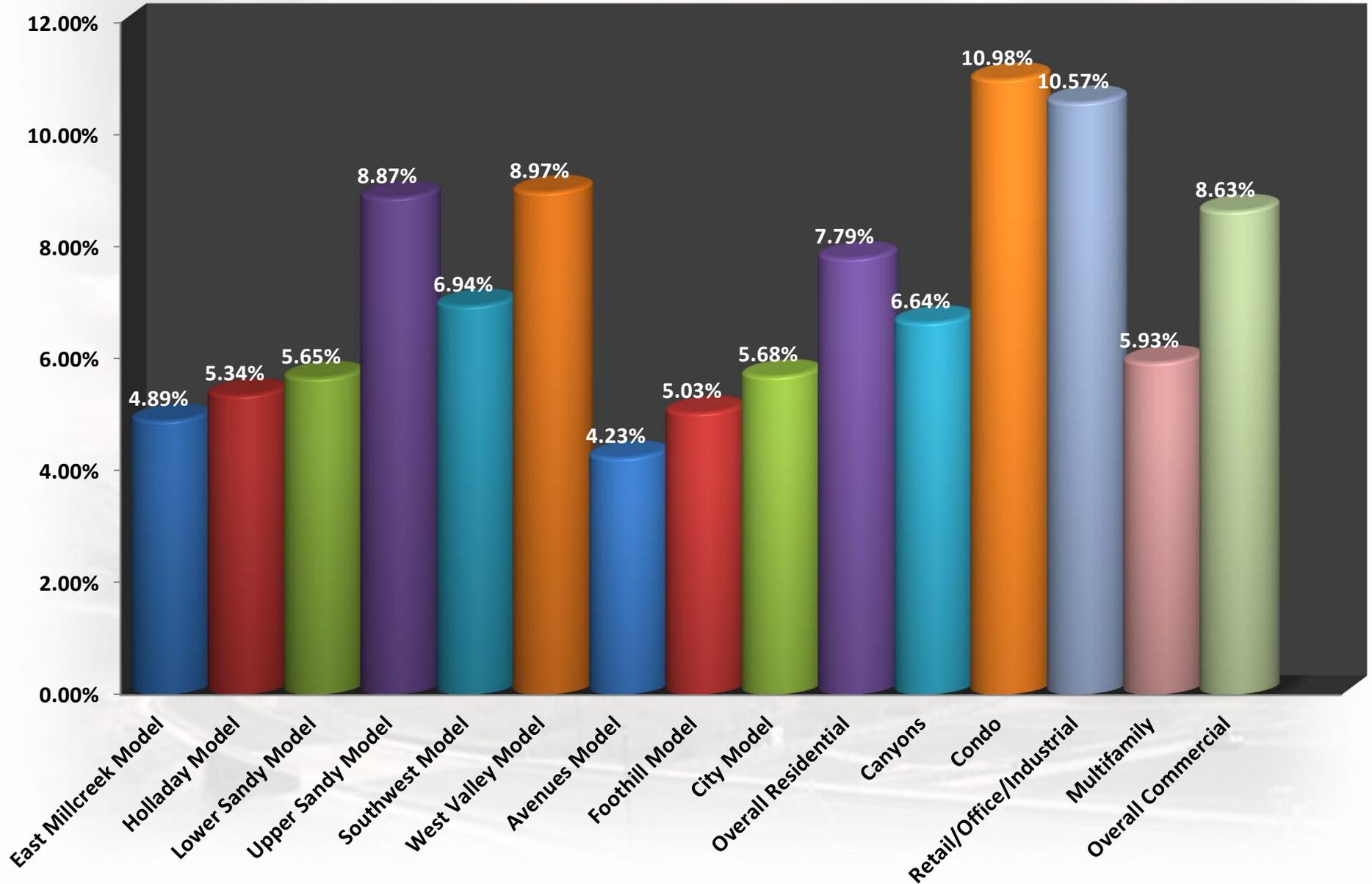
2016 Market Values Changes



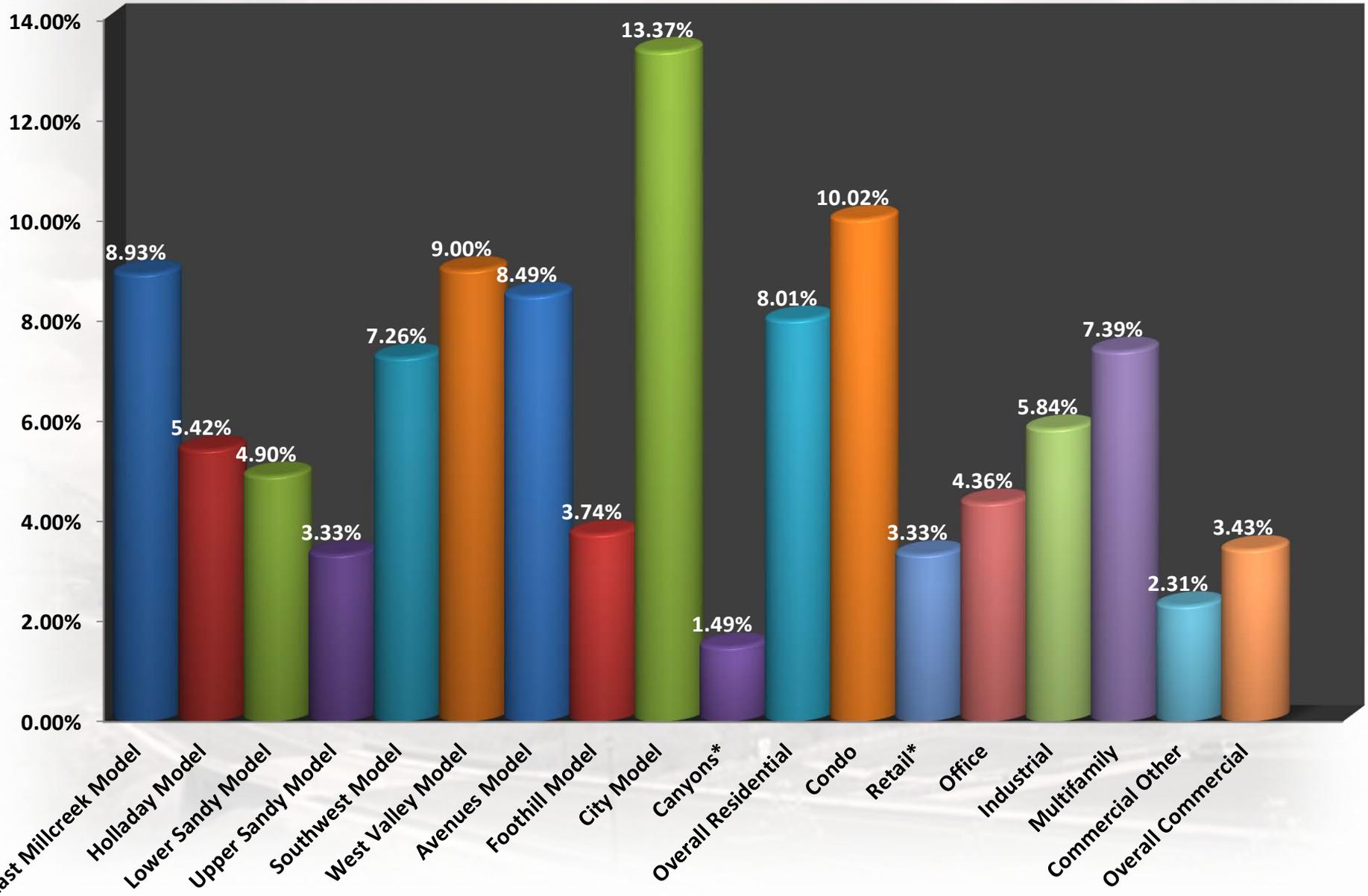
2017 Market Values Changes



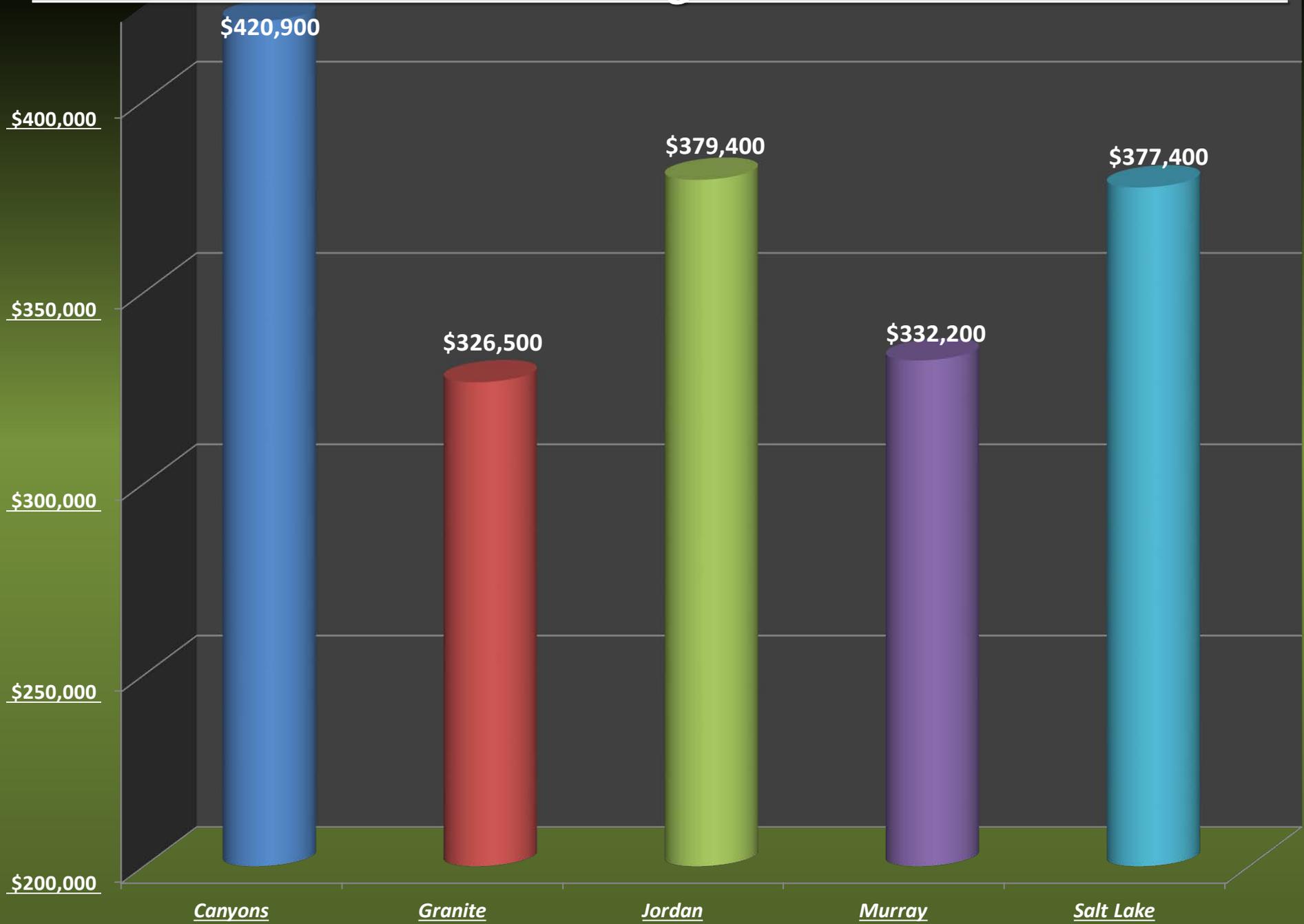
2018 Market Values Changes



2019 Market Values Changes



2019 School District Average Residential Final Value



TRUTH IN TAXATION

Truth-in-taxation prohibits units of local government from obtaining windfall revenues as a result of revaluation or equalization.

**(§59-2-303.1) &
(§59-2-102, 918, 924)**

CERTIFIED TAX RATE:

is that rate which will yield the **taxing entity** the same property tax revenue that it budgeted in the previous year, excluding new growth.

TRUTH IN TAXATION

REASONS WHY A PROPERTY OWNER'S TAXES MIGHT GO UP DESPITE 'TRUTH IN TAXATION:'

■ Variation in Market Values Within a Taxing Entity

Above the average **CHANGE** in value within Entity –
Taxes Increase



Below the average **CHANGE** in value within Entity –
Taxes Decrease



- State Assessed Shift (Utilities, Mines, Airlines, etc.)
- Taxpayer Voted Bond
- Property Tax Increase Following Truth In Taxation Hearing

TRUTH IN TAXATION

Utah State property tax law
requires that

when property *values* rise

property tax *rates must* fall.



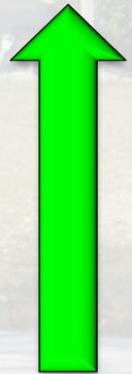
In Addition:

TRUTH IN TAXATION

*Utah State property tax law
requires that*

*when property **values** fall*

*property tax **rates** must rise*



1 - Certified Tax Rate & Possible Impact on Taxes

Any City	2018 Actual Value	2019 Actual Value	Percent increase In Value	2018 Actual Tax Rate	2018 Taxes	2019 Projected Tax Rate	2019 Projected Taxes	2019 Tax Dollar Change
Parcel 1	\$195,900	\$202,300	3.16%	.012964	\$1,396.81	.0115230	\$1,282.15	-\$114.65
Parcel 2	\$767,000	\$812,300	5.58%		\$5,468.86		\$5,148.24	-\$320.61
Parcel 3	\$383,600	\$416,500	7.90%		\$2,735.14		\$2,639.72	-\$95.42
Parcel 4	\$468,100	\$516,100	9.30%		\$3,337.65		\$3,270.97	-\$66.67
Average	\$617,517	\$694,717	11.11%		\$4,403.02		\$4,403.02	\$0.00
Parcel 5	\$1,011,500	\$1,163,300	13.05%		\$7,212.20		\$7,372.83	\$160.63
Parcel 6	\$879,000	\$1,057,800	16.90%		\$6,267.45		\$6,704.19	\$436.73
Totals					\$26,418.10			\$26,418.10

“2019 Projected Tax Rate” is calculated using only the 6 represented properties shown above. Actual tax rate will be calculated based on all properties within that taxing entity which will generate the same revenue as the prior year.

Calculation of the Tax Rate

Suppose your house has a taxable value of \$200,000 and the tax rate last year was 1%. This year the taxable value increased 10% to \$220,000, the average change in value within that tax entity. The tax rate will be changed to 0.90% in order for that entity to receive the same funds as last year.

Last Years Value: $\$200,000 \times .01 = \$2,000$

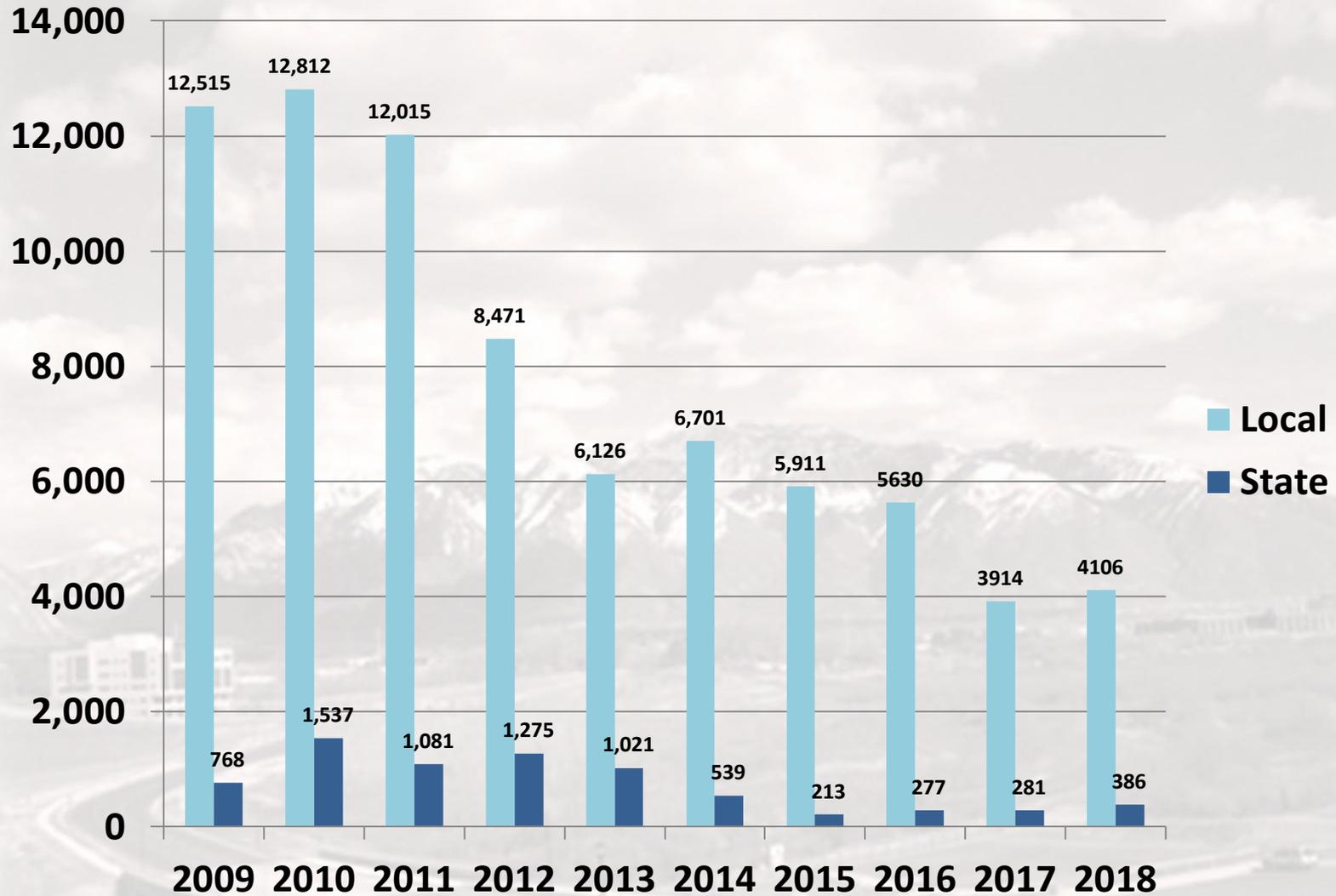
This Year Value: $\$220,000 \times .0091 = \$2,000$

Each taxing entity calculates the tax rate based on the total property values within the entity's boundary. Many entity boundaries will encompass other entities. A simple example is the Jordan School district which includes cities such as Riverton, Bluffdale, Herriman, West & South Jordan. Each city is a taxing entity and entitled to generate the same revenue this year as last year.

Appeals

- Appeals are based on whether the value is “**Fair Market Value**”, **not tax increases and not value changes.** (§59-2-1002)
- You may review your assessment for 2019 at:
<http://slco.org/assessor>

Appeals



**** 2017 lowest appeal count in 25+ years**

Summary

- In order to maintain the same services we enjoyed this past year, the tax rate should likely decrease for most taxing entities.
- If a property value increased more than the average value increase within a taxing district, the owner will likely see a tax increase.
- If a property value increased less than the average value increase within a tax district, the owner will likely see a tax decrease.