Judgment Levy Checklist for Calendar-Year Entities

Entities: A tax increase may not be certified unless evidence/proof has been made to the county auditor for each item below. Proof can take several forms. Please ensure the evidence you provide clearly and conclusively supports the necessity or justification for each point.

Counties: Before providing the documentation to the USTC, please ensure it has all been collected and that you have provided a recommendation for each entity.

Disclaimer

This checklist is provided for assistance. It is the sole responsibility of the taxing entity to ensure all statutory requirements are followed for a property tax increase. Entities should verify that they are meeting all legal requirements and consult with their attorney as needed.

Determining Eligibility to Issue a Judgment Levy

Can our entity issue a judgment levy?

- A taxing entity may issue a judgment levy if an eligible judgment or order is issued no later than 15 days prior to the date the certified tax rate is set [§**59-2-1330(9)(a)(i)**]
  - The certified tax rate is set **on or before June 8** [§**59-2-924(3)(c)**]
  - "Issued" means the date on which the judgment is signed [**R884-24P-57(1)(a)**]
  - An eligible judgment must become a final and unappealable judgment or order **no more than 14 months** before the day on which the valuation notice is required to be provided [§**59-2-102(11)(a)**]
    - A taxing entity's share of the final and unappealable judgment or order must be greater than or equal to the lesser of $5,000 or 2.5% of the total ad valorem property taxes collected by the taxing entity in the previous fiscal year [§**59-2-102(11)(b)**]
- A taxing entity may impose a judgment levy at a rate that is sufficient to generate only the revenue required to satisfy one or more eligible judgments [§**59-5-924(6)(a)**]
- A taxing entity may divide a judgment levy and impose the levy in more than one subsequent tax year [§**59-2-1330(9)(c)**]

When must our entity hold the public hearing required to issue a judgment levy?

- If a judgment is issued **between March 1 through September 15 of previous calendar year:**
  - A public hearing for the judgment levy shall be held at the same time as the annual budget adoption hearing for the current year **[§59-2-918.5(2)(c)(ii) & R884-24P-57(3)(b)(i)]**
- If a judgment is issued **between September 16 of the previous calendar year through February 28/29 in the current calendar year:**
  - A public hearing for issuing a judgment levy shall be held at least 10 days after NOV is mailed, but no later than August 31st **[§59-2-918.5(2)(c)(ii) & R884-24P-57(3)(b)(ii)]**

Advertising for Judgment Levies

- Advertising must contain the date, time & location of the public hearing, total amount of the eligible judgment, the tax impact on an average residential & business property, and the term length of the judgment levy [§§**59-2-918.5(3)** & **59-2-1330(9)(a)(ii)**]
- Advertising must be the same type, placement, and frequency as the advertising requirements established under §59-2-919 [§**59-2-918.5(2)**]
  - *Type & Placement*
    - Electronically on Utah Legals
    - As a Class A notice [§**63G-30-102**]
      - On the Utah Public Notice Website
      - On the public body's official website
      - Physical location [§**63G-30-102(1)(c)**]
    - ***Judgment issued between September 16 of previous year and February 28/29 of the current year***
      - Judgment levy information must be on the NOVs [§**59-2-918.5(1)**]
  - *Frequency*
    - **At least** 14 days before the day on which the taxing entity conducts the public hearing
- ***For judgments issued between March 1 through September 15 of the previous calendar year and going through TNT***
  - Parcel-specific mailers [§§**59-2-918.5(1)** & **59-2-919(3)(a)(iv)**]
    - See "Tax Increase Requirements" for more information on timing and required contents of parcel-specific mailers

Judgment Levy Checklist for Calendar-Year Entities (cont.)

Judgment levies' public hearings are bound by §59-2-919 (8)(b)(i) & (8)(c)-(f) [§59-2-918.5(5)(b)]

Agenda & Scheduling

- An entity may not schedule a public hearing at the same time as another overlapping taxing entity's hearing [§59-2-919(8)(c)(i)]
- The truth in taxation hearing may be scheduled **no earlier** than 6 p.m. [§59-2-919(8)(e)(i)]
  - Any meetings discussing general business **must** conclude **before** the truth in taxation hearing* [§59-2-919(8)(e)(ii)]
- No hearings for an entity may be held on the same date as the truth in taxation hearing **EXCEPT**:
  - The entity's budget hearing
  - A special district's fee hearing
  - A special service district's fee hearing [§59-2-919(8)(f)]
- The truth in taxation hearing agenda **MUST** contain:
  - Discussion and action on the entity's intent to levy a tax rate that exceeds the entity's certified tax rate [§59-2-919(8)(b)(i)(B)]
- The truth in taxation hearing agenda **MAY** contain:
  - Discussion about the entity's budget
  - A special district's fee implementation or increase
  - A special service district's fee implementation or increase [§59-2-919(8)(b)(i)(B)]
- The truth in taxation hearing agenda **MAY NOT** contain anything else other than what has been listed [§59-2-919(8)(b)(i)(B)]

During Hearing

- The hearing must be open to the public and must be available for individuals to attend **both** in person and remotely through electronic means [§§59-2-919(8)(b)(i)(A) & 59-2-919(8)(b)(i)(C)]
- If a final decision is not made at the public hearing, the taxing entity shall announce at the public hearing the scheduled time and place for consideration and adoption of the judgment levy [§59-2-918.5(4)]

Post-Hearing

- All entities shall file with the USTC a signed statement certifying that all judgments for which the levy is imposed have met the statutory requirements for imposition of a judgment levy **[R884-24P-57(6)]**
  - Signed Statement Requirements:
    - Name of the taxpayer awarded the judgment
    - The appeal number of the judgment
    - The taxing entity's pro rata share of the judgment
  - Additional Requirements
    - A copy of all judgment levy advertisements required
    - Dates all required judgment levy advertisements were published
    - A copy of the final resolution imposing the judgment levy
    - A copy of the NOV (if required)
    - Any other information required by the USTC

* No meetings may be held by the entity after the TNT hearing***—EVEN IF THE ENTITY ADJOURNS THE HEARING TO HOLD A BUSINESS MEETING AFTERWARDS***