

## **Midvalley Sewer District Summary of Property Tax Rates and Property Tax Uses**

### **Property Tax Rates**

#### **Property Tax Rate:**

Midvalley Sewer District (the District) has not increased its property tax rate above the certified tax rate through Utah's Truth in Taxation process since property taxes were reinstated in 2007. Property tax rates shown on tax notices may fluctuate from year to year because Utah law requires Salt Lake County (the County) to recalculate the certified tax rate annually based on changes in taxable property values.

#### **Current Certified Tax Rate:**

The District's current and historical certified tax rates can be viewed at <https://taxrate.utah.gov>. Select "Log-in as Guest," choose the desired Tax Year, select County "18\_Salt Lake," and then select Entity "4070\_Midvalley Sewer District" to view the applicable certified tax rate.

#### **Understanding Utah's Certified Tax Rate:**

Utah's Truth in Taxation law requires Salt Lake County to calculate a certified tax rate for each taxing entity each year. The certified tax rate is designed to generate approximately the same amount of property tax revenue from existing properties as was received in the prior year, excluding revenue from new growth. As property values increase, the certified tax rate decreases; as property values decrease, the certified tax rate increases.

Utah law is designed to prevent taxing entities from automatically receiving additional revenue solely because property values increase. As a result, the certified tax rate generally provides the District with the same property tax revenue from existing properties as was received in the previous year, plus an allowance for new growth within the District. If the District wishes to collect more revenue than allowed under the certified tax rate, Utah law requires a Truth in Taxation public hearing.

All property taxes levied by the District are assessed and collected by Salt Lake County. Taxes become an enforceable lien on January 1, are levied on October 1, and are due on November 30.

For individual property owners, property taxes may increase, decrease, or remain relatively unchanged depending on how their property's value changes compared to other properties within the District. Over time, as overall property values have increased, the District's certified tax rate has generally decreased.

#### **Property Tax Revenue:**

Under Utah's certified tax rate system, the District generally receives approximately the same amount of property tax revenue each year from existing properties. Individual property owners may pay more, less, or about the same depending on how their property's value changes relative to other properties within the District.

The District reinstated property taxes in 2007. Because the certified tax rate generally provides the same revenue from existing properties each year and does not automatically account for inflation, the purchasing power of those revenues declines over time.

The District is approximately 98% developed and does not anticipate significant new growth. As a result, future increases in property tax revenue are expected to be modest and primarily attributable to limited new development within the District.

### **Uses of Property Tax Revenue**

Property tax revenues help fund the operation, maintenance, repair, and replacement of the District's sewer infrastructure and related facilities. All property tax revenue is used solely for providing sewer services and maintaining the District's sewer system.

The District was organized in 1955 as a Special District under Utah law and operates and maintains a sewage collection system while participating in a regional wastewater treatment plant with other governmental entities.