

# PROPERTY TAXES 101

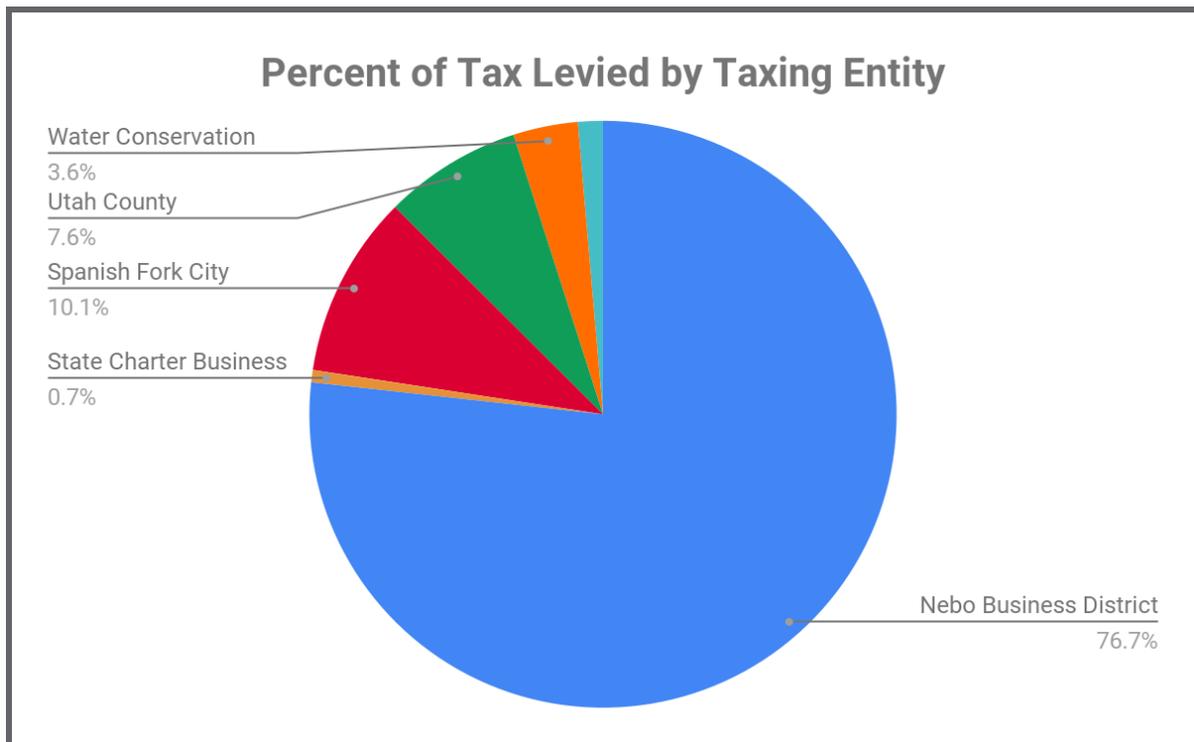


## Frequently Asked Questions

How much of the property taxes that I pay go to Spanish Fork City?

- In 2021, about 10% of residents' property tax went to Spanish Fork City. The chart below shows the percentage of property taxes that each entity levied.

2021 Property Tax Rates			
Taxing Entity	Tax Rate	% of Total Taxes	Annual Property Tax on Home Valued at \$335,980 with 45% Residential Tax Exemption
Nebo Business District	0.008618	76.74%	\$1,592.51
State Charter Business - Nebo	0.000076	0.68%	\$14.04
Spanish Fork City	0.001129	10.05%	\$208.63
Utah County	0.000853	7.60%	\$157.63
Water Conservation District	0.00040	3.56%	\$73.92
Assessing & Collecting	0.000154	1.37%	\$28.46
<b>Total Tax Rate</b>	<b>0.011230</b>	<b>100.00%</b>	<b>\$2,075.18</b>



Which government entities receive property taxes from Spanish Fork City residents?

- Spanish Fork City
- Nebo School District
- State Charter Schools
- Utah County
- Central Utah Water Conservancy District
- Special Service Districts

How is my property tax calculated?

- Your property tax bill is calculated by multiplying your taxable property value by each taxing entity's tax rate and then summing those amounts.

Who determines property values in Utah county?

- The value and property type of your home or business property is determined by the Utah County Assessor. Residential property owners typically receive a 45% deduction from their home value to determine the taxable value, which means you only pay property taxes on 55% of your home's value. This discounted rate only applies to primary residences.

Who determines the property tax rates for each entity?

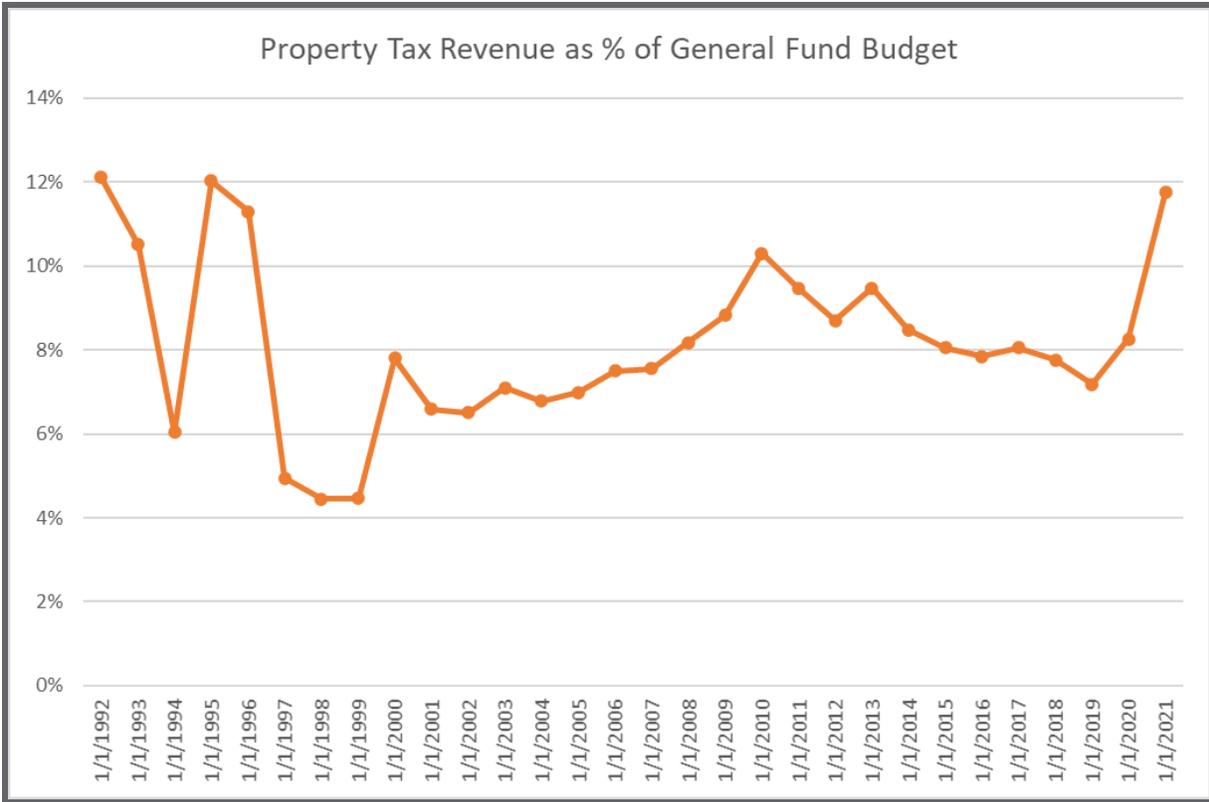
- The governing body of each entity sets the property tax rate for that entity. In order to increase or hold rates, each entity must follow Utah's truth-in-taxation laws which require notifying the public and holding a public hearing.

What services does property tax pay for?

- In Spanish Fork, property tax revenue is collected into the city's general fund. The general fund revenues help pay for services such as police, fire & EMS, library, parks, special events, and many more. Utility services such as power and water derive their revenues from user fees through utility bills and do not receive property tax revenue.

How much of the City's general fund revenue comes from property taxes?

- In fiscal year 2021, property taxes generated 3.9 million dollars which was 9.11% of the general fund's revenue. The other 90% of general fund revenue is comprised of sales tax, grants, and charges for services.

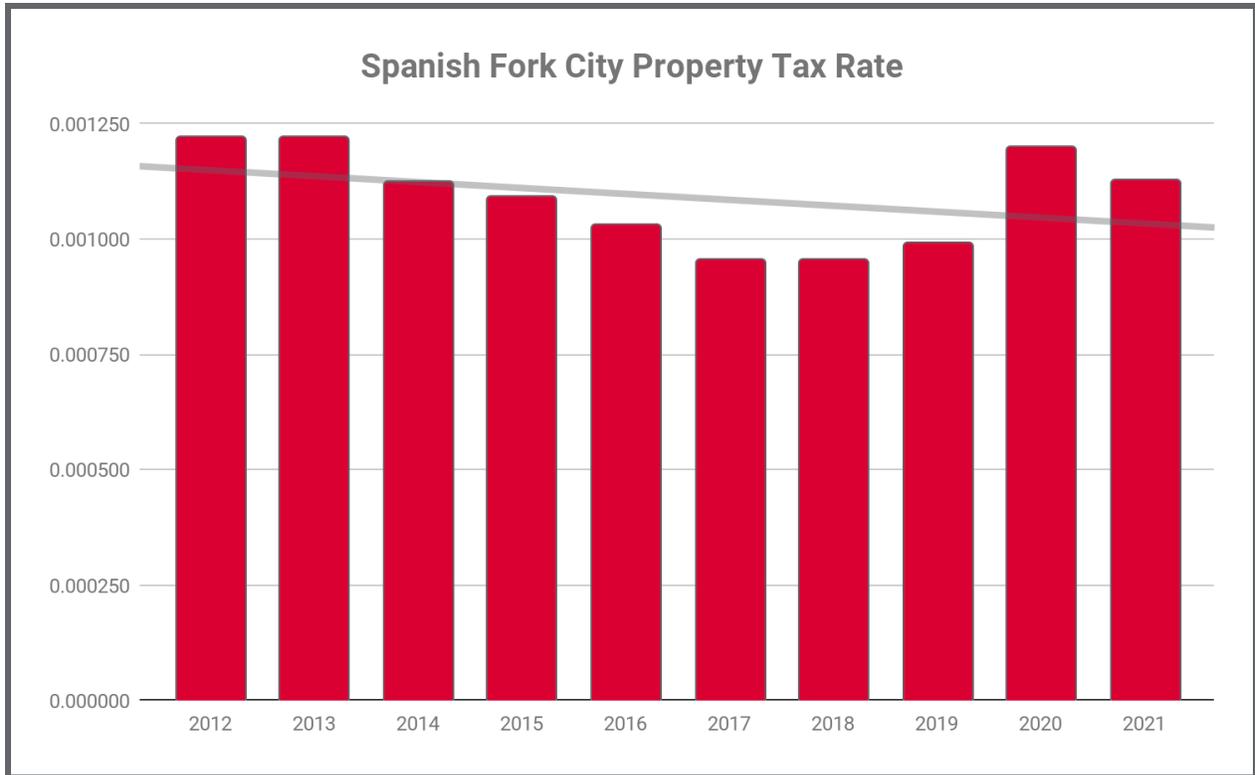


What if I can't afford my property taxes?

- Utah County offers several tax relief programs. To learn more visit the county's tax abatement website [here](#).

As my home value increases do I pay more money in property taxes?

- No, the City is required to lower its property tax rate as home values increase so that revenue for the City remains the same year-over-year. In order to increase property tax revenue, the City Council must go through the truth-in-taxation process to hold or raise rates (increasing revenue).



Shouldn't new development reduce the need to hold or increase the property tax rate?

- The amount the City receives in property tax does not increase when the values of existing properties increase. New development does lead to additional tax revenue, but it also leads to additional expenses because there are now more residents and businesses to serve.

How does Spanish Fork City's tax rate compare to other Utah County cities?

- The City's tax rate is among the lowest in the county even after increasing the rate in recent years to help pay for a new fire station and library.

## 2021 City Comparison of Annual Property Tax Rates

