

Everything You Wanted To Know About Taxes (But Were Afraid To Ask)

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If the homeowner feels the County Board has not been fair, the value can be appealed to the State Tax Commission.

There are multiple entities that levy taxes on property in Bountiful. The following chart indicates who those entities are and the amount that would be levied on a home valued at \$200,000:

| Taxing Entity | Tax Rate | 2003 Taxes on | |
|------------------------------|----------------|-------------------|----------------|
| | | \$200,000 Home | % of Total Tax |
| Davis County School District | .007731 | \$848.00 | 64% |
| Davis County | .002388 | \$263.00 | 20% |
| Bountiful City | .001223 | \$135.00 | 10% |
| Special Districts | .000806 | \$89.00 | 6% |
| Totals | .012148 | \$1,335.00 | 100% |

As can be seen from the property tax chart, schools receive 64% of all property tax, while Bountiful City receives only 10% of the property tax. Viewed another way, if the Davis County School District increased its property tax by 5%, it would be more than Bountiful City increasing its property tax by 30%, since the school district receives more than six times as much property tax as Bountiful City. **Bountiful City's property tax rate has not increased in the past twenty-three years, and as a result its "share of the pie" has shrunk to half of what it used to be. In fact, Bountiful City has the lowest property tax rate of all of the 30 largest cities in the state.**

Income Tax

State personal and corporate income taxes are mandated by the Utah Constitution to go exclusively to the state's uniform school fund to help pay for education. Utah is the only state in the nation where this constitutional mandate exists, and Utah's individual income tax burden is 14th highest in the nation per \$1,000 of income. Statewide individual income tax collections

were \$1.6 billion, or over 90% of total income tax collections, while corporate income tax collections were \$118 million, or less than 10% of total income tax collections. **It is important to note that Bountiful receives no income tax revenue.**

Sales Tax

Sales taxes began as a state revenue source in 1933 when property tax collections dropped dramatically because of the Great Depression. Local (city) sales taxes were added in the 1950's, and public transit (UTA) sales tax, and county sales tax were added later. Utah's sales tax rate is the 9th highest in the nation. At the present time sales in Davis County are subject to a 6.5% sales tax, which is allocated as follows:

| Taxing Entity | Tax Rate | % of Total Sales Tax |
|------------------------|--------------|----------------------|
| State of Utah | 4.75% | 73% |
| Bountiful City | 1.00% | 15% |
| Davis County | .25% | 4% |
| Utah Transit Authority | .50% | 8% |
| Total: | 6.50% | 100% |

As you can see, Bountiful City's portion of the three major taxes in the state is small, yet we provide many essential services – police protection, fire protection, street maintenance and construction, and parks, just to name a few – to our citizens from these taxes. **Our goal is to provide the best possible service, at the service levels set by the city council, at the lowest possible cost to our citizens. We believe we are doing so, and hope our citizens agree.**

In the next newsletter we will review fees, charges, and other revenue sources in Bountiful.

Holiday Garbage Pickup Schedule

If your garbage day falls on or is after **Thanksgiving Day, Christmas Day, or New Years Day**, your garbage day and the remaining week's pickup will be delayed one day. On all other holidays, your garbage is picked up on your normal garbage day.



'Tis The Season

The popular Christmas musical concert – 'Tis the Season – is returning for a farewell performance on December 6, 7, and 8 at the Bountiful Community Church. Tickets are \$2 and are available at Lee Meeks Insurance at 431 South Main, Top Hat Video, and Carr Stationery. Jeff Hilton will direct the Bountiful Community Chorale for an evening of new and traditional Christmas favorites.

A New Approach to Fire Inspections

Every business that invites the public into their building has a responsibility to provide a reasonable level of safety for their customers. Bountiful City firefighters have a duty to make sure they do. Bountiful firefighters are a common sight in the business areas of town as they perform routine walkthrough inspections of businesses and offer fire safety advice and tips.



Business owners in Bountiful who have become accustomed to periodic visits by fire inspectors may notice a change soon. They may not see as much of the inspectors as they used to. Instead of personally visiting every business as they have in the past, the fire department will be testing a "self inspection" procedure. Businesses will receive an inspection checklist in the mail, check the safety of their business themselves, and return the completed checklist to the fire department in a self-addressed, stamped envelope.

If the self-inspection works as planned, the fire department will be able to concentrate its in-person inspections on build-

ings or businesses that, because of their size or use or occupants or contents, should have a higher priority.

Low-hazard businesses, ones whose potential fires can be put out in a couple of seconds with a pre-connect hand line and tank water, may not get a personal visit from fire inspectors as often. Higher priority places such as multi-story buildings, businesses with lots of flammable material or hazardous processes, or where occupants are at higher risk because of age, disability, illness or confinement, will probably see fire inspectors more often.

When the fire inspectors visit, please try to welcome them and fit them into your schedule. They are not out there trying to enforce government regulations, but rather to give you fire safety advice and tips.

In the meantime, anyone who wants a business inspection checklist, a home inspection checklist, or any other fire safety information can drop by either fire station. The addresses are 65 West 200 South and 1995 South Bountiful Boulevard.

Flood Hazard Information For Realtors, Lenders, and Owners

Because flood insurance is required on all federally backed real estate loans (FHA, VA), many lending institutions, mortgage companies, realtors, and private individuals are interested in finding out what flood zone their properties are located in.

In September, 1991, the Federal Emergency Management Agency (FEMA) updated the original 1978 flood water study in order to produce a current map showing the areas of Bountiful that will be affected by flooding in the event of a 100 or 500-year storm. The map, known as the Flood Insurance Rate Map (FIRM), is used to determine the flood risks for properties applying for Federal Flood Insurance. Bountiful City is divided into specific flood zones depending on the type and severity of flooding that will occur in the event of a major storm. These zone classifications range from the most common rating, Zone X (areas of minimal flooding), to Zone A (usually located along creeks which are areas that will be flooded by a 100-year

storm). If residents would like to find out which flood zone a property is located in or learn the definition of a flood zone, the Bountiful City Engineering Department can answer questions about specific properties.

Bountiful City participates in the National Flood Insurance Program's Community Rating System, which allows flood insurance policyholders to receive discounts on their policies as a result of voluntary activities Bountiful City has implemented. These activities are designed to minimize effects of flooding should it occur. Part of these activities include restricting and regulating dumping in any stream channel. People with questions may come to the Engineer's office located at City Hall, 790 South 100 East, or call 298-6125 between 8 a.m. and 5 p.m. Monday through Friday. Information is also available at the Davis County Library South Branch, located at 725 South Main Street in Bountiful.

Bountiful Lake Project Nearing Completion

Over the past 24 months, Bountiful City personnel have worked with State Wildlife officials and volunteers in planning and implementing improvements at the Bountiful Lake. The lake is located just south of the Bountiful Sanitary Landfill adjacent to the Farmington Bay Waterfowl Management Area.

The improvements at the Lake include paved parking, a paved trail surrounding the lake, a restroom, fishing piers, picnic areas, and nearly 200 trees. The cost for the project is nearly \$300,000. Seventy-five percent of the funds for the project came from a grant obtained through the Utah Division of Wildlife Resources from their "Sport Fish Restoration" fund. The remaining twenty-five percent of the funds were "in-kind" services provided by Bountiful City and volunteer groups in the form of labor and materials. Church youth groups, Boy Scout groups, and other volunteers have provided many hours of service at the lake.

The Utah Division of Wildlife Resources manages Bountiful Lake as one of the State's Community Fisheries. They keep the lake stocked so that anglers both young and old can have a great experience catching fish. The lake is stocked with trout in the spring and fall while the water is cool. In the warm summer months the lake is stocked with catfish. The lake is also quickly becoming a viable bass fishery. Anglers can expect to catch large mouth bass and white bass on an ever-increasing basis.

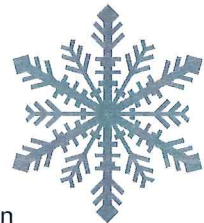
Water that feeds the lake comes from Barton Creek and Stone Creek. All storm water and other runoff that enters the city's storm drain system flows directly into these creeks and ends up in Bountiful Lake before entering the wetlands of Farmington Bay. Residents are encouraged to do their part in keeping the lake clean by being cautious in what they allow to get into their storm water. **Only rain** should enter the storm drain system. Any pollution that enters storm water travels untreated into the creeks and directly to Bountiful Lake.



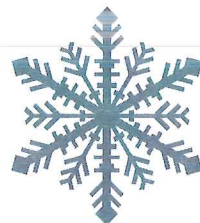
A Gentle Reminder for When It Snows

Please Remove Snow Promptly

Remove snow from the sidewalks in front of your property within 24 hours after a snow storm.



Children walk on the sidewalks to and from school. Joggers and walkers also use sidewalks on a daily basis, even in the winter. Those who rely on public transportation depend on a clear path to make their commute safe. When pedestrians are forced to step into the street to avoid snow and ice, they become a traffic hazard. In the winter, driving is difficult enough without having to look out for people walking in the street.



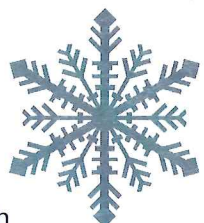
Please Park Off The Street

Do not park on the street during a snow storm or between the hours of 2:00 a.m. and 6:00 a.m. from November to March.

Plowing roads is a difficult task when roads are clear. Add vehicles to an icy, steep, narrow street and it is almost impossible. Vehicles parked on the street may or may not be seen by a snow plow driver during a heavy winter storm. If your vehicle is off the street, the city can efficiently and safely remove the snow. Residents avoid possible citation and towing when vehicles are parked correctly.

Please Do Not Blow Snow Into The Street

Do not blow or shovel snow off your driveways and sidewalks into the street.



When residents shovel or blow the snow from their sidewalks and driveways into the street, it defeats the efforts of the city snow plows. Residents usually get to their driveways and sidewalks after the plows have cleared the street. Snow blown or shoveled into the street becomes a danger to motorists who believe the road is clear and are not watching for patches of slush and ice thrown into the street. Most driveways and sidewalks can be safely cleared without using the street.



Everything You Wanted To Know About Taxes (But Were Afraid To Ask)

Many Bountiful residents, like homeowners throughout Utah, are concerned about TAXES – how high they are, where the money is spent, and what value they receive from that money. A recent Dan Jones survey done statewide for the Utah League of Cities and Towns revealed the following:

- 58% of Utahns felt that Utah's property taxes were higher or about the same as other states. Only 13% thought they were lower, while 30% did not know.
- 62% of Utahns felt that the state income taxes they paid were higher or about the same as other states. Only 7% felt they were lower, while 32% didn't know.
- 76% of Utahns felt that Utah sales taxes were higher or about the same as other states. Only 7% felt they were lower, and 17% didn't know.
- 51% of residents did not know how much of the property tax went to cities.

- Only 28% of Utah homeowners said they would sell their home for its assessed value.
- Property tax was identified as the tax Utahns object to most to being raised, closely followed by income tax. Sales and gas taxes were less objectionable.

To understand Utah's tax system, let's briefly examine Utah's three major taxes – property tax, sales tax, and income tax.

Property Tax

Property tax is the most visible tax, because it is usually paid all at once in November. Even though a person owns his home "free and clear" from any mortgages, the property tax is an annual tax that, if not paid, can eventually cause a person to lose his property. Property taxes in Utah are in fact lower than most other states – Utah ranks 37th in the nation in property tax per \$1,000 of income. Utah has a "homeowner's exemption" for primary residences, which amounts to 45%

of the tax bill that a homeowner would otherwise pay. Thus, if a property owner's house is valued at \$200,000, the "taxable value" after the homeowner's exemption is \$110,000, and it is on this value that the tax rate is multiplied to get the tax bill.

The Davis County Assessor is responsible for valuing all residential property in Bountiful and throughout Davis County. Theoretically, the assessed value and the market value of property should be one and the same. However, most people would not sell their home for the assessed value, which indicates that assessed values may be low. By law the assessor must try to keep the tax roll values as current as possible. This is done by factoring (estimating the value based on a variety of factors including comparable sales) and physical reappraisal (visiting the property and estimating the value). If a homeowner feels the assessed value is excessive, he or she can appeal to the County Board of Equalization, which is made up of the County Commissioners.

City Council & Committee Chairmanship

The City Council and Mayor Welcome Your Input and Suggestions.

Mayor
JOE JOHNSON
Finance, Public Safety & Public Relations

Councilman
FRED MOSS
Power

Councilman
JOHN PITT
Parks & Recreation and Youth Council

Councilwoman
BARBARA HOLT
Planning & Zoning

Councilman
TOM TOLMAN
Streets & Sanitation and Traffic Safety

Councilman
J. GORDON THOMAS
Water & Sewer

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