

Understanding How Taylorsville-Bennion Improvement District Uses Property Tax Revenue to Assist in Providing Water and Wastewater Services

Property taxes are a crucial source of funding for Taylorsville-Bennion Improvement District (TBID). They help the district to carry out their responsibilities effectively and sustainably. Approximately 2% of the district's overall funding is derived from property taxes. The 2024 TBID final budget includes property tax revenue of \$451,000. The district has worked very hard over the years to minimize what TBID customers pay in property taxes. These efforts have resulted in the property tax rate for TBID not being increased in over two decades!



How Are Property Taxes Calculated? Property taxes are levied based on the assessed value of real estate properties within the district, including residential, commercial, and industrial properties. Each year, we are required to approve a property tax rate that is calculated by Salt Lake County and the Utah State Tax Commission. The rate approved for 2024 was .00007682. Following is a summary of an example of property taxes on a \$500,000 residence in the district boundaries:

Customer Property Tax Calculation	
Home Value	\$ 500,000
Property Tax Exemption (45%)	\$ 225,000
Taxable Value	\$ 275,000
TBID Property Tax Rate	0.000076
Customer Annual Property Tax Amount	\$ 20.90



While the maximum tax rate allowed for TBID is .0008, the actual rate approved for 2024 was only .000076. If the district levied the maximum rate of .0008, the property tax on a \$500,000 property would be \$220 annually. Minimizing the tax rate results in savings of \$199.10 annually (\$16.59 per month) for a customer that owns a \$500,000 home.

What Are Property Taxes Used For? Property taxes collected by TBID are used to offset daily operating costs including the following essential items:

Infrastructure Maintenance and Upgrades: Property taxes contribute directly to the maintenance and regular upkeep of water and sewer infrastructure. This includes repairing pipelines, treatment sites, storage facilities, pumping stations, and other essential components. With property taxes, the district can ensure that the infrastructure remains reliable, minimizing the risk of disruptions or health hazards.



Emergency Preparedness: TBID must be prepared for emergencies such as natural disasters, infrastructure failures, or public health crises. Property taxes provide the necessary funds to develop contingency plans, establish emergency response teams, and implement preventive measures. This financial support helps ensure swift and effective responses during challenging times, safeguarding public health and minimizing potential damage.



Ensuring Affordability: By funding TBID through property taxes, the burden is distributed across the community. This approach allows for a more equitable system, where everyone contributes based on their property's value. It helps ensure that essential services remain affordable and accessible to all residents, regardless of their income levels.



Transparency and Accountability: TBID has a responsibility to be transparent about how property taxes are utilized. TBID has not increased property taxes in more than two decades. In the event that an increase is recommended in the future, the district would hold public meetings, provide financial reports, and offer online resources to keep taxpayers informed about how their funds are being spent and why an increase would be considered. It is the hope of the district that this transparency would foster trust and allow the community to actively participate in decision-making processes.



Summary:

Property taxes play a vital role in supporting TBID and ensuring the provision of reliable and safe water and wastewater services. By contributing through property taxes, TBID customers are directly investing in the well-being of their community and its infrastructure. Understanding the purpose and importance of property taxes enables all of us to appreciate the value of these essential services and actively participate in building a sustainable future.