

Utah State Taxation – Wasatch County Tax for Interlaken

Here’s some notes regarding the Interlaken taxes collected by Wasatch County.

1. In August 2017, Interlaken initiated a tax through Wasatch County for fiscal year 2018 (July 1, 2017 through June 30, 2018). The purpose of this tax was to generate revenue for the Interlaken road system. Formerly as the IMWC, a water company, this revenue was collected through an annual assessment directly from lot owners. As a town, it was found to be against state law to collect funds for public roads in this fashion. The town was instructed to collect road revenue through a Wasatch County tax. The town requested \$73,860 be collected for this purpose. The State Auditor used this number along with the value of all assessed real property in Interlaken, to come up with a certified tax rate of $0.001742 = \$73,860/\text{Total Assessed Real Property}$. Note that primary residences are assessed at 45% of their market value.

Multiplying the certified tax rate times by the assessed value of an Interlaken property generates the annual tax collected by Wasatch County on behalf of Interlaken Town. Here’s an example of a 2017 Wasatch County tax bill:

Taxing Entities	Taxes Last Year	Tax if No Budget Change	Tax If Proposed Budget Approved	Budget Difference	Percent Difference
GENERAL FUND	424.65	432.79	450.81	18.02	4.16%
LOCAL A&C	64.08	65.40	65.40	0.00	0.00%
COUNTY BONDS	23.13	33.72	33.72	0.00	0.00%
COUNTY A&C 82%	2.39	0.00	0.00	0.00	0.00%
MULTI COUNTY A&C	0.53	2.91	2.91	0.00	0.00%
BASIC ST SCHOOL LEVY	445.39	455.75	455.75	0.00	0.00%
WASATCH CO SCHOOL DIST	1,133.03	1,137.63	1,305.92	168.29	14.79%
SCHOOL DIST BOND	578.61	542.37	542.37	0.00	0.00%
HEALTH	30.85	31.39	31.39	0.00	0.00%
STATE CHARTER SCHOOL LEVY	0.00	15.40	15.40	0.00	0.00%
INTERLAKEN	0.00	0.00	506.32	506.32	100.00%
WASATCH COUNTY FIRE DISTRICT	114.07	115.97	115.97	0.00	0.00%
PARK & REC GENERAL	70.73	72.08	74.99	2.91	4.04%
LIBRARY	53.45	54.35	54.35	0.00	0.00%
MIDWAY SANITATION	17.55	17.15	17.15	0.00	0.00%
CENTRAL UT WATER CONSERVANCY	106.36	109.87	116.26	6.39	5.82%

The red outline indicates the tax collected just for Interlaken, \$506.32, for this property. Note that since this tax was first collected in 2017, there was no tax for the previous year.

Note that unless a town requests an increase in tax revenue, the County will not change the requested amount to be collected in future years. This means if the total assessed real property value goes up for the town, the certified tax rate goes down, unless the town requests more money. In other words, the town collects the same amount of money each year unless they request an increase. However, it’s not quite that simple, and there is a little more to the story – keep reading.

2. For FY2019, the total assessed real property value for Interlaken went up. In order to keep the certified rate revenue the same, the state auditor adjusted the certified rate downward, to 0.001575. However, there is another factor which affects the total collected, and that is any changes in personal property. Personal property, like automobiles, RVs, and other licensed vehicles are taxed upon vehicle registration. This tax is also collected by Wasatch County and distributed to Interlaken town. If the value of personal property increases, the revenue distributed to Interlaken increases as well. For FY2019, there was an increase in the personal property taxes collected, bringing the total certified rate revenue to \$74,434. So, in this case, although Interlaken only requested \$73,860, as in the past, the town gets an additional \$574 from an increase in personal property value. Somebody in town bought an RV or a new truck or something.
3. The State Auditor does their best in trying to determine the certified rate revenue. Having said all that, there are factors that cannot be predicted that affect how much revenue the town actually collects. For example, the certified rate revenue for FY2018 was \$73,860, but the town collected \$78,189 as of June 30, 2018. Here's some reasons for the difference:
 - Board of Equalization. Any property owner can appeal their assessed value by appearing before the BOE. If their assessment were changed by the BOE, this would affect the taxes collected for that property. However, since the certified rate has already been set for all properties, and their tax bills set, the town's revenue could be affected.
 - Collection rate. Wasatch County uses 95% as their expected collection rate. If they collect more than 95%, the town gets the additional revenue. This is the most likely cause of the unexpected increase in revenue collected for Interlaken.
 - Motor Vehicle delinquent payments. If the county receives additional revenue from delinquent payments, the town is given the additional revenue.

That's a brief history and description of the taxes collected by Wasatch County for the Interlaken road system. If you have any questions, feel free to email or call the Interlaken Town Clerk.

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