
TAX ERROR INFORMATION

In May of 2019, after transferring data from one database to another, an entry error was made to a single residential property south of Heber City. The database transfer created the miscalculation and the error was mistakenly added to the 2019 tax rolls. This resulted in a home valued at over \$987 million more than it should have been. As property in question is a primary residence, the impact to the property tax valuation for that area was an overestimate of \$543 million.

While we regret this error, the greater challenge is that it was not caught and corrected in time to prevent the impacts to tax payers. As a result, the average property tax bill was unintentionally decreased by \$194. The accumulated effect was that five county-wide entities under-collected over \$6 million in property taxes. The property in question was not in any city and, as such, the impact is limited to county-wide entities. Below is a table that shows how each entity is affected:

	Percent	Under- collected
Wasatch County	16.8%	\$ 1,011,679
WC School District	73.1%	\$ 4,398,060
WC Fire District	4.2%	\$ 253,598
WC Parks District	2.3%	\$ 138,475
Central Utah Water	3.6%	\$ 217,215
		\$ 6,019,027

Below is a timeline of what events occurred related to this error:

Wednesday, May 8th – The tax error applied in the tax system.

Saturday, October 19th – County Clerk alerts the County Assessor to the error.

Monday, October 22nd – Error was corrected at the Assessor’s direction.

Friday, November 1st – County Manager is alerted to the error by a citizen after seeing a “Top Taxpayers Report” and informs County Council.

Monday, November 4th – County Council holds special session to inform the public of the assessment error and explain its impact.

Wednesday, November 6th – County Council discusses the tax error again with some input from the Assessor.

Wednesday, November 20th – County Assessor presents information related to the tax error and suggestions for future changes.

The County Assessor and County Clerk acknowledge they did not accurately consider the impact of the error. October 19th was also the conclusion of the Board of Equalization during which the Assessor’s Office had an appraiser position vacant. The Assessor has also expressed a desire for additional staff above the vacancy.

In order to prevent future issues of this type, the Assessor's Office has made changes to the tax system so appraisers will more easily see dramatic shifts in values. Also, the County Council is in the process of evaluating the staffing needs of the Assessor's Office. The State Tax Commission has implemented additional automated checks to highlight changes like this.

The State Tax Commission regularly handles errors and variations in tax rate collections, though usually it is much smaller in magnitude. Going forward, future tax rates will be adjusted so that the appropriate portions of the \$6 million will be recovered in future years. It is the intent of the County Council to fully evaluate all the options related to these future tax rates and will discuss over the coming months specific steps that will be taken to inform the public and work with all affected organizations.

With the steps already being taken and our ongoing efforts to evaluate every option, we are striving to ensure future mistakes like this are prevented.