Heard in the Revenue and Taxation Interim
Committee meeting on 6/17/26

Kem C. Gardner POLICY INSTITUTE
THE UNIVERSITY OF UTAH
DAVID ECCLES SCHOOL OF BUSINESS

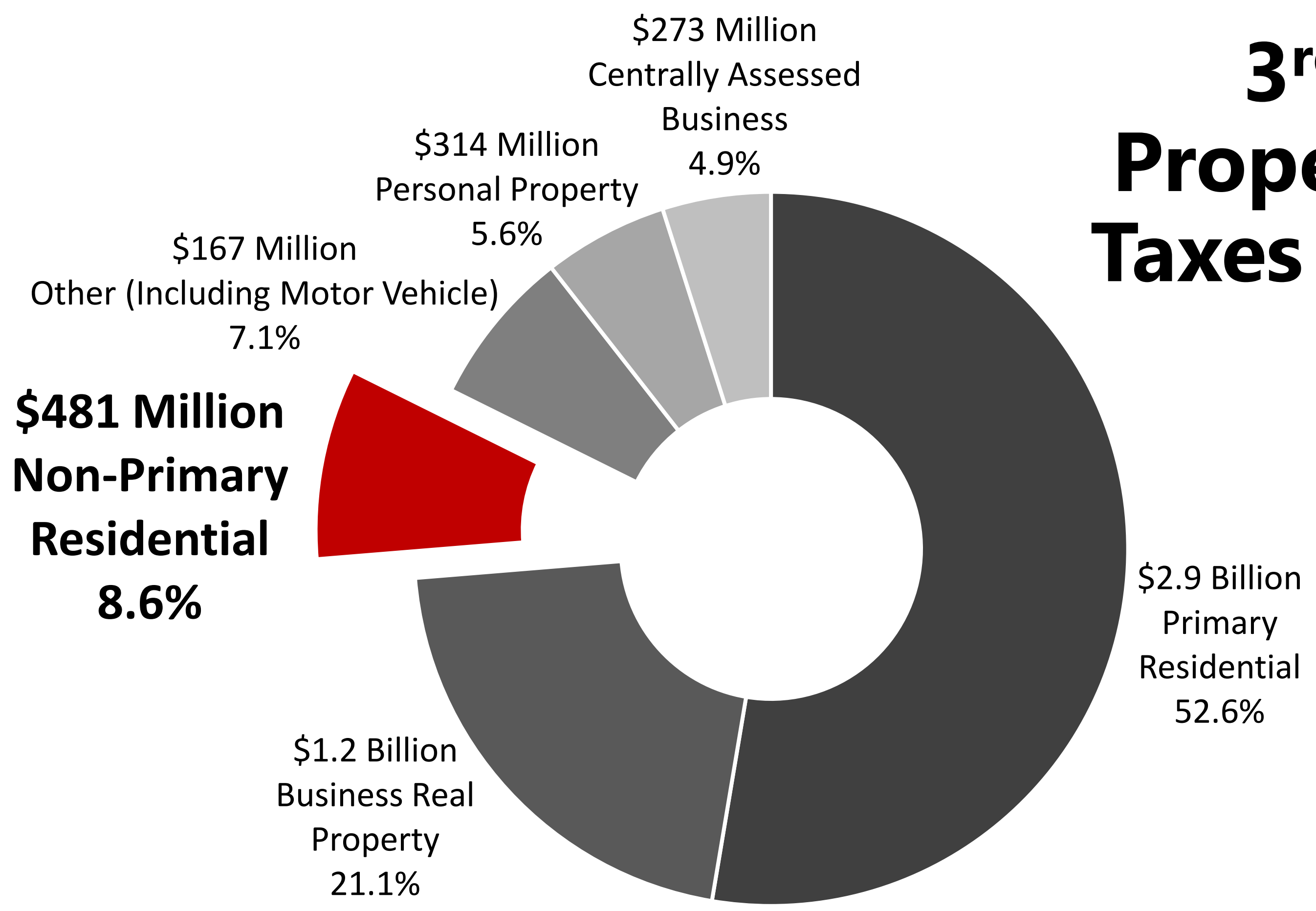
10 YEARS OF IMPACT 2015-2025

Utah's Growing Share of Nonprimary Residential Property Tax

June 17, 2026

INFORMED DECISIONS™

3rd Largest Property Type by Taxes Paid in 2024



Source: Utah State Tax Commission

Summary

- ***Growing Share*** – Nonprimary residential property growing as a share of property tax, assessed value, and parcel counts

- ***Concentrated impacts*** – Concentrated in tourism-heavy counties (particularly Summit, Wasatch, and Washington)

- ***Tax rate falling faster than for primary residential property*** – Nonprimary residential property tends to concentrate in higher market value areas with larger tax bases that generate sufficient revenue with lower property tax rates

Nonprimary residential property typically incurs lower (but not zero) local government costs.

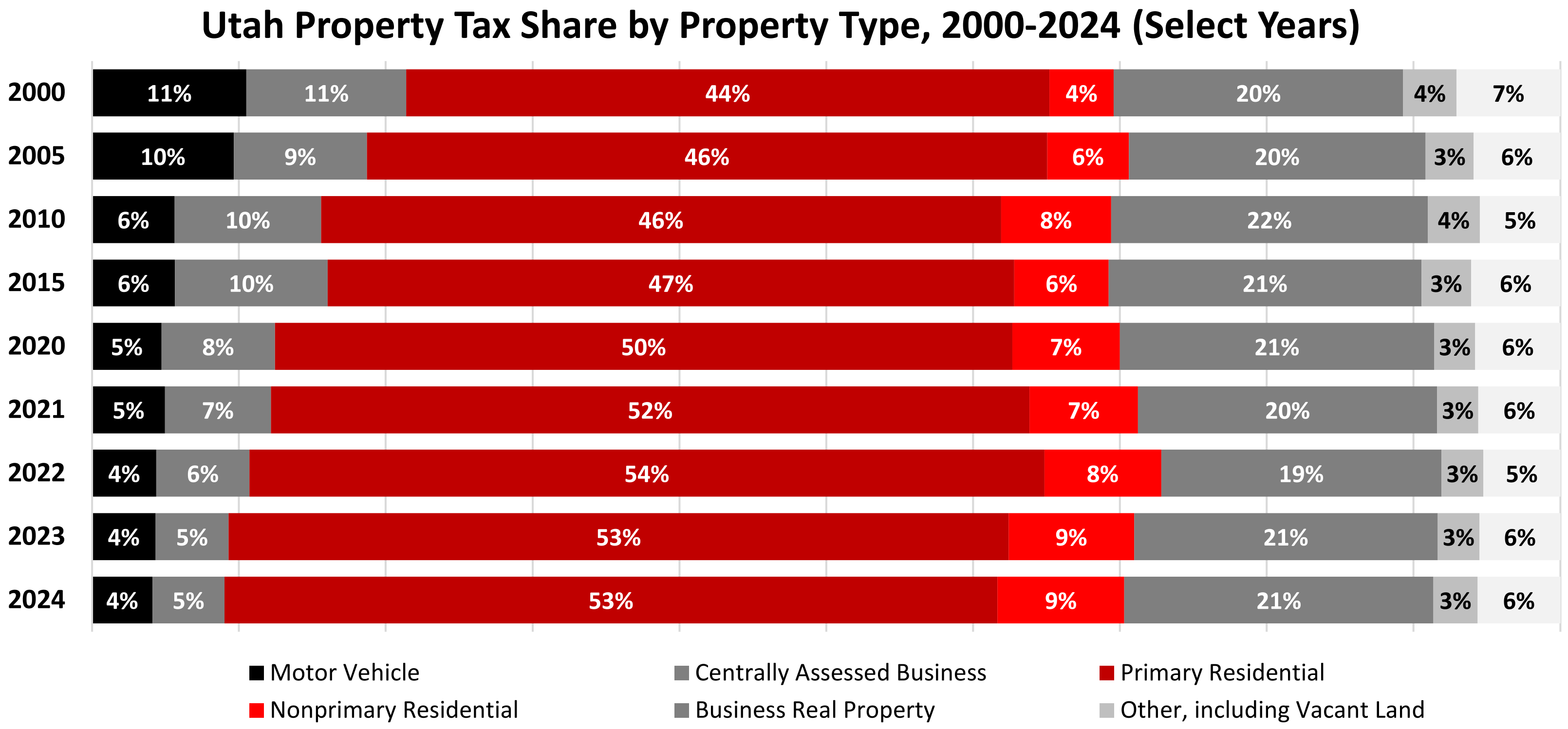
Nonprimary Residential Property Taxed at Full Market Value

Table 1: Primary and Nonprimary Residential Property Tax Comparison

	Primary Residential	Nonprimary Residential
Assessed Market Value	$500,000	$500,000
Statewide Average Property Tax Rate	0.009275	0.009275
Taxable Value	$275,000	$500,000
Property Tax	**$2,551**	**$4,638**

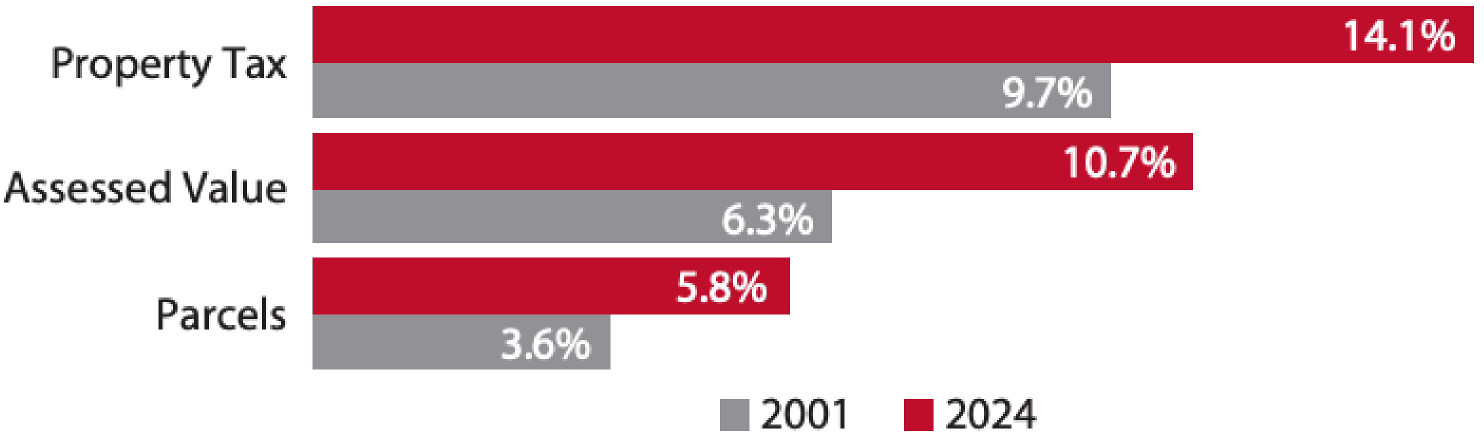
Note: Statewide average property tax rate represents the 2024 rate.
Source: Kem C. Gardner Policy Institute

Property Tax Shifted Towards Residential Property in Recent Decades



Nonprimary Residential Grown as Share of Tax, Value, and Parcels

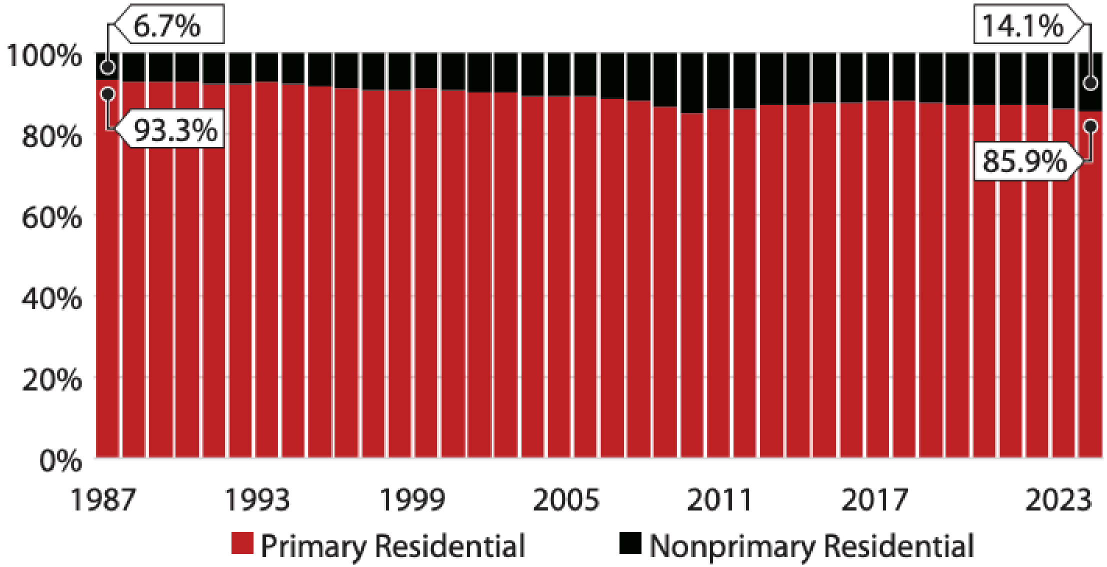
Figure 1: Nonprimary Residential Share of Total Residential, 2001 and 2024



Source: Utah State Tax Commission

Nonprimary Residential Grown as Share of Tax, Value, and Parcels

Figure 3: Primary and Nonprimary Residential Share of Total Residential Property Taxes, 1987-2024

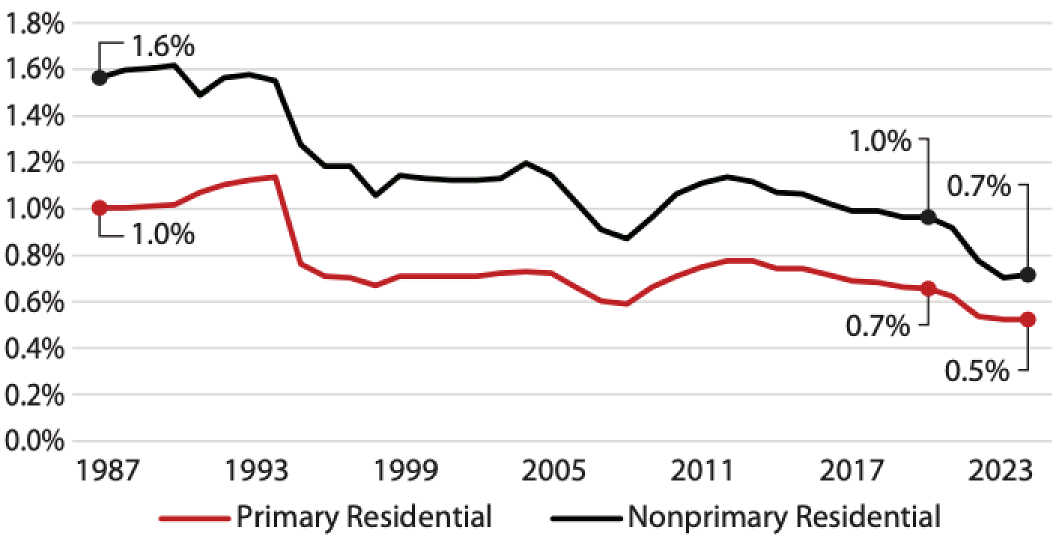


Source: Utah State Tax Commission

Property Tax Rate Falling Faster for Nonprimary Residential Property

Truth in Taxation generally leads to declining property tax rates.

Figure 4: Primary and Nonprimary Residential Effective Property Tax Rates, 1987-2024

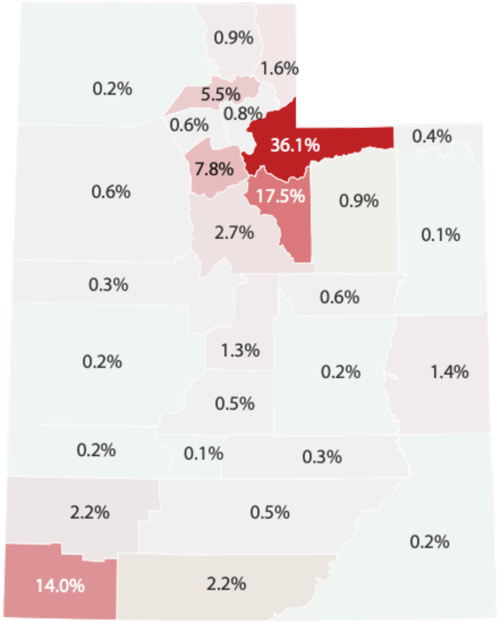


Note: The effective tax rate equals taxes charged divided by assessed market value.
Source: Utah State Tax Commission

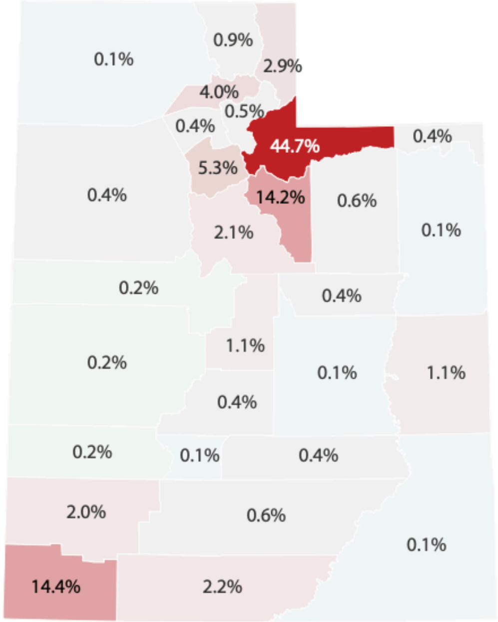
Nonprimary Residential Grown as Share of Tax, Value, and Parcels

Figure 5: Regional Variations of Nonprimary Residential Property, 2024

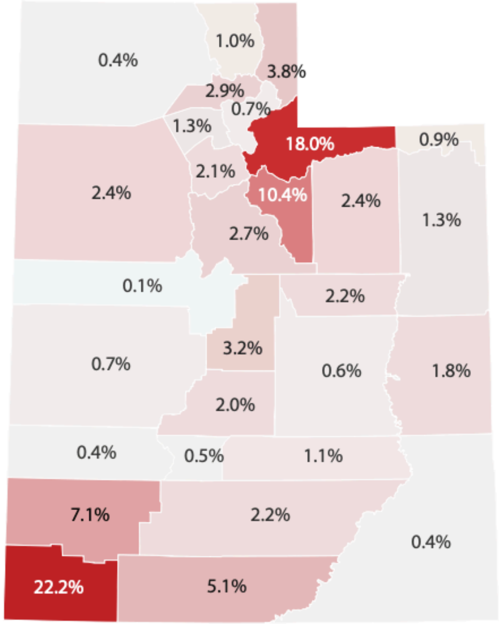
Nonprimary Residential Property Tax Share of Statewide Total by County



Nonprimary Residential Assessed Market Value Share of Statewide Total by County



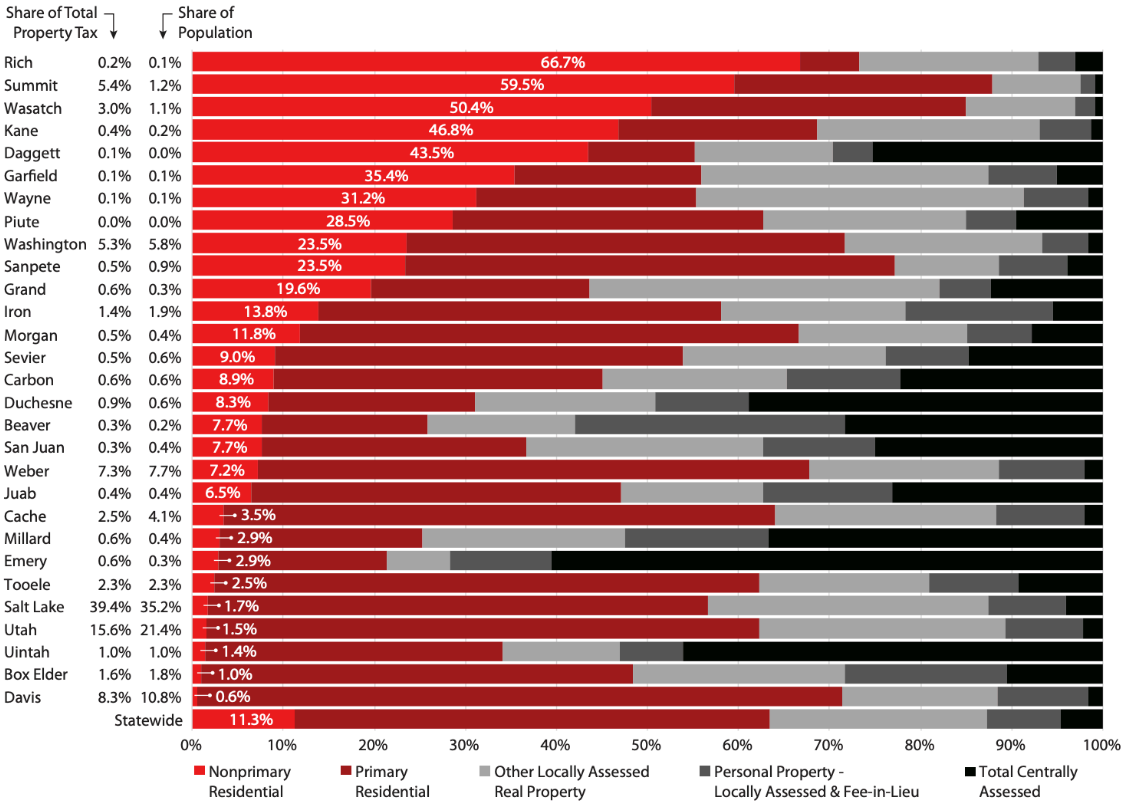
Nonprimary Residential Parcel Share of Statewide Total by County



Source: Utah State Tax Commission

Nonprimary Residential Property Reliance Varies

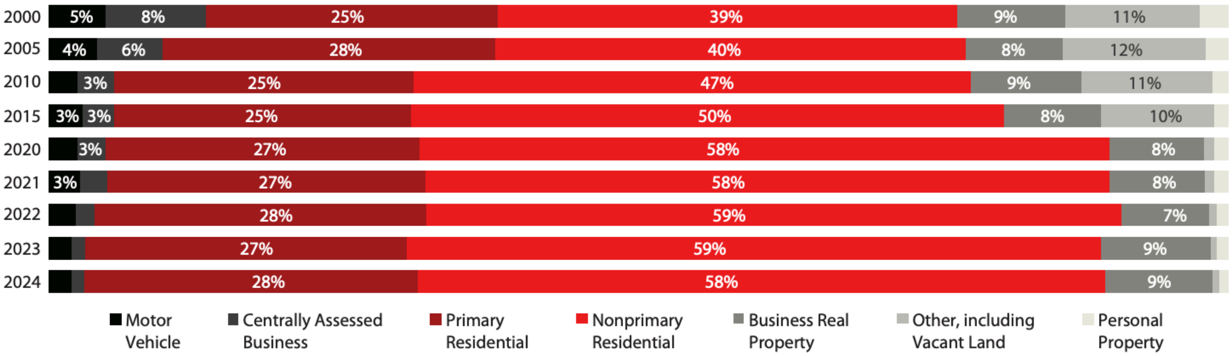
Figure 6: Share of Property Tax Base by Major Property Type and County, 2024



Source: Utah State Tax Commission

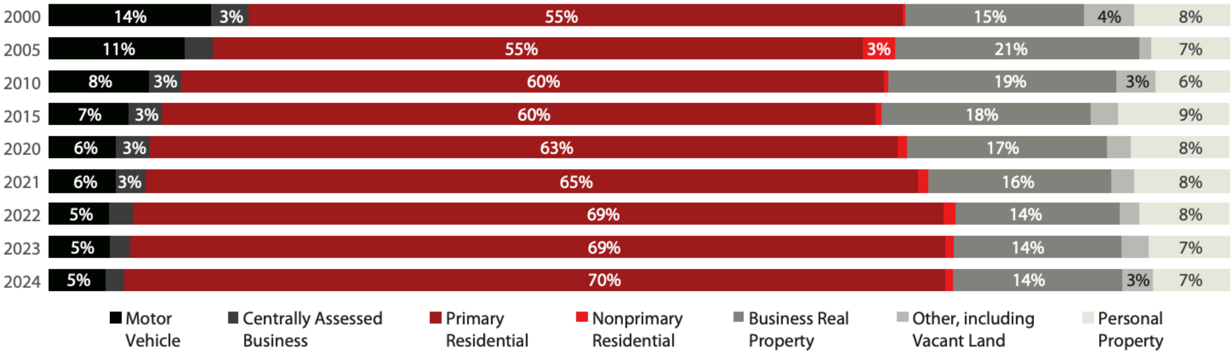
Examples: Summit vs. Davis

Figure 7: Summit County Property Tax Share by Property Type, 2000-2024 (Select Years)



Source: Utah State Tax Commission

Figure 8: Davis County Property Tax Share by Property Type, 2000-2024 (Select Years)



Source: Utah State Tax Commission

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