



**House Committee Taxation
Hearing on Senate Bill 294
Hearing Date – March 16, 2020**

**Written Testimony in opposition to SB 294 on behalf of the City of Manhattan
By the Honorable Usha Reddi, Mayor of Manhattan**

Good afternoon Chair Johnson, Vice Chair Mason and Honorable Members of the House Committee on Taxation.

The City of Manhattan opposes SB 294 as written. Modeled after the State of Utah’s “Truth in Taxation” law, SB 294 would establish notice and public hearing requirements prior to approval by a governing body to exceed its certified tax rate for property tax purposes, while repealing the property tax lid in 2021. While the City of Manhattan is fully supportive of repealing the Tax Lid, there are many flaws to SB 294 that the City of Manhattan opposes as written.

- SB 294 is loosely based on the Utah Truth-in-Taxation (TNT) statute, however, it creates a costly and burdensome process for tax payers. Requiring cities and counties to go through the process to having a “truth-in-taxation” hearing by sending mailed notice to every residential and commercial property taxpayer would unduly cost taxpayers thousands of dollars. Current law already requires local governments to provide notice to the public regarding budget hearings prior to adoption.
- A true “Truth in Taxation” Utah model would allow for cities to capture new growth as they do now, even with the tax lid.
- Elected, informed local governing bodies should have direct oversight and control of local tax policy. Legislation such as the tax lid and SB 294 undermine the duties of locally elected officials who are responsible for making local tax and spending decisions based and represent their constituents.

For all the reasons stated above, the City of Manhattan opposes SB 294, and asks the Committee to reject consideration of any legislation undermining the duties of locally elected officials serving their constituents. Thank you for your time and consideration.