



Property Tax Frequently Asked Questions

Who will pay the property tax?

Property tax is based on the assessed value of a property, inclusive of land and improvements (buildings). This value is determined by the County Assessor, who revises property values every few years. There is a primary residence discount, which exempts 45% of the property value. The discount applies to both the home and up to one acre of land. Lots larger than one acre receive the discount on the first acre and pay the tax on the full market value of property exceeding one acre. This discount also applies to properties being used as long-term rentals. Second homes, properties used as short-term rentals, and commercial properties are taxed at the full assessed value.

How much will it cost?

The city's proposed tax rate is .002149, which would result in an annual tax of approximately \$591 for a primary home assessed at \$500,000. The property tax revenue is estimated to be approximately \$3 million.

Is this the rate for the assessed or taxable value of the property? What's the difference?

The assessed value is the basis for determining the rate, but if the property is a primary residence (including if it's rented to someone who is using it as their primary residence), then the taxable value gets discounted. So "taxable value" refers to either the fully assessed value (for commercial and non-primary residential properties) or the discounted assessed value (for primary residences).

How do I find out what my property value is, and/or how do I look up the value/tax of the rental property I live in?

This information is included on every property tax bill each year. The bill for 2024 will be mailed out later this summer by Grand County. Or one can look up the bill for years available on the Grand County Treasurer's web page (grandcountyutah.net/138/Treasurer under the link for Tax Information Search (<https://www.grandcountyutah.net/903/Tax-Information-Search>)).

Note - it's easiest to look up under a property owner's name than address because of the sometimes odd way addresses are listed in the tax rolls.

How does the County assess the value of my property?

The assessed value of all properties within Grand County, including the City of Moab, are determined by the Grand County Assessor. The Assessor typically reassesses every 5 years. The city plays no role in property value assessment.

What services do I get in Moab City with the property tax I already pay?

Great question for the County Commission that approves the budget for spending county taxes each year. Their budget is here: <https://grandcountyutah.net/DocumentCenter/View/18936/2024-Final-Approved-Budget>
The city does not currently receive any of the tax revenue paid to the county.

How much money (amount and %) does the City get from the County for TRT, property taxes, other taxes?

The county does not remit any of its TRT, property tax, or other tax revenue to the city. Separately, the city receives TRT on overnight accommodations located within city limits, which, along with other sales and use taxes, are used for general government services.

What will it pay for?

The City Council will earmark \$1.5 million in property tax revenue for major repairs and upgrades to the City's aging infrastructure and facilities - roads, pathways, parks and recreation. This revenue will be set aside in a separate fund for that purpose.

The other \$1.5 million will be used to help properly maintain and/or make repairs to public amenities including the MRAC and other buildings and facilities. Currently, the city has a backlog of over \$75 million in capital projects, including long-term deferred maintenance.

View the Lists of Capital Improvement Projects:

[Full list of needed Capital Improvement Projects](#)

[Projects identified for possible property tax bond funding](#)

Having property tax revenue increases the City's ability to bond for capital projects so that this backlog of capital projects can be planned for and completed more quickly.

What the property tax will not pay for:

Property tax revenue will NOT be used for administrative operational costs or citywide personnel expenses.

Will my property tax increase as home values increase?

Property tax only increases because of one of two events:

- If a property's value increases disproportionately (at a higher rate) to the other properties in the tax area
- If a taxing entity conducts Truth in Taxation to increase the certified tax rate (which Moab is doing right now).

Many people believe that properties are taxed at a percentage of their home value, and that is partly true. As property values throughout the community increase, the percentage of tax decreases because taxing entities can only receive more total property tax revenue than they received the prior year through either new construction or by proposing a new rate and conducting the Truth in Taxation process.

Who do we already pay a property tax to?

Moab City property owners currently pay a property tax to 11 various entities.

- Grand County General Fund
- Grand County School District
- School State Basic Levy
- Grand County Assessing & Collecting
- Charter School State Levy
- Moab Mosquito Abatement
- Moab Valley Fire District
- Grand County Cemetery
- Library - Debt
- Multicounty Assessing and Collecting

How will I pay this?

Any changes in property tax rates will be reflected in your 2024 property tax bill, which is sent in November. If you have a mortgage on your home that includes estimated property taxes, the adjustment will be reflected in your annual escrow analysis, and your mortgage payment will reflect the increased tax rate when the analysis is complete.

What about those who can't afford a new tax?

There are several programs for tax relief. They include indigent and low-income, disabled veterans, circuit breakers (over 65 years old), disabled veterans, blind and active or reserve members of the armed forces, and exempt organizations (non-profit, religious, charitable, educational). Contact the Grand County Clerk's office or visit grandcountyyutah.net/615/tax-abatements for additional information.

Eligible Applicants

- Maximum gross household income of \$33,530 (this amount changes annually).
- Homeowners at least 65 years old who meet the income limitations
- Homeowners of any age who can demonstrate that extreme hardship would prevail without the abatement
- Homeowners of any age who are medically disabled
- Unmarried widows or widowers of any age
- Cannot be claimed as a dependent on any other individual's tax return
- Must have residency for at least 10 months in the year of application

Citizenship requirements apply for all applicants according to state law.

Recognizing that this proposed increase will be difficult for some, the City Council budgeted funds for an additional tax relief program. Staff are currently developing that program and it will likely use similar criteria as those listed above.

A brief history of property tax for City of Moab property owners

- 1992 - Property tax rate was dropped to zero. To make up the lost revenue, gross business license fees were increased from 1% to 2% (revenue neutral decision)
- 1995 – Utah State Legislature repeals municipality authority to charge gross business license fees (reduced city revenue)
- 2006 – Utah State Legislature removes the “hold harmless” provision of state code that guaranteed cities 75% of local option sales tax. This negatively impacts high sales tax/low resident population cities such as Moab. The financial impact of this action varies from year to year, for Fiscal Year 2021 it equated to \$330,000, or approximately a 10% reduction in local sales tax revenue.

Moab is the only city in Utah that does not currently levy a property tax of some kind.