

Mayor's Office: Council Agenda Item Request Form

This form and supporting documents (if applicable) are due the Wednesday before the COW meeting by noon.

Date Received
(office use)

29 March 2017

Date of Request	29 March 2017
Requesting Staff Member	Darrin Casper
Requested Council Date	4 April 2017
Topic/Discussion Title	Property Tax Ordered Payment
Description	The request is for the Council to discuss issuing a judgment levy for the payment of roughly \$2.7 million of anticipated property tax refunds. The primary settlement was for completion of litigation that has been ongoing since 1995 with Orbital ATK. The courts have rendered a final decision that in aggregate is approximately \$9.4 million. Other entities may also do judgment levies to make payment.
Requested Action ¹	Approval
Presenter(s)	Darrin Casper
Time Needed ²	5 minutes
Time Sensitive ³	yes
Specific Time(s) ⁴	COW
Contact Name & Phone	Darrin Casper x87075
Please attach the supporting documentation you plan to provide for the packets to this form. While not ideal, if supporting documents are not yet ready, you can still submit them by 10 am the Friday morning prior to the COW agenda. Items without documentation may be taken off for consideration at that COW meeting.	

Mayor or Designee approval:

Darrin Casper

Digitally signed by Darrin Casper
Date: 2017.03.29 12:57:39 -06'00'

- ¹ What you will ask the Council to do (e.g., discussion only, appropriate money, adopt policy/ordinance) – in specific terms.
² Assumed to be 10 minutes unless otherwise specified.
³ Urgency that the topic to scheduled on the requested date.
⁴ If important to schedule at a specific time, list a few preferred times.

March 23, 2017



TIME SENSITIVE

Salt Lake County
Attn: Darrin Casper
2001 S State St #N4-200
Salt Lake City UT 84190

RE: ATK Property Tax Refund Consideration

Dear Mr. Casper,

Following a final decision from the Court of Appeals (See, 2015 UT App 288) on whether the Naval Industrial Reserve Ordnance Plant (NIROP) used by ATK Orbital in the manufacture of rocket motors was exempt from the privilege tax, the Utah State Tax Commission issued a final decision resulting in a sizeable tax refund from all affected taxing entities. The collective refund from all taxing entities is over \$9 million. Your portion of that refund will be approximately **\$2.4 million**.

Pursuant to Utah law, each affected taxing entity is responsible for a tax refund and payment to the taxpayer must be made (1) within 60 days of a final unappealable judgment; or (2) if a judgment levy is imposed, no later than December 31 of the year in which the judgment levy is imposed. UTAH CODE ANN. § 59-2-1331(10)(a). The final unappealable judgment was issued February 27, 2017.

Consistent with past practice, this Office plans to withhold the tax and interest due to the taxpayer, ATK Orbital, at the next property tax distribution in April and issue the refund, **unless I receive express notice that your taxing entity intends to impose a judgment levy this year**, in which case this office will not withhold the tax and interest from distribution in April, but will wait and withhold your prorata share of the refund from the property tax distribution in December. If you elect to have your share withheld in December, interest will accrue monthly beginning April 10th using Utah's Public Treasurers' Investment Fund rate (currently at 1.18%). Please send the notice of your intent to impose a judgment levy to my attention.

If you have any further questions, please contact me. This matter is time sensitive. If I do not hear from your taxing entity on or before April 7, I will plan to withhold the tax refund from the April tax distribution.

Respectfully,

K. WAYNE CUSHING
Salt Lake County Treasurer

**SALT LAKE COUNTY
TREASURER**

K. Wayne Cushing
Salt Lake County Treasurer

Randel Wightman
Deputy County Treasurer

Benjamin I. Umeadi
Accounting Director

Anna F. Gallagher
Collections Director

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cc: Scott Tingey, Salt Lake County Auditor
Darrin Casper, Salt Lake County CFO