

**PROPERTY TAX CHANGES**

2017 GENERAL SESSION

STATE OF UTAH

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**LONG TITLE**

**General Description:**

This bill modifies the method of valuing property for purposes of the Property Tax Act.

**Highlighted Provisions:**

This bill:

- ▶ defines terms; and
- ▶ addresses the fair market valuation of static property.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

ENACTS:

**59-2-301.8**, Utah Code Annotated 1953

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **59-2-301.8** is enacted to read:

**59-2-301.8. Assessment of fair market value for static real property.**

(1) As used in this section:

(a) "Average property value change" means the percentage change, measured from January 1 of the previous year to January 1 of the current year, in the fair market value of real property for a single zoning classification that is within the geographically localized area in which the static property that is subject to assessment is located.

(b) "Geographically localized area" means the smallest geographic area that the county assessor can identify:

(i) that includes the static property that is subject to assessment; and

(ii) in which real property with the same zoning classification as the static property would likely sell at a comparable amount in proportion to the static property's acreage,

33 improvements, use, impact and burden on government, and other relevant characteristics.

34 (c) "Static property" means real property that, as of January 1 of the current year:

35 (i) has not been improved since January 1 of the previous year;

36 (ii) has not been rezoned since January 1 of the previous year; and

37 (iii) has not been leased or sold since January 1 of the previous year.

38 (2) To equalize the valuation and assessment of real property that is static property, and

39 to secure a just valuation for taxation of static property, a county assessor, in assessing the fair

40 market value of static property:

41 (a) shall take into account the character of the real property as static property;

42 (b) shall consider, as a primary factor, the average property value change; and

43 (c) may not assess a fair market value with a percentage change above the previous

44 year's assessed value that is more than the average property value change.

45 **Section 2. Effective date.**

46 This bill takes effect on January 1, 2018.