

59-2-506.5 Conservation easement rollback tax -- One-time in lieu fee payment -- Computation -- Lien -- Interest -- Notice -- Procedure -- Collection -- Distribution.

- (1)
 - (a) Notwithstanding Section 59-2-506 and subject to the requirements of this section, land is not subject to the rollback tax under Section 59-2-506, if:
 - (i) the land becomes subject to a conservation easement created in accordance with Title 57, Chapter 18, Land Conservation Easement Act;
 - (ii) the creation of the conservation easement described in Subsection (1)(a)(i) is considered to be a qualified conservation contribution for federal purposes under Section 170(h), Internal Revenue Code;
 - (iii) the land was assessed under this part in the tax year preceding the tax year that the land does not meet the requirements of Section 59-2-503;
 - (iv) after the creation of the conservation easement described in Subsection (1)(a)(i), the land does not meet the requirements of Section 59-2-503; and
 - (v) an owner of the land notifies the county assessor as provided in Subsection (1)(b).
 - (b) An owner of land described in Subsection (1)(a) shall notify the county assessor that the land meets the requirements of Subsection (1)(a) within 30 days after the day on which the land does not meet the requirements of Section 59-2-503.
 - (2)
 - (a) Except as provided in Subsection (4), if a conservation easement is terminated in accordance with Section 57-18-5:
 - (i) the land described in Subsection (1) is subject to a conservation easement rollback tax imposed in accordance with this section; or
 - (ii) if the land described in Subsection (1) is owned by a governmental entity as defined in Section 59-2-511, the land is subject to a one-time in lieu fee payment that is:
 - (A) in an amount equal to the conservation easement rollback tax imposed in accordance with this section; and
 - (B) except as provided in Subsection (2)(b), paid, collected, and distributed in the same manner as the conservation easement rollback tax imposed in accordance with this section.
 - (b) Notwithstanding Subsection (2)(a)(ii)(B), a one-time in lieu fee payment under Subsection (2)(a)(ii) is not a lien on the land described in Subsection (2)(a)(ii).
 - (c)
 - (i) The conservation easement rollback tax is an amount equal to 20 times the property tax imposed on the land for each year for the rollback period described in Subsection (2)(c)(ii).
 - (ii) For purposes of Subsection (2)(c)(i), the rollback period is a time period that:
 - (A) begins on the later of:
 - (I) the date the land became subject to a conservation easement; or
 - (II) five years preceding the day on which the county assessor mails the notice required by Subsection (3)(a); and
 - (B) ends the day on which the county assessor mails the notice required by Subsection (3)(a).
 - (d) An owner shall notify the county assessor that a conservation easement on land described in Subsection (1) has been terminated in accordance with Section 57-18-5 within 180 days after the day on which the conservation easement is terminated.
- (3)
 - (a) If land is subject to a conservation easement rollback tax under Subsection (2), the county assessor shall mail to an owner of the land a notice that:
 - (i) the land is subject to a conservation easement rollback tax under this section; and

- (ii) the conservation easement rollback tax is delinquent if the owner of the land does not pay the tax within 30 days after the day on which the county assessor mails the notice.
- (b) The conservation easement rollback tax is:
 - (i) due and payable on the day the county assessor mails the notice required by Subsection (3)(a);
 - (ii) delinquent if an owner of the land that is subject to the conservation easement rollback tax does not pay the conservation easement rollback tax within 30 days after the day on which the county assessor mails the notice required by Subsection (3)(a); and
 - (iii) subject to the same:
 - (A) interest provisions of Subsection 59-2-506(7) that apply to the rollback tax; and
 - (B) notice requirements of Subsection 59-2-506(7) that apply to the rollback tax.
- (c)
 - (i) Except as provided in Subsection (3)(c)(ii), the conservation easement rollback tax shall be paid, collected, subject to a lien, and distributed in a manner consistent with this section and Section 59-2-506.
 - (ii) Notwithstanding Subsection (3)(c)(i), a lien under Subsection (3)(c)(i) relates back to the day on which the conservation easement was terminated.
- (4)
 - (a) Notwithstanding Subsection (2), land described in Subsection (2) is not subject to the conservation easement rollback tax or the one-time in lieu fee payment required by Subsection (2) if after the conservation easement is terminated in accordance with Section 57-18-5:
 - (i) an owner of the land applies for assessment of the land as land in agricultural use under this part within 30 days after the day on which the conservation easement is terminated; and
 - (ii) the application for assessment of the land described in Subsection (4)(a)(i) is approved within two years after the day on which the application was filed.
 - (b) Notwithstanding Subsection (4)(a), if the land described in Subsection (4)(a)(i) does not receive approval for assessment as land in agricultural use under this part within two years after the day on which the application was filed under Subsection (4)(a), an owner of the land shall:
 - (i) within 30 days after the day on which the two-year period expires, notify the county assessor that the two-year period expired; and
 - (ii) pay the conservation easement rollback tax or the one-time in lieu fee payment required by Subsection (2) as provided in this section.
- (5) Land subject to a conservation easement created in accordance with Title 57, Chapter 18, Land Conservation Easement Act, is not subject to a conservation easement rollback tax or a one-time in lieu fee payment if the land is assessed under this part in accordance with Section 59-2-505.

Amended by Chapter 208, 2003 General Session