

1 **RESOLUTION PROVIDING PROPERTY TAX**

2 **RELIEF**

3 2003 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: F. LaVar Christensen**

6 **This joint resolution of the Legislature proposes to amend the Revenue and Taxation**
7 **Article of the Utah Constitution to authorize the Legislature to provide for the remission**
8 **or abatement of the taxes of the aged. The joint resolution directs the lieutenant**
9 **governor to submit this proposal to voters and provides an effective date.**

10 This resolution proposes to change the Utah Constitution as follows:

11 AMENDS:

12 **ARTICLE XIII, SECTION 3**

13 *Be it resolved by the Legislature of the state of Utah, two-thirds of all members elected to each*
14 *of the two houses voting in favor thereof:*

15 Section 1. It is proposed to amend Utah Constitution Article XIII, Section 3, to read:

16 **Article XIII, Section 3. [Property tax exemptions.]**

17 (1) The following are exempt from property tax:

18 (a) property owned by the State;

19 (b) property owned by a public library;

20 (c) property owned by a school district;

21 (d) property owned by a political subdivision of the State, other than a school district,
22 and located within the political subdivision;

23 (e) property owned by a political subdivision of the State, other than a school district,
24 and located outside the political subdivision unless the Legislature by statute authorizes the
25 property tax on that property;

26 (f) property owned by a nonprofit entity used exclusively for religious, charitable, or
27 educational purposes;



28 (g) places of burial not held or used for private or corporate benefit;
29 (h) farm equipment and farm machinery as defined by statute; and
30 (i) water rights, reservoirs, pumping plants, ditches, canals, pipes, flumes, power
31 plants, and transmission lines to the extent owned and used by an individual or corporation to
32 irrigate land that is:

33 (i) within the State; and
34 (ii) owned by the individual or corporation, or by an individual member of the
35 corporation.

36 (2) (a) The Legislature may by statute exempt the following from property tax:

37 (i) tangible personal property constituting inventory present in the State on January 1
38 and held for sale in the ordinary course of business;

39 (ii) tangible personal property present in the State on January 1 and held for sale or
40 processing and shipped to a final destination outside the State within 12 months;

41 (iii) subject to Subsection (2)(b), property to the extent used to generate and deliver
42 electrical power for pumping water to irrigate lands in the State;

43 (iv) up to 45% of the fair market value of residential property, as defined by statute;
44 and

45 (v) household furnishings, furniture, and equipment used exclusively by the owner of
46 that property in maintaining the owner's home.

47 (b) The exemption under Subsection (2)(a)(iii) shall accrue to the benefit of the users
48 of pumped water as provided by statute.

49 (3) The following may be exempted from property tax as provided by statute:

50 (a) property owned by a disabled person who, during military training or a military
51 conflict, was disabled in the line of duty in the military service of the United States or the State;
52 and

53 (b) property owned by the unmarried surviving spouse or the minor orphan of a person
54 who:

55 (i) is described in Subsection (3)(a); or

56 (ii) during military training or a military conflict, was killed in action or died in the line
57 of duty in the military service of the United States or the State.

58 (4) The Legislature may by statute provide for the remission or abatement of:

- 59 (a) the taxes of the poor[-]; and
- 60 (b) the taxes of the aged, as defined by statute.

61 Section 2. **Submittal to voters.**

62 The lieutenant governor is directed to submit this proposed amendment to the voters of
63 the state at the next regular general election in the manner provided by law.

64 Section 3. **Effective date.**

65 If the amendment proposed by this joint resolution is approved by a majority of those
66 voting on it at the next regular general election, the amendment shall take effect on January 1,
67 2005.

Legislative Review Note
as of 1-22-03 7:17 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

State Impact

It is estimated that publication and distribution costs to put this resolution on the ballot would be \$11,500 from the General Fund. Any other fiscal impact would depend on legislation passed.

	<u>FY 04 Approp.</u>	<u>FY 05 Approp.</u>	<u>FY 04 Revenue</u>	<u>FY 05 Revenue</u>
General Fund	\$0	\$11,500	\$0	\$0
TOTAL	\$0	\$11,500	\$0	\$0

Individual and Business Impact

No fiscal impact.
