

PROPERTY AFFECTED BY ACCESS INTERRUPTION

2005 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gregory H. Hughes

Senate Sponsor: Howard A. Stephenson

LONG TITLE

General Description:

This bill amends the Property Tax Act to provide tax relief for property that sustains a decrease in fair market value caused by access interruption.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ grants rulemaking authority to the State Tax Commission;
- ▶ provides property tax relief for the portion of a calendar year during which property is subjected to a decrease in fair market value caused by access interruption;
- ▶ establishes application and hearing procedures for a county board of equalization to determine whether the owner of property is entitled to the tax relief provided in this bill; and
- ▶ provides for an appeal of a decision rendered by a county board of equalization regarding the tax relief provided in this bill.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

59-2-1004.5, Utah Code Annotated 1953

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

Section 1. Section **59-2-1004.5** is enacted to read:

59-2-1004.5. Tax relief for decrease in fair market value due to access interruption.

(1) For purposes of this section "access interruption" means interruption of the normal access to or from property due to any circumstance beyond the control of the owner, including:

(a) road construction;

(b) traffic diversion;

(c) an accident;

(d) vandalism;

(e) an explosion;

(f) fire;

(g) a flood;

(h) a storm;

(i) a tornado;

(j) winds;

(k) an earthquake;

(l) lightning;

(m) any adverse weather event; or

(n) any event similar to the events described in this Subsection (1), as determined by the commission by rule made in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

(2) Except as provided in Subsection (3), if, during a calendar year, property sustains a decrease in fair market value that is caused by access interruption, the owner of the property may apply to the county board of equalization for an adjustment in the fair market value of the owner's property as provided in Subsection (4).

(3) Notwithstanding Subsection (2), an owner may not receive the tax relief described in this section if the decrease in fair market value described in Subsection (2) is due to the intentional action or inaction of the owner.

(4) (a) To receive the tax relief described in Subsection (2), the owner of the property shall file an application for tax relief with the county board of equalization on or before September 30.

(b) The county board of equalization shall hold a hearing:

(i) within 30 days of the day on which the application described in Subsection (4)(a) is received by the board of equalization; and

(ii) in the manner described in Section 59-2-1001.

(c) At the hearing described in Subsection (4)(b), the applicant shall have the burden of proving, by a preponderance of the evidence:

(i) that the property sustained a decrease in fair market value, during the applicable calendar year, that was caused by access interruption;

(ii) the amount of the decrease in fair market value described in Subsection (4)(c)(i); and

(iii) that the decrease in fair market value described in Subsection (4)(c)(i) is not due to the action or inaction of the applicant.

(d) If the county board of equalization determines that the applicant has met the burden of proof described in Subsection (4)(c), the county board of equalization shall reduce the valuation of the property described in Subsection (4)(c)(i) by an amount equal to the decrease in fair market value of the property multiplied by the portion of the calendar year that the fair market value of the property was decreased.

(e) The decision of the board of equalization shall be provided to the applicant, in writing, within 30 days of the day on which the hearing described in Subsection (4)(b) is concluded.

(5) An applicant that is dissatisfied with a decision of the board of equalization under this section may appeal that decision under Section 59-2-1006.