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**JOINT RESOLUTION AMENDING
RESIDENTIAL PROPERTY ASSESSMENT
PROVISIONS**

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gage Froerer

Senate Sponsor: _____

LONG TITLE

General Description:

This joint resolution of the Legislature proposes to amend the Utah Constitution to modify a provision relating to the assessment of property.

Highlighted Provisions:

This resolution proposes to amend the Utah Constitution to:

- ▶ authorize the Legislature to provide by statute for a method of valuing residential real property other than fair market value.

Special Clauses:

This resolution directs the lieutenant governor to submit this proposal to voters.

This resolution provides a contingent effective date of January 1, 2009 for this proposal.

Utah Constitution Sections Affected:

AMENDS:

ARTICLE XIII, SECTION 2

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

Section 1. It is proposed to amend Utah Constitution Article XIII, Section 2, to read:

Article XIII, Section 2. [Property tax.]



28 (1) So that each person and corporation pays a tax in proportion to the fair market
29 value of his, her, or its tangible property, all tangible property in the State that is not exempt
30 under the laws of the United States or under this Constitution shall be:

31 (a) assessed at a uniform and equal rate in proportion to its fair market value, to be
32 ascertained as provided by law and subject to Subsection (7); and

33 (b) taxed at a uniform and equal rate.

34 (2) Each corporation and person in the State or doing business in the State is subject to
35 taxation on the tangible property owned or used by the corporation or person within the
36 boundaries of the State or local authority levying the tax.

37 (3) The Legislature may provide by statute that land used for agricultural purposes be
38 assessed based on its value for agricultural use.

39 (4) The Legislature may by statute determine the manner and extent of taxing livestock.

40 (5) The Legislature may by statute determine the manner and extent of taxing or
41 exempting intangible property, except that any property tax on intangible property may not
42 exceed .005 of its fair market value. If any intangible property is taxed under the property tax,
43 the income from that property may not also be taxed.

44 (6) Tangible personal property required by law to be registered with the State before it
45 is used on a public highway or waterway, on public land, or in the air may be exempted from
46 property tax by statute. If the Legislature exempts tangible personal property from property tax
47 under this Subsection (6), it shall provide for the payment of uniform statewide fees or uniform
48 statewide rates of assessment or taxation on that property in lieu of the property tax. The fair
49 market value of any property exempted under this Subsection (6) shall be considered part of the
50 State tax base for determining the debt limitation under Article XIV.

51 (7) The Legislature may by statute provide for a method of valuing residential real
52 property other than fair market value.

53 Section 2. **Submittal to voters.**

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

56 Section 3. **Effective date.**

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

59 2009.

Legislative Review Note
as of 2-4-08 12:38 PM

Office of Legislative Research and General Counsel

Fiscal Note**H.J.R. 14 - Joint Resolution Amending Residential Property Assessment Provisions**

2008 General Session

State of Utah

State Impact

Enactment of this bill will require an appropriation of \$14,700 one-time from the General Fund to the Lieutenant Governor for costs associated with submitting the proposed amendment to voters.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
General Fund, One-Time	\$0	\$14,700	\$0	\$0	\$0	\$0
Total	\$0	\$14,700	\$0	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.