

**FARMLAND ASSESSMENT ACT AMENDMENTS**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: David P. Hinkins**

House Sponsor: Kerry W. Gibson

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**LONG TITLE**

**General Description:**

This bill modifies a provision of the Farmland Assessment Act.

**Highlighted Provisions:**

This bill:

- ▶ allows land subject to a forest stewardship plan to be assessed on the basis of the value that the land has for agricultural use if the land otherwise qualifies to be assessed on that basis.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**59-2-503**, as last amended by Laws of Utah 2008, Chapter 382

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

Section 1. Section **59-2-503** is amended to read:

**59-2-503. Qualifications for agricultural use assessment.**

(1) For general property tax purposes, land may be assessed on the basis of the value that the land has for agricultural use if the land:

(a) is not less than five contiguous acres in area, except that land may be assessed on the basis of the value that the land has for agricultural use:

30 (i) if:  
31 (A) the land is devoted to agricultural use in conjunction with other eligible acreage;  
32 and

33 (B) the land and the other eligible acreage described in Subsection (1)(a)(i)(A) have  
34 identical legal ownership; or

35 (ii) as provided under Subsection (4); and

36 (b) except as provided in Subsection (5):

37 (i) is actively devoted to agricultural use; and

38 (ii) has been actively devoted to agricultural use for at least two successive years  
39 immediately preceding the tax year for which the land is being assessed under this part.

40 (2) In determining whether land is actively devoted to agricultural use, production per  
41 acre for a given county or area and a given type of land shall be determined by using the first  
42 applicable of the following:

43 (a) production levels reported in the current publication of the Utah Agricultural  
44 Statistics;

45 (b) current crop budgets developed and published by Utah State University; and

46 (c) other acceptable standards of agricultural production designated by the  
47 commission by rule adopted in accordance with Title 63G, Chapter 3, Utah Administrative  
48 Rulemaking Act.

49 (3) Land may be assessed on the basis of the land's agricultural value if the land:

50 (a) is subject to the privilege tax imposed by Section 59-4-101;

51 (b) is owned by the state or any of the state's political subdivisions; and

52 (c) meets the requirements of Subsection (1).

53 (4) Notwithstanding Subsection (1)(a), the commission or a county board of  
54 equalization may grant a waiver of the acreage limitation for land upon:

55 (a) appeal by the owner; and

56 (b) submission of proof that:

57 (i) 80% or more of the owner's, purchaser's, or lessee's income is derived from

58 agricultural products produced on the property in question; or  
59 (ii) (A) the failure to meet the acreage requirement arose solely as a result of an  
60 acquisition by a governmental entity by:  
61 (I) eminent domain; or  
62 (II) the threat or imminence of an eminent domain proceeding;  
63 (B) the land is actively devoted to agricultural use; and  
64 (C) no change occurs in the ownership of the land.  
65 (5) (a) Notwithstanding Subsection (1)(b), the commission or a county board of  
66 equalization may grant a waiver of the requirement that the land is actively devoted to  
67 agricultural use for the tax year for which the land is being assessed under this part upon:  
68 (i) appeal by the owner; and  
69 (ii) submission of proof that:  
70 (A) the land was assessed on the basis of agricultural use for at least two years  
71 immediately preceding that tax year; and  
72 (B) the failure to meet the agricultural production requirements for that tax year was  
73 due to no fault or act of the owner, purchaser, or lessee.  
74 (b) As used in Subsection (5)(a), "fault" does not include:  
75 (i) intentional planting of crops or trees which, because of the maturation period, do  
76 not give the owner, purchaser, or lessee a reasonable opportunity to satisfy the production  
77 levels required for land actively devoted to agricultural use; or  
78 (ii) implementation of a bona fide range improvement program, crop rotation program,  
79 or other similar accepted cultural practices which do not give the owner, purchaser, or lessee a  
80 reasonable opportunity to satisfy the production levels required for land actively devoted to  
81 agricultural use.  
82 (6) Land that otherwise qualifies under Subsection (1) to be assessed on the basis of  
83 the value that the land has for agricultural use does not lose that qualification by becoming  
84 subject to a forest stewardship plan developed under Section 65A-8a-106 under which the land  
85 is subject to a temporary period of limited use or nonuse.

