

PROPERTY TAX APPEAL AMENDMENTS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

Senate Sponsor: _____

LONG TITLE

General Description:

This bill makes changes related to property tax appeals.

Highlighted Provisions:

This bill:

- ▶ requires the clerk of a county board of equalization to notify certain property owners of a valuation reduction;
- ▶ changes certain deadlines for making a property tax appeal; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-2-1002, as last amended by Laws of Utah 2012, Chapter 85

59-2-1004, as last amended by Laws of Utah 2012, Chapter 85

59-2-1004.5, as last amended by Laws of Utah 2008, Chapter 382

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

Section 1. Section **59-2-1002** is amended to read:



28 **59-2-1002. Change in assessment -- Force and effect -- Additional assessments --**
29 **Notice to interested persons.**

30 (1) The county board of equalization shall use all information it may gain from the
31 records of the county or elsewhere in equalizing the assessment of the property in the county or
32 in determining any exemptions. The board may require the assessor to enter upon the
33 assessment roll any taxable property which has not been assessed and any assessment made has
34 the same force and effect as if made by the assessor before the delivery of the assessment roll
35 to the county treasurer.

36 (2) During its sessions, the county board of equalization may direct the assessor to:

37 (a) assess any taxable property [~~which~~] that has escaped assessment;

38 (b) add to the amount, number, or quantity of property when a false or incomplete list
39 has been rendered; and

40 (c) make and enter new assessments, at the same time cancelling previous entries,
41 when any assessment made by the assessor is considered by the board to be incomplete or
42 incorrect.

43 (3) The clerk of the board of equalization shall give written notice:

44 (a) to all interested persons of the day fixed for the investigation of any assessment
45 under consideration by the board at least 30 days before action is taken; [~~and~~]

46 (b) to the assessor of a valuation adjustment made in accordance with Section
47 59-2-301.4 or another adjustment under this section[~~;~~]; and

48 (c) of a valuation reduction made under this section to all owners of real property:

49 (i) that is valued using the same valuation methodology as the real property subject to a
50 valuation reduction made under this section; and

51 (ii) that is located within:

52 (A) one mile of the real property subject to a valuation reduction made under this
53 section; and

54 (B) the county.

55 (4) The notice required under Subsection (3)(c) shall include:

56 (a) the address of the property receiving a valuation reduction;

57 (b) the value initially assessed by the county assessor;

58 (c) the valuation reduction made by the board of equalization; and

59 (d) the time period and procedures for making an appeal in accordance with Subsection
 60 59-2-1004(2)(b).

61 Section 2. Section **59-2-1004** is amended to read:

62 **59-2-1004. Appeal to county board of equalization -- Real property -- Time**
 63 **period for appeal -- Decision of board -- Extensions approved by commission -- Appeal to**
 64 **commission.**

65 (1) (a) A taxpayer dissatisfied with the valuation or the equalization of the taxpayer's
 66 real property may make an application to appeal by:

67 (i) filing the application with the county board of equalization within the time period
 68 described in Subsection (2); or

69 (ii) making an application by telephone or other electronic means within the time
 70 period described in Subsection (2) if the county legislative body passes a resolution under
 71 Subsection (5) authorizing applications to be made by telephone or other electronic means.

72 (b) The contents of the application shall be prescribed by rule of the county board of
 73 equalization.

74 (2) (a) [~~Except as provided in Subsection (2)(b), for~~] For purposes of Subsection (1), a
 75 taxpayer shall make an application to appeal the valuation or the equalization of the taxpayer's
 76 real property on or before the later of:

77 (i) September 15 of the current calendar year; or

78 (ii) the last day of a 45-day period beginning on the day on which the county auditor
 79 mails the notice under Section 59-2-919.1.

80 (b) Notwithstanding Subsection (2)(a), a property owner who receives the written
 81 notice required under Subsection 59-2-1002(3)(c) may make an application to appeal the
 82 valuation or the equalization of the taxpayer's real property on or before the last day of a 45-day
 83 period beginning on the date the clerk of the board of equalization mails the notice required
 84 under Subsection 59-2-1002(3)(c).

85 [~~(b)~~] (c) Notwithstanding Subsection (2)(a), in accordance with Title 63G, Chapter 3,
 86 Utah Administrative Rulemaking Act, the commission shall make rules providing for
 87 circumstances under which the county board of equalization is required to accept an application
 88 to appeal that is filed after the time period prescribed in Subsection (2)(a).

89 (3) The owner shall include in the application under Subsection (1)(a)(i) the owner's

90 estimate of the fair market value of the property and any evidence which may indicate that the
91 assessed valuation of the owner's property is improperly equalized with the assessed valuation
92 of comparable properties.

93 (4) (a) The county board of equalization shall meet and hold public hearings as
94 prescribed in Section 59-2-1001.

95 (b) The county board of equalization shall make a decision on each appeal filed in
96 accordance with this section within a 60-day period after the day on which the application is
97 made.

98 (c) The commission may approve the extension of a time period provided for in
99 Subsection (4)(b) for a county board of equalization to make a decision on an appeal.

100 (d) The decision of the board shall contain a determination of the valuation of the
101 property based on fair market value, and a conclusion that the fair market value is properly
102 equalized with the assessed value of comparable properties.

103 (e) If no evidence is presented before the county board of equalization, it will be
104 presumed that the equalization issue has been met.

105 (f) (i) If the fair market value of the property that is the subject of the appeal deviates
106 plus or minus 5% from the assessed value of comparable properties, the valuation of the
107 appealed property shall be adjusted to reflect a value equalized with the assessed value of
108 comparable properties.

109 (ii) Subject to Sections 59-2-301.1, 59-2-301.2, 59-2-301.3, and 59-2-301.4, equalized
110 value established under Subsection (4)(f)(i) shall be the assessed value for property tax
111 purposes until the county assessor is able to evaluate and equalize the assessed value of all
112 comparable properties to bring them all into conformity with full fair market value.

113 (5) If any taxpayer is dissatisfied with the decision of the county board of equalization,
114 the taxpayer may file an appeal with the commission as prescribed in Section 59-2-1006.

115 (6) A county legislative body may pass a resolution authorizing taxpayers owing taxes
116 on property assessed by that county to file property tax appeals applications under this section
117 by telephone or other electronic means.

118 Section 3. Section **59-2-1004.5** is amended to read:

119 **59-2-1004.5. Valuation adjustment for decrease in taxable value caused by a**
120 **natural disaster.**

- 121 (1) For purposes of this section:
- 122 (a) "natural disaster" means:
- 123 (i) an explosion;
- 124 (ii) fire;
- 125 (iii) a flood;
- 126 (iv) a storm;
- 127 (v) a tornado;
- 128 (vi) winds;
- 129 (vii) an earthquake;
- 130 (viii) lightning;
- 131 (ix) any adverse weather event; or
- 132 (x) any event similar to an event described in this Subsection (1), as determined by the
- 133 commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative
- 134 Rulemaking Act; and
- 135 (b) "natural disaster damage" means any physical harm to property caused by a natural
- 136 disaster.
- 137 (2) Except as provided in Subsection (3), if, during a calendar year, property sustains a
- 138 decrease in taxable value that is caused by natural disaster damage, the owner of the property
- 139 may apply to the county board of equalization for an adjustment in the taxable value of the
- 140 owner's property as provided in Subsection (4).
- 141 (3) Notwithstanding Subsection (2), an owner may not receive the valuation adjustment
- 142 described in this section if the decrease in taxable value described in Subsection (2) is:
- 143 (a) due to the intentional action or inaction of the owner; or
- 144 (b) less than 30% of the taxable value of the property described in Subsection (2)
- 145 before the decrease in taxable value described in Subsection (2).
- 146 (4) (a) To receive the valuation adjustment described in Subsection (2), the owner of
- 147 the property shall file an application for the valuation adjustment with the county board of
- 148 equalization on or before the later of:
- 149 (i) the deadline described in Subsection 59-2-1004(2)(a); or
- 150 (ii) 45 days after the day on which the natural disaster damage described in Subsection
- 151 (2) occurs.

- 152 (b) The county board of equalization shall hold a hearing:
- 153 (i) within 30 days of the day on which the application described in Subsection (4)(a) is
154 received by the board of equalization; and
- 155 (ii) following the procedures and requirements of Section 59-2-1001.
- 156 (c) At the hearing described in Subsection (4)(b), the applicant shall have the burden of
157 proving, by a preponderance of the evidence:
- 158 (i) that the property sustained a decrease in taxable value, that:
- 159 (A) was caused by natural disaster damage; and
- 160 (B) is at least 30% of the taxable value of the property described in this Subsection
161 (4)(c)(i) before the decrease in taxable value described in this Subsection (4)(c)(i);
- 162 (ii) the amount of the decrease in taxable value described in Subsection (4)(c)(i); and
- 163 (iii) that the decrease in taxable value described in Subsection (4)(c)(i) is not due to the
164 action or inaction of the applicant.
- 165 (d) If the county board of equalization determines that the applicant has met the burden
166 of proof described in Subsection (4)(c), the county board of equalization shall reduce the
167 valuation of the property described in Subsection (4)(c)(i) by an amount equal to the decrease
168 in taxable value of the property multiplied by the percentage of the calendar year remaining
169 after the natural disaster damage occurred.
- 170 (e) The decision of the board of equalization shall be provided to the applicant, in
171 writing, within 30 days of the day on which the hearing described in Subsection (4)(b) is
172 concluded.
- 173 (5) An applicant that is dissatisfied with a decision of the board of equalization under
174 this section may appeal that decision under Section 59-2-1006.

Legislative Review Note
as of 2-13-13 1:57 PM

Office of Legislative Research and General Counsel