

## SB0035S01 compared with SB0035

~~{deleted text}~~ shows text that was in SB0035 but was deleted in SB0035S01.

inserted text shows text that was not in SB0035 but was inserted into SB0035S01.

**DISCLAIMER:** This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Brad R. Wilson proposes the following substitute bill:

### PROPERTY TAXATION OF BUSINESS PERSONAL

#### PROPERTY

2013 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor:** Wayne A. Harper

House Sponsor: Brad R. Wilson

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#### LONG TITLE

~~{Committee Note:~~

~~—The Revenue and Taxation Interim Committee recommended this bill.~~

~~}{General Description:~~

This bill modifies a property tax exemption for business personal property.

#### Highlighted Provisions:

This bill:

- ▶ increases a property tax exemption for business personal property;
- ~~{ — } →~~ ~~repeals a consumer price index adjustment for purposes of the property tax exemption for business personal property;~~
- ~~}{~~ ▶ provides that a signed statement submitted to a county assessor may only contain

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certain information under certain circumstances; and

- ▶ makes technical and conforming changes.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

This bill takes effect on January 1, 2014.

### Utah Code Sections Affected:

AMENDS:

**59-2-1115**, as last amended by Laws of Utah 2012, Chapter 313

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

Section 1. Section **59-2-1115** is amended to read:

**59-2-1115. Exemption of certain tangible personal property.**

(1) For purposes of this section:

(a) (i) "Acquisition cost" means all costs required to put an item of tangible personal property into service; and

(ii) includes:

(A) the purchase price for a new or used item;

(B) the cost of freight and shipping;

(C) the cost of installation, engineering, erection, or assembly; and

(D) sales and use taxes.

(b) (i) "Item of taxable tangible personal property" does not include an improvement to real property or a part that will become an improvement.

(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules defining the term "item of taxable tangible personal property."

(c) (i) "Taxable tangible personal property" means tangible personal property that is subject to taxation under this chapter.

(ii) "Taxable tangible personal property" does not include:

(A) tangible personal property required by law to be registered with the state before it is used:

(I) on a public highway;

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- (II) on a public waterway;
- (III) on public land; or
- (IV) in the air;
- (B) a mobile home as defined in Section 41-1a-102; or
- (C) a manufactured home as defined in Section 41-1a-102.

(2) (a) The taxable tangible personal property of a taxpayer is exempt from taxation if the taxable tangible personal property has a total aggregate fair market value per county of [~~\$3,500~~] \$10,000 or less.

(b) [~~An~~] In addition to the exemption under Subsection (2)(a), an item of taxable tangible personal property, except for an item of noncapitalized personal property as defined in Section 59-2-108, is exempt from taxation if the item of taxable tangible personal property:

- (i) has an acquisition cost of \$1,000 or less;
- (ii) has reached a percent good of 15% or less according to a personal property schedule published by the commission pursuant to Section 59-2-107; and
- (iii) is in a personal property schedule with a residual value of 15% or less.

~~ff~~(3) (a) For calendar years beginning on or after January 1, [~~2008~~] 2015, the commission shall increase the dollar amount described in Subsection (2)(a):~~ff~~

~~ff~~(i) by a percentage equal to the percentage difference between the consumer price index for the preceding calendar year and the consumer price index for calendar year [~~2006~~] 2013; and~~ff~~

~~ff~~(ii) up to the nearest \$100 increment.~~ff~~

~~ff~~(b) For purposes of this Subsection (3), the commission shall calculate the consumer price index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue Code.~~ff~~

~~ff~~(c) If the percentage difference under Subsection (3)(a)(i) is zero or a negative percentage, the consumer price index increase for the year is zero.~~ff~~

~~(3)~~4 (a) For the first calendar year in which a taxpayer qualifies for an exemption described in Subsection (2), a county assessor may require the taxpayer to file a signed statement described in Section 59-2-306.

(b) Notwithstanding Section 59-2-306, for a calendar year in which a taxpayer qualifies for an exemption described in Subsection (2) ~~after the calendar year described in Subsection (4)(a)~~, a signed statement described in Section 59-2-306 with respect to the taxable tangible

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personal property that is exempt under Subsection (2) may only require the taxpayer to certify, under penalty of perjury, that the taxpayer qualifies for the exemption under Subsection (2).

~~[(4)]~~(5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules to administer this section and provide for uniform implementation.

Section 2. **Effective date.**

This bill takes effect on January 1, 2014.

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**Legislative Review Note**

~~as of 12-7-12 11:02 AM~~

~~Office of Legislative Research and General Counsel~~