

# SB0197S03 compared with SB0197

~~{Omitted text}~~ shows text that was in SB0197 but was omitted in SB0197S03

inserted text shows text that was not in SB0197 but was inserted into SB0197S03

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**Property Tax Amendments**  
2025 GENERAL SESSION  
STATE OF UTAH  
**Chief Sponsor: Daniel McCay**  
House Sponsor: Steve Eliason

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**LONG TITLE**

**General Description:**

This bill modifies provisions related to property ~~{taxation}~~ tax.

**Highlighted Provisions:**

This bill:

- defines terms;
- ~~{provides for annual reductions to the maximum amount available for the taxpayer relief known as the homeowner's credit;}~~
- prohibits taxpayers from receiving ~~{a-}~~ the homeowner's credit unless the taxpayer received the credit within the previous two years, beginning in ~~{2030}~~ 2026;
- removes requirements for annual inflation adjustments for the homeowner's credit;
- increases the household income limits and maximum credit amounts allowed for a renter's credit;
- changes the qualifications, scope, duration, and rates of interest applicable to the discretionary and nondiscretionary property tax deferral programs;
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prohibits taxpayers from receiving indigent abatement unless the taxpayer received the abatement within the previous two years, beginning in 2026;

▸ requires a county auditor to include information on the property tax valuation notice regarding the availability of { ~~property~~ } tax deferral programs { ~~in lieu of the homeowner's credit; and~~ } ;

▸ requires a county treasurer to include information on the tax notice regarding the amount of outstanding taxes and interest for taxpayers who receive a deferral;

▸ includes a coordination clause to address substantive and technical conflicts if this bill and H.B. 20, Property Tax Code Recodification, both pass and become law; and

▸ makes technical and conforming changes.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

This bill provides a coordination clause.

This bill provides retrospective operation.

### AMENDS:

59-2-919.1 , as last amended by Laws of Utah 2024, Chapter 246 , as last amended by Laws of Utah 2024, Chapter 246

~~{59-2-1202 , as last amended by Laws of Utah 2024, Chapter 279 , as last amended by Laws of Utah 2024, Chapter 279}~~

~~{59-2-1208 , as last amended by Laws of Utah 2021, Chapter 391 , as last amended by Laws of Utah 2021, Chapter 391}~~

~~{59-2-1209 , as last amended by Laws of Utah 2024, Chapter 272 , as last amended by Laws of Utah 2024, Chapter 272}~~

59-2-1317 , as last amended by Laws of Utah 2024, Chapter 430 , as last amended by Laws of Utah 2024, Chapter 430

59-2-1331 , as last amended by Laws of Utah 2024, Chapter 263 , as last amended by Laws of Utah 2024, Chapter 263

59-2-1343 , as last amended by Laws of Utah 2024, Chapter 263 , as last amended by Laws of Utah 2024, Chapter 263

59-2-1801 , as last amended by Laws of Utah 2024, Chapters 241, 263 , as last amended by Laws of Utah 2024, Chapters 241, 263

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**59-2-1803 , as last amended by Laws of Utah 2023, Chapter 471 , as last amended by Laws of Utah 2023, Chapter 471**

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**59-2-1804 , as last amended by Laws of Utah 2023, Chapter 354 , as last amended by Laws of Utah 2023, Chapter 354**

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**63J-1-602.2 , as last amended by Laws of Utah 2024, Chapters 241, 285, 425, and 467 , as last amended by Laws of Utah 2024, Chapters 241, 285, 425, and 467**

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### REPEALS AND REENACTS:

**59-2-1208 , as last amended by Laws of Utah 2021, Chapter 391 , as last amended by Laws of Utah 2021, Chapter 391**

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**59-2-1209 , as last amended by Laws of Utah 2024, Chapter 272 , as last amended by Laws of Utah 2024, Chapter 272**

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**59-2-1802 , as last amended by Laws of Utah 2024, Chapter 241 , as last amended by Laws of Utah 2024, Chapter 241**

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**59-2-1802.5 , as last amended by Laws of Utah 2024, Chapter 241 , as last amended by Laws of Utah 2024, Chapter 241**

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### Utah Code Sections affected by Coordination Clause:

**59-2-1208 , as last amended by Laws of Utah 2021, Chapter 391 , as last amended by Laws of Utah 2021, Chapter 391**

**59-2-1209 , as last amended by Laws of Utah 2024, Chapter 272 , as last amended by Laws of Utah 2024, Chapter 272**

**59-2-1801 , as last amended by Laws of Utah 2024, Chapters 241, 263 , as last amended by Laws of Utah 2024, Chapters 241, 263**

**59-2-1802 , as last amended by Laws of Utah 2024, Chapter 241 , as last amended by Laws of Utah 2024, Chapter 241**

**59-2-1802.5 , as last amended by Laws of Utah 2024, Chapter 241 , as last amended by Laws of Utah 2024, Chapter 241**

**59-2-1804 , as last amended by Laws of Utah 2023, Chapter 354 , as last amended by Laws of Utah 2023, Chapter 354**

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

Section 1. Section **59-2-919.1** is amended to read:

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### 59-2-919.1. Notice of property valuation and tax changes.

- (1) In addition to the notice requirements of Section 59-2-919, the county auditor, on or before July 22 of each year, shall notify each owner of real estate who is listed on the assessment roll.
- (2) The notice described in Subsection (1) shall:
- (a) except as provided in Subsection (4), be sent to all owners of real property by mail 10 or more days before the day on which:
    - (i) the county board of equalization meets; and
    - (ii) the taxing entity holds a public hearing on the proposed increase in the certified tax rate;
  - (b) be on a form that is:
    - (i) approved by the commission; and
    - (ii) uniform in content in all counties in the state; and
  - (c) contain for each property:
    - (i) the assessor's determination of the value of the property;
    - (ii) the taxable value of the property;
    - (iii)
      - (A) the deadline for the taxpayer to make an application to appeal the valuation or equalization of the property under Section 59-2-1004; or
      - (B) for property assessed by the commission, the deadline for the taxpayer to apply to the commission for a hearing on an objection to the valuation or equalization of the property under Section 59-2-1007;
    - (iv) for a property assessed by the commission, a statement that the taxpayer may not appeal the valuation or equalization of the property to the county board of equalization;
    - (v) itemized tax information for all applicable taxing entities, including:
      - (A) the dollar amount of the taxpayer's tax liability for the property in the prior year; and
      - (B) the dollar amount of the taxpayer's tax liability under the current rate;
    - (vi) the following, stated separately:
      - (A) the charter school levy described in Section 53F-2-703;
      - (B) the multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
      - (C) the county assessing and collecting levy described in Subsection 59-2-1602(4);
      - (D) levies for debt service voted on by the public;
      - (E) levies imposed for special purposes under Section 10-6-133.4;

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- 65 (F) for a fiscal year that begins on or after July 1, 2023, the combined basic rate as defined in Section  
53F-2-301; and
- 67 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 68 (vii) the tax impact on the property;
- 69 (viii) the date, time, and place of the required public hearing for each entity;
- 70 (ix) property tax information pertaining to:
- 71 (A) taxpayer relief;
- 72 (B) options for payment of taxes;
- 73 (C) collection procedures; and
- 74 (D) the residential exemption described in Section 59-2-103;
- 75 (x) information specifically authorized to be included on the notice under this chapter;
- 76 (xi) the last property review date of the property as described in Subsection 59-2-303.1(1)(c);
- 78 (xii) instructions on how the taxpayer may obtain additional information regarding the valuation of the  
property, including the characteristics and features of the property, from at least one the following  
sources:
- 81 (A) a website maintained by the county; or
- 82 (B) the county assessor's office; and
- 109 (xiii) information describing the availability of property tax deferral options for qualifying residential  
property owners under Sections 59-2-1802 and 59-2-1802.5, including a telephone number, or a  
website address on which a telephone is prominently listed, that residential property owners may  
call to obtain additional information about applying for a deferral; and
- 83 [(xiii)] (xiv) other information approved by the commission.
- 84 (3) If a taxing entity that is subject to the notice and hearing requirements of Subsection 59-2-919(4)  
proposes a tax increase, the notice described in Subsection (1) shall state, in addition to the  
information required by Subsection (2):
- 87 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- 88 (b) the difference between the dollar amount of the taxpayer's tax liability if the proposed increase is  
approved and the dollar amount of the taxpayer's tax liability under the current rate, placed in close  
proximity to the information described in Subsection (2)(c)(viii);

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(c) the percentage increase that the dollar amount of the taxpayer's tax liability under the proposed tax rate represents as compared to the dollar amount of the taxpayer's tax liability under the current tax rate; and

(d) for each taxing entity proposing a tax increase, the dollar amount of additional ad valorem tax revenue, as defined in Section 59-2-919, that would be generated each year if the proposed tax increase is approved.

~~{(4) For a calendar year beginning on or after January 1, 2025, and before January 1, 2030, in addition to the information required by Subsection (2), the notice described in Subsection (1) shall: }~~

~~{(a) state, "Beginning in 2025, the amount of property tax relief available to property owners through the homeowner's credit program will be reduced each year by 20% and will no longer be available starting in 2030. However, you may be eligible to defer payment of this property tax if you are 66 years old or older and meet certain income requirements."; and }~~

~~{(b) include a telephone number, or a website address on which a telephone number is prominently listed, that the property owner may call to obtain additional information about applying for a deferral. }~~

~~{(4){1} (5)}~~

(a) Subject to the other provisions of this Subsection {(4){1} (5)}, a county auditor may, at the county auditor's discretion, provide the notice required by this section to a taxpayer by electronic means if a taxpayer makes an election, according to procedures determined by the county auditor, to receive the notice by electronic means.

(b)

(i) If a notice required by this section is sent by electronic means, a county auditor shall attempt to verify whether a taxpayer receives the notice.

(ii) If receipt of the notice sent by electronic means cannot be verified 14 days or more before the county board of equalization meets and the taxing entity holds a public hearing on a proposed increase in the certified tax rate, the notice required by this section shall also be sent by mail as provided in Subsection (2).

(c) A taxpayer may revoke an election to receive the notice required by this section by electronic means if the taxpayer provides written notice to the county auditor on or before April 30.

(d) An election or a revocation of an election under this Subsection {(4){1} (5)}:

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- (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or before the due date for paying the tax; or
- (ii) does not alter the requirement that a taxpayer appealing the valuation or the equalization of the taxpayer's real property submit the application for appeal within the time period provided in Subsection 59-2-1004(3).
- (e) A county auditor shall provide the notice required by this section as provided in Subsection (2), until a taxpayer makes a new election in accordance with this Subsection ~~{(4)} {5}~~, if:
  - (i) the taxpayer revokes an election in accordance with Subsection ~~{(4)(c)} {5}(e)~~ to receive the notice required by this section by electronic means; or
  - (ii) the county auditor finds that the taxpayer's electronic contact information is invalid.
- (f) A person is considered to be a taxpayer for purposes of this Subsection ~~{(4)} {5}~~ regardless of whether the property that is the subject of the notice required by this section is exempt from taxation.

~~{Section 2. Section 59-2-1202 is amended to read: }~~

### **59-2-1202. Definitions.**

As used in this part:

- (1) "Base year credit" means the maximum amount allowed as a homeowner's credit for each income bracket under Section 59-2-1208 for the calendar year beginning on January 1, 2024.
- ~~[(1)]~~ (2)
  - (a) "Claimant" means a homeowner or renter who:
    - (i) files a claim under this part for a residence;
    - (ii) is domiciled in this state for the entire calendar year for which a claim for relief is filed under this part; and
    - (iii) on or before December 31 of the year for which a claim for relief is filed under this part, is:
      - (A) 66 years old or older if the individual was born on or before December 31, 1959; or
      - (B) 67 years old or older if the individual was born on or after January 1, 1960.
  - (b) Notwithstanding Subsection ~~[(1)(a)]~~ (2)(a), "claimant" includes a surviving spouse:
    - (i) regardless of:
      - (A) the age of the surviving spouse; or
      - (B) the age of the deceased spouse at the time of death;
    - (ii) if the surviving spouse meets the requirements of this part except for the age requirement;

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- 160 (iii) if the surviving spouse is part of the same household of the deceased spouse at the time of death of  
the deceased spouse; and
- 162 (iv) if the surviving spouse is unmarried at the time the surviving spouse files the claim.
- 164 (c) If two or more individuals of a household are able to meet the qualifications for a claimant, they  
may determine among them as to who the claimant shall be, but if they are unable to agree, the  
matter shall be referred to the county legislative body for a determination of the claimant of an  
owned residence and to the commission for a determination of the claimant of a rented residence.
- 169 ~~[(2)]~~ (3) "Consumer price index housing" means the Consumer Price Index - All Urban Consumers,  
Housing United States Cities Average, published by the Bureau of Labor Statistics of the United  
States Department of Labor.
- 172 ~~[(3)]~~ (4)
- (a) "Gross rent" means rent actually paid in cash or its equivalent solely for the right of occupancy, at  
arm's-length, of a residence, exclusive of charges for any utilities, services, furniture, furnishings, or  
personal appliances furnished by the landlord as a part of the rental agreement.
- 176 (b) If a claimant occupies two or more residences in the year, "gross rent" means the total rent paid for  
the residences during the one-year period for which the renter files a claim under this part.
- 179 ~~[(4)]~~ (5)
- (a) "Homeowner" means:
- 180 (i) an individual whose name is listed on the deed of a residence; or
- 181 (ii) if a residence is owned in a qualifying trust, an individual who is a grantor, trustor, or settlor or  
holds another similar role in the trust.
- 183 (b) "Homeowner" does not include:
- 184 (i) if a residence is owned by any type of entity other than a qualifying trust, an individual who holds an  
ownership interest in that entity; or
- 186 (ii) an individual who is listed on a deed of a residence along with an entity other than a qualifying trust.
- 188 ~~[(5)]~~ (6) "Homeowner's credit" means a credit against a claimant's property tax liability.
- 189 ~~[(6)]~~ (7) "Household" means the association of individuals who live in the same dwelling, sharing the  
dwelling's furnishings, facilities, accommodations, and expenses.
- 191 ~~[(7)]~~ (8)
- (a) Except as provided in Subsection ~~[(7)(b)]~~ (8)(b), "household income" means all income received by  
all members of a claimant's household in:



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(i) for a claimant who owns a residence, the calendar year preceding the calendar year in which property taxes are due; or

(ii) for a claimant who rents a residence, the year for which a claim is filed.

(b) "Household income" does not include income received by a member of a claimant's household who is:

(i) under~~[the age of]~~ 18 years old; or

(ii) a parent or a grandparent, through blood, marriage, or adoption, of the claimant or the claimant's spouse.

~~[(8)]~~ (9) "Income" means the sum of:

(a) federal adjusted gross income as defined in Section 62, Internal Revenue Code; and

(b) nontaxable income.

~~[(9)]~~ (10)

(a) "Nontaxable income" means amounts excluded from adjusted gross income under the Internal Revenue Code, including:

(i) capital gains;

(ii) loss carry forwards claimed during the taxable year in which a claimant files for relief under this part or Part 18, Tax Deferral and Tax Abatement;

(iii) depreciation claimed pursuant to the Internal Revenue Code by a claimant on the residence for which the claimant files for relief under this part or Part 18, Tax Deferral and Tax Abatement;

(iv) support money received;

(v) nontaxable strike benefits;

(vi) the gross amount of a pension or annuity, including benefits under the Railroad Retirement Act of 1974, 45 U.S.C. Sec. 231 et seq., and veterans disability pensions;

(vii) except for payments described in Subsection ~~[(9)(b)(vi)]~~ (10)(b)(vi), payments received under the Social Security Act;

(viii) state unemployment insurance amounts;

(ix) nontaxable interest received from any source;

(x) workers' compensation;

(xi) the gross amount of "loss of time" insurance; and

(xii) voluntary contributions to a tax-deferred retirement plan.

(b) "Nontaxable income" does not include:

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- 225 (i) public assistance;  
226 (ii) aid, assistance, or contributions from a tax-exempt nongovernmental source;  
227 (iii) surplus foods;  
228 (iv) relief in kind supplied by a public or private agency;  
229 (v) relief provided under this part or Part 18, Tax Deferral and Tax Abatement;  
230 (vi) Social Security Disability Income payments received under the Social Security Act;  
232 (vii) federal tax refunds;  
233 (viii) federal child tax credits received under 26 U.S.C. Sec. 24;  
234 (ix) federal earned income tax credits received under 26 U.S.C. Sec. 32;  
235 (x) payments received under a reverse mortgage;  
236 (xi) payments or reimbursements to senior program volunteers under 42 U.S.C. Sec. 5058; or  
238 (xii) gifts or bequests.  
239 ~~[(10)]~~ (11)
- (a) "Property taxes accrued" means property taxes, exclusive of special assessments, delinquent interest, and charges for service, levied on 35% of the fair market value, as reflected on the assessment roll, of a claimant's residence in this state.
- 243 (b) For a mobile home, "property taxes accrued" includes taxes imposed on both the land upon which the home is situated and on the structure of the home itself, whether classified as real property or personal property taxes.
- 246 (c) The relief described in Subsection ~~[(10)(a)]~~ (11)(a) constitutes:
- 247 (i) a tax abatement for the poor in accordance with Utah Constitution, Article XIII,  
248 Section 3; and  
249 (ii) the residential exemption provided for in Section 59-2-103.
- 250 (d) For purposes of this Subsection ~~[(10)]~~ (11), property taxes accrued are levied on the lien date.
- 252 (e) When a household owns and occupies two or more different residences in this state in the same calendar year, and neither residence is acquired or sold during the calendar year for which relief is claimed under this part, property taxes accrued shall relate only to the residence occupied on the lien date by the household as the household's principal place of residence.
- 257 (f)

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(i) If a residence is an integral part of a large unit such as a farm or a multipurpose or multidwelling building, property taxes accrued shall be calculated on the percentage that the value of the residence is of the total value of the unit.

(ii) For purposes of this Subsection ~~[(10)(f)]~~ (11)(f), "unit" refers to the parcel of property covered by a single tax statement of which the residence is a part.

~~[(11)]~~ (12) "Public assistance" means:

(a) medical assistance provided under Title 26B, Chapter 3, Health Care - Administration and Assistance;

(b) SNAP benefits as defined in Section 35A-1-102;

(c) services or benefits provided under Title 35A, Chapter 3, Employment Support Act; and

(d) foster care maintenance payments provided from the General Fund or under Title IV-E of the Social Security Act.

~~[(12)]~~ (13) "Qualifying trust" means a trust holding title to real or tangible personal property for which an individual:

(a) makes a claim under this part;

(b) proves to the satisfaction of the county that title to the portion of the trust will revest in the individual upon the exercise of a power:

(i) by:

(A) the individual as grantor, trustor, settlor, or in another similar role of the trust;

(B) a nonadverse party; or

(C) both the individual and a nonadverse party; and

(ii) regardless of whether the power is a power:

(A) to revoke;

(B) to terminate;

(C) to alter;

(D) to amend; or

(E) to appoint; and

(c) is obligated to pay the taxes on that portion of the trust property beginning January 1 of the year the individual makes the claim.

~~[(13)]~~ (14)

(a) "Rental assistance payment" means any payment that:

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(i) is made by a:

(A) governmental entity;

(B) charitable organization; or

(C) religious organization; and

(ii) is specifically designated for the payment of rent of a claimant:

(A) for the calendar year for which the claimant seeks a renter's credit under this part; and

(B) regardless of whether the payment is made to the claimant or the landlord.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules defining the terms:

(i) "governmental entity";

(ii) "charitable organization"; or

(iii) "religious organization."

~~[(14)]~~ (15)

(a)

(i) "Residence" means the dwelling in this state, whether owned or rented, and so much of the land surrounding the dwelling, not exceeding one acre, as is reasonably necessary for use of the dwelling as a home.

(ii) "Residence" includes a dwelling that is:

(A) a part of a multidwelling or multipurpose building and a part of the land upon which the multidwelling or multipurpose building is built; and

(B) a mobile home or houseboat.

(b) "Residence" does not include personal property such as furniture, furnishings, or appliances.

(c) For purposes of this Subsection ~~[(14)]~~ (15), "owned" includes a vendee in possession under a land contract or one or more joint tenants or tenants in common.

Section 2. Section **59-2-1208** is repealed and re-enacted to read:

**59-2-1208. Amount of homeowner's credit --** ~~{Cost-of-living-adjustment -- Annual reduction of credit amount -- Limitation}~~ **Limitations** -- General Fund as source of credit.

~~{(+)}~~ }

~~{(a)}~~ **(1)** Subject to ~~{f}~~ Subsections (2) and ~~{(4)}Subsection (2)}~~ **(3)**, for a calendar year beginning on or after January 1, ~~{[2021]2024, and before January 1, 2030}~~ **2025**, a claimant may claim a homeowner's credit that does not exceed the following amounts:

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- 327    {(b) For a calendar year beginning on or after January 1, [2022]2025, the commission shall increase or  
decrease the household income eligibility amounts[ and the credits under Subsection (1)(a)] by a  
percentage equal to the percentage difference between the consumer price index [housing] for the  
preceding calendar year and the consumer price index [housing] for calendar year [2020]2023. }
- 332    {(e)} (2) { For a calendar year beginning on or after January 1, {2025} 2026, {and before January 1,  
2030, the commission shall annually decrease the maximum amount allowed as a } an individual  
may receive the homeowner's credit {for each income bracket } under this section by an amount that  
is equal to 20% of the base year credit} only if the individual received the homeowner's credit for  
the same residence at least once within the previous two calendar years.
- 336    {(d)} (3) { An individual may not receive {a} the homeowner's credit under this section if the individual  
receives any of the following forms of property tax relief for a calendar year beginning on or after  
January 1, 2030.} the same residence:
- 179    (a) a deferral under Section 59-2-1802 or 59-2-1802.5; or  
180    (b) an abatement under Section 59-2-1803.
- 338    {(2)} (4)  
(a) An individual may not receive the homeowner's credit under this section or the {tax-relief}  
abatement described in Subsection 59-2-1202(10)(a) on 20% of the fair market value of the  
residence if:
- 341    (i) the individual is claimed as a personal exemption on another individual's federal income  
tax return during any portion of a calendar year for which the individual seeks to claim the  
homeowner's credit {under this section} ;
- 344    (ii) the individual is a dependent with respect to whom another individual claims a tax credit under  
Section 24(h)(4), Internal Revenue Code, during any portion of a calendar year for which the  
individual seeks to claim the homeowner's credit {under this section} ; or
- 348    (iii) the individual did not own the residence for the entire calendar year for which the individual  
claims the homeowner's credit.
- 350    (b) For a calendar year in which a residence is sold, the amount received as a homeowner's credit under  
this section or as {tax-relief} an abatement described in Subsection 59-2-1202(10)(a) on 20% of the  
fair market value of the residence shall be repaid to the county on or before the day on which the  
sale of the residence closes.

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{(3)} (5) A payment for a homeowner's credit allowed by this section, and {provided for in} authorized  
by Section 59-2-1204, shall be paid from the General Fund.

{(4)} ~~[For a calendar year that begins on or after January 1, 2018, after the commission has adjusted  
the homeowner credit amount under Subsection (1)(b), the]The commission shall increase each  
homeowner credit amount under Subsection (1) by [the following amounts:]\$49.]~~

{(a)} ~~for a calendar year that begins on January 1, 2018, \$14;]~~

{(b)} ~~for a calendar year that begins on January 1, 2019, \$22;]~~

{(c)} ~~for a calendar year that begins on January 1, 2020, \$31;]~~

{(d)} ~~for a calendar year that begins on January 1, 2021, \$40; and]~~

{(e)} ~~for a calendar year that begins on or after January 1, 2022, \$49.]~~

Section 3. Section **59-2-1209** is repealed and re-enacted to read:

**59-2-1209. Amount of renter's credit -- {Cost-of-living adjustment} Adjustments -- Renter's  
credit may be claimed only for gross rent that does not constitute a rental assistance payment --  
Calculation of credit when rent includes utilities -- Limitation -- General Fund as source of {credit  
-- Maximum} credit.**

(1)

(a) Subject to Subsections (2) and (3), for a calendar year beginning on or after January 1, {2021}  
2025, a claimant may claim a renter's credit for the previous calendar year that does not exceed the  
following amounts:

(b) For a calendar year beginning on or after January 1, {2022} 2026, the commission shall increase  
or decrease the household income eligibility amounts and the maximum credit amounts under  
Subsection (1)(a) by a percentage equal to the percentage difference between the {Consumer Price  
Index-housing} consumer price indexhousing for the preceding calendar year and the {Consumer  
Price Index-housing} consumer price indexhousing for calendar year {2020} 2024.

(c) After the commission has adjusted the maximum credit amounts under Subsection (1)(b), the  
commission shall increase each maximum credit amount under Subsection (1)(a) by \$49.

(2)

{(2)} (a) A claimant may claim a renter's credit under this {part} section only for gross rent that does  
not constitute a rental assistance payment.

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(b) For purposes of determining whether a claimant receives a rental assistance payment and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules defining the terms:

(i) "charitable organization";

(ii) "governmental entity"; or

(iii) "religious organization."

(3) For purposes of calculating gross rent when a claimant's rent includes electricity or natural gas and the utility amount is not itemized in the statement provided in accordance with Section 59-2-1213, the commission shall deduct from rent:

(a) 7% of rent if the rent includes electricity or natural gas but not both; or

(b) 13% of rent if the rent includes both electricity and natural gas.

(4) An individual may not receive the renter's credit under this section if the individual is:

(a) claimed as a personal exemption on another individual's federal income tax return during any portion of a calendar year for which the individual seeks to claim the renter's credit { under this section } ; or

(b) a dependent with respect to whom another individual claims a tax credit under Section 24(h)(4), Internal Revenue Code, during any portion of a calendar year for which the individual seeks to claim the renter's credit { under this section } .

(5) A payment for a renter's credit allowed by this section, and { provided for in } authorized by Section 59-2-1204, shall be paid from the General Fund.

~~{(6) A credit under this section may not exceed the [maximum amount allowed as a homeowner's credit for each income bracket under Section 59-2-1208]base-year credit as adjusted by the commission 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 2023.}~~

Section 4. Section 59-2-1317 is amended to read:

**59-2-1317. Tax notice -- Contents of notice -- Procedures and requirements for providing notice.**

(1) As used in this section, "political subdivision lien" means the same as that term is defined in Section 11-60-102.

(2) Subject to the other provisions of this section, the county treasurer shall:

(a) collect the taxes and tax notice charges; and

## SB0197 compared with SB0197S03

- 253 (b) provide a notice to each taxpayer that contains the following:
- 254 (i) the kind and value of property assessed to the taxpayer;
- 255 (ii) the street address of the property, if available to the county;
- 256 (iii) that the property may be subject to a detailed review in the next year under Section 59-2-303.1;
- 258 (iv) the amount of taxes levied;
- 259 (v) a separate statement of the taxes levied only on a certain kind or class of property for a special purpose;
- 261 (vi) property tax information pertaining to taxpayer relief, options for payment of taxes, and collection procedures;
- 263 (vii) any tax notice charges applicable to the property, including:
- 264 (A) if applicable, a political subdivision lien for road damage that a railroad company causes, as described in Section 10-7-30;
- 266 (B) if applicable, a political subdivision lien for municipal water distribution, as described in Section 10-8-17, or a political subdivision lien for an increase in supply from a municipal water distribution, as described in Section 10-8-19;
- 269 (C) if applicable, a political subdivision lien for unpaid abatement fees as described in Section 10-11-4;
- 271 (D) if applicable, a political subdivision lien for the unpaid portion of an assessment assessed in accordance with Title 11, Chapter 42, Assessment Area Act, or Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act, including unpaid costs, charges, and interest as of the date the local entity certifies the unpaid amount to the county treasurer;
- 276 (E) if applicable, for a special district in accordance with Section 17B-1-902, a political subdivision lien for an unpaid fee, administrative cost, or interest;
- 278 (F) if applicable, a political subdivision lien for an unpaid irrigation district use charge as described in Section 17B-2a-506;
- 280 (G) if applicable, a political subdivision lien for a contract assessment under a water contract, as described in Section 17B-2a-1007;
- 282 (H) if applicable, a property tax penalty that a public infrastructure district imposes, as described in Section 17D-4-304; ~~and~~
- 284 (I) if applicable, an annual payment to the Military Installation Development Authority or an entity designated by the authority in accordance with Section 63H-1-501; and
- 287



## SB0197 compared with SB0197S03

(J) if applicable, the total amount of deferred taxes, deferred tax notice charges, and accrued interest that is outstanding for an owner of residential property granted a property tax deferral under Section 59-2-1802 or 59-2-1802.5;

(viii) if a county's tax notice includes an assessment area charge, a statement that, due to potentially ongoing assessment area charges, costs, penalties, and interest, payment of a tax notice charge may not:

(A) pay off the full amount the property owner owes to the tax notice entity; or

(B) cause a release of the lien underlying the tax notice charge;

(ix) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);

(x) the date the taxes and tax notice charges are due;

(xi) the street address at which the taxes and tax notice charges may be paid;

(xii) the date on which the taxes and tax notice charges are delinquent;

(xiii) the penalty imposed on delinquent taxes and tax notice charges;

(xiv) a statement that explains the taxpayer's right to direct allocation of a partial payment in accordance with Subsection (9);

(xv) other information specifically authorized to be included on the notice under this chapter;

(xvi) other property tax information approved by the commission; and

(xvii) if sent in calendar year 2024, 2025, or 2026:

(A) notice that the taxpayer may request electronic notice as described in Subsection 17-21-6(1)(m); and

(B) instructions describing how to elect to receive a notice as described in Subsection 17-21-6(1)(m).

(3)

(a) Unless expressly allowed under this section or another statutory provision, the treasurer may not add an amount to be collected to the property tax notice.

(b) If the county treasurer adds an amount to be collected to the property tax notice under this section or another statutory provision that expressly authorizes the item's inclusion on the property tax notice:

(i) the amount constitutes a tax notice charge; and

(ii)

(A) the tax notice charge has the same priority as property tax; and

(B) a delinquency of the tax notice charge triggers a tax sale, in accordance with Section 59-2-1343.

## SB0197 compared with SB0197S03

- (4) For any property for which property taxes or tax notice charges are delinquent, the notice described in Subsection (2) shall state, "Prior taxes or tax notice charges are delinquent on this parcel."
- (5) Except as provided in Subsection (6), the county treasurer shall:
- (a) mail the notice required by this section, postage prepaid; or
- (b) leave the notice required by this section at the taxpayer's residence or usual place of business, if known.
- (6)
- (a) Subject to the other provisions of this Subsection (6), a county treasurer may, at the county treasurer's discretion, provide the notice required by this section by electronic mail if a taxpayer makes an election, according to procedures determined by the county treasurer, to receive the notice by electronic mail.
- (b) A taxpayer may revoke an election to receive the notice required by this section by electronic mail if the taxpayer provides written notice to the treasurer on or before October 1.
- (c) A revocation of an election under this section does not relieve a taxpayer of the duty to pay a tax or tax notice charge due under this chapter on or before the due date for paying the tax or tax notice charge.
- (d) A county treasurer shall provide the notice required by this section using a method described in Subsection (5), until a taxpayer makes a new election in accordance with this Subsection (6), if:
- (i) the taxpayer revokes an election in accordance with Subsection (6)(b) to receive the notice required by this section by electronic mail; or
- (ii) the county treasurer finds that the taxpayer's electronic mail address is invalid.
- (e) A person is considered to be a taxpayer for purposes of this Subsection (6) regardless of whether the property that is the subject of the notice required by this section is exempt from taxation.
- (7)
- (a) The county treasurer shall provide the notice required by this section to a taxpayer on or before November 1.
- (b) The county treasurer shall keep on file in the county treasurer's office the information set forth in the notice.
- (c) The county treasurer is not required to mail a tax receipt acknowledging payment.
- (8) This section does not apply to property taxed under Section 59-2-1302 or 59-2-1307.
- (9)

## SB0197 compared with SB0197S03

(a) A taxpayer who pays less than the full amount due on the taxpayer's property tax notice may, on a form provided by the county treasurer, direct how the county treasurer allocates the partial payment between:

- (i) the total amount due for property tax;
- (ii) the amount due for assessments, past due special district fees, and other tax notice charges; and
- (iii) any other amounts due on the property tax notice.

(b) The county treasurer shall comply with a direction submitted to the county treasurer in accordance with Subsection (9)(a).

(c) The provisions of this Subsection (9) do not:

- (i) affect the right or ability of a local entity to pursue any available remedy for non-payment of any item listed on a taxpayer's property tax notice; or
- (ii) toll or otherwise change any time period related to a remedy described in Subsection (9)(c)(i).

### Section 5. Section 59-2-1331 is amended to read:

**59-2-1331. Property tax due date -- Date tax is delinquent -- Penalty -- Interest -- Payments -- Refund of prepayment.**

(1)

(a) Except as provided in Subsection (1)(b) and subject to Subsections (1)(c) and (d), all property taxes, unless otherwise specifically provided for under Section 59-2-1332, or other law, and any tax notice charges, are due on November 30 of each year following the date of levy.

(b) If November 30 falls on a Saturday, Sunday, or holiday:

- (i) the date of the next following day that is not a Saturday, Sunday, or holiday shall be substituted in Subsection (1)(a) and Subsection 59-2-1332(1) for November 30; and
- (ii) the date of the day occurring 30 days after the date under Subsection (1)(b)(i) shall be substituted in Subsection 59-2-1332(1) for December 30.

(c) If a property tax is paid or postmarked after the due date described in this Subsection (1) the property tax is delinquent.

(d) A county treasurer or other public official, public entity, or public employee may not require the payment of a property tax before the due date described in this Subsection (1).

(2)

## SB0197 compared with SB0197S03

- (a) Except as provided in Subsections (2)(e), (f), and ~~[(g)(i)]~~ (g), for each parcel, all delinquent taxes and tax notice charges on each separately assessed parcel are subject to a penalty of 2.5% of the amount of the delinquent taxes and tax notice charges or \$10, whichever is greater.
- (b) Unless the delinquent taxes and tax notice charges, together with the penalty, are paid on or before January 31, the amount of taxes and tax notice charges and penalty shall bear interest on a per annum basis from the January 1 immediately following the delinquency date.
- (c) Except as provided in Subsection (2)(d), for purposes of Subsection (2)(b), the interest rate is equal to the sum of:
- (i) 6%; and
  - (ii) the federal funds rate target:
    - (A) established by the Federal Open Markets Committee; and
    - (B) that exists on the January 1 immediately following the date of delinquency.
- (d) The interest rate described in Subsection (2)(c) may not be:
- (i) less than 7%; or
  - (ii) more than 10%.
- (e) The penalty described in Subsection (2)(a) is 1% of the amount of the delinquent taxes and tax notice charges or \$10, whichever is greater, if all delinquent taxes, all tax notice charges, and the penalty are paid on or before the January 31 immediately following the delinquency date.
- (f) This section does not apply to the costs, charges, and interest rate accruing on any tax notice charge related to an assessment assessed in accordance with:
- (i) Title 11, Chapter 42, Assessment Area Act; or
  - (ii) Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act.
  - (g)
    - (i) The county shall waive any penalty or interest for a property granted a deferral in accordance with Section 59-2-1802.1 from the day of the delinquency through the end of the deferral period.
    - (ii) For a property granted a deferral in accordance with Section 59-2-1802 or 59-2-1802.5, from the day of the delinquency through the end of the deferral period:
      - (A) the county shall waive the penalty described in Subsection (2)(a); and
      - (B) interest accrues on deferred taxes and tax notice charges in accordance with Subsection 59-2-1802(8) or 59-2-1802.5(8), as applicable.

## SB0197 compared with SB0197S03

[(ii)] (iii) Penalties and interest accrue in accordance with this Subsection (2) on any tax or tax notice charge that is delinquent after the deferral period ends.

(3)

(a) If the delinquency exceeds one year, the amount of taxes, tax notice charges, and penalties for that year and all succeeding years shall bear interest until settled in full through redemption or tax sale.

(b) The interest rate to be applied shall be calculated for each year as established under Subsection (2) and shall apply on each individual year's delinquency until paid.

(4) The county treasurer may accept and credit on account against taxes and tax notice charges becoming due during the current year, at any time before or after the tax rates are adopted, but not subsequent to the date of delinquency, either:

(a) payments in amounts of not less than \$10; or

(b) the full amount of the unpaid tax and tax notice charges.

(5)

(a) At any time before the county treasurer provides the tax notice described in Section 59-2-1317, the county treasurer may refund amounts accepted and credited on account against taxes and tax notice charges becoming due during the current year.

(b) Upon recommendation by the county treasurer, the county legislative body shall adopt rules or ordinances to implement the provisions of this Subsection (5).

Section 6. Section 59-2-1343 is amended to read:

**59-2-1343. Tax sale listing.**

(1)

(a) If any property is not redeemed by March 15 following the lapse of four years from the date when any item in Subsection (1)(b) became delinquent, the county treasurer shall immediately file a listing with the county auditor of all properties whose redemption period is expiring in the nearest forthcoming tax sale to pay all outstanding property taxes and tax notice charges.

(b) Except as provided in Subsection (1)(c), a delinquency of any of the following triggers the tax sale process described in Subsection (1)(a):

(i) property tax; or

(ii) a tax notice charge.

## SB0197 compared with SB0197S03

(c) A property tax or a tax notice charge that is deferred in accordance with Section 59-2-1802.1 is delinquent only if full payment of the property tax and any tax notice charges is not made before the end of the five-year deferral period.

(d) Taxes and tax notice charges deferred in accordance with Section 59-2-1802 or 59-2-1802.5 become delinquent only if full payment of the following is not made before the end of the deferral period:

(i) the taxes and tax notice charges deferred during the deferral period; and

(ii) interest accrued on the taxes and tax notice charges described in Subsection (1)(d)(i).

(2) The listing is known as the "tax sale listing."

### Section 7. Section 59-2-1801 is amended to read:

#### **59-2-1801. Definitions.**

As used in this part:

(1) "Abatement" means a tax abatement described in Section 59-2-1803.

(2) "Adjusted property tax amount" means the amount of property taxes levied on an eligible owner's primary residence that the eligible owner is required to pay for a calendar year in which the eligible owner receives a deferral under this part.

(3) "Base year property tax amount" means:

(a) for a calendar year in which an eligible owner did not receive a deferral under this part for the preceding calendar year, the amount of property taxes levied on the eligible owner's primary residence for the preceding calendar year; and

(b) for a calendar year in which an eligible owner received a deferral under this part for the preceding calendar year, the amount of property taxes levied on the eligible owner's primary residence for the calendar year immediately preceding the calendar year for which the eligible owner first received the deferral.

(4) "Current year property tax amount" means the amount of property taxes levied on an eligible owner's primary residence for the current calendar year.

~~[(2)]~~ (5) "Deferral" means a postponement of a tax due date or a tax notice charge granted in accordance with Section 59-2-1802, 59-2-1802.1, or 59-2-1802.5.

~~[(3)]~~ "Eligible owner" means ~~an owner of an attached or a detached single-family residence;~~

~~[(a)]~~

~~(i) who is 75 years old or older on or before December 31 of the year in which the individual applies for a deferral under this part;~~

## SB0197 compared with SB0197S03

- 478 ~~[(ii) whose household income does not exceed 200% of the maximum household income certified to a~~  
homeowner's credit described in Section 59-2-1208; and]
- 480 ~~[(iii) whose household liquid resources do not exceed 20 times the amount of property taxes levied on~~  
the owner's residence for the preceding calendar year; or]
- 482 ~~[(b) that is a trust described in Section 59-2-1805 if the grantor of the trust is an individual described in~~  
Subsection (3)(a).]
- 484 (6) "Eligible owner" means:
- 485 (a) for a deferral under Section 59-2-1802, an owner of an attached or detached single-family residence:
- 487 (i)
- (A) who uses the residence as the owner's primary residence as of January 1 of the calendar year for  
which the owner applies for the deferral;
- 489 (B) who owns the residence for at least one year as of January 1 of the calendar year for which the  
owner applies for the deferral;
- 491 (C) whose household income does not exceed \$50,000; and
- 492 (D) whose household liquid resources do not exceed 20 times the amount of property taxes levied on  
the residence for the preceding calendar year; or
- 494 (ii) that is a trust described in Section 59-2-1805 if the grantor of the trust is an individual described in  
Subsection (6)(a)(i); and
- 496 (b) for a deferral under Section 59-2-1802.5, an owner of an attached or detached single-family  
residence:
- 498 (i)
- (A) who uses the residence as the owner's primary residence as of January 1 of the calendar year for  
which the owner applies for the deferral;
- 500 (B) who owns the residence for at least one year as of January 1 of the calendar year for which the  
owner applies for the deferral;
- 502 (C) who is 65 years old or older on or before December 31 of the calendar year for which the owner  
applies for the deferral;
- 504 (D) whose household income does not exceed \$60,000; and
- 505 (E) whose household liquid resources do not exceed 20 times the amount of property taxes levied on the  
residence for the preceding calendar year; or
- 507

## SB0197 compared with SB0197S03

(ii) that is a trust described in Section 59-2-1805 if the grantor of the trust is an individual described in Subsection (6)(b)(i).

509 ~~[(4)]~~ (7) "Household" means the same as that term is defined in Section 59-2-1202.

510 ~~[(5)]~~ (8) "Household income" means the same as that term is defined in Section 59-2-1202.

511 ~~[(6)]~~ (9) "Household liquid resources" means the following resources that are not included in an individual's household income and held by one or more members of the individual's household:

514 (a) cash on hand;

515 (b) money in a checking or savings account;

516 (c) savings certificates; and

517 (d) stocks or bonds.

518 ~~[(7)]~~ (10) "Indigent individual" means a poor individual as described in Utah Constitution, Article XIII, Section 3, Subsection (4), who:

520 (a)

(i) is at least 65 years old; or

521 (ii) is less than 65 years old and:

522 (A) the county finds that extreme hardship would prevail on the individual if the county does not defer or abate the individual's taxes; or

524 (B) the individual has a disability;

525 (b) has a total household income, as defined in Section 59-2-1202, of less than the maximum household income certified to a homeowner's credit described in Section 59-2-1208;

528 (c) resides for at least 10 months of the year in the residence that would be subject to the requested abatement or deferral; and

530 (d) cannot pay the tax assessed on the individual's residence when the tax becomes due.

531 ~~[(8)]~~ (11) "Property taxes due" means the taxes due on an indigent individual's property:

532 (a) for which a county granted an abatement under Section 59-2-1803; and

533 (b) for the calendar year for which the county grants the abatement.

534 ~~[(9)]~~ (12) "Property taxes paid" means an amount equal to the sum of:

535 (a) the amount of property taxes the indigent individual paid for the taxable year for which the indigent individual applied for the abatement; and

537 (b) the amount of the abatement the county grants under Section 59-2-1803.

538



## SB0197 compared with SB0197S03

~~[(10)]~~ (13) "Qualifying increase" means a valuation that is equal to or more than 150% higher than the previous year's valuation for property that:

- (a) is county assessed; and
- (b) on or after January 1 of the previous year and before January 1 of the current year has not had:
  - (i) a physical improvement if the fair market value of the physical improvement increases enough to result in the valuation increase solely as a result of the physical improvement;
  - (ii) a zoning change if the fair market value of the real property increases enough to result in the valuation increase solely as a result of the zoning change; or
  - (iii) a change in the legal description of the real property, if the fair market value of the real property increases enough to result in the valuation increase solely as a result of the change in the legal description of the real property.

~~[(11)]~~ (14) "Relative" means a spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, first cousin, or a spouse of any of these individuals.

~~[(12)]~~ (15) "Residence" means real property where an individual resides, including:

- (a) a mobile home, as defined in Section 41-1a-102; or
- (b) a manufactured home, as defined in Section 41-1a-102.

~~[(13)]~~ (16) "Tax notice charge" means the same as that term is defined in Section 59-2-1301.5.

Section 8. Section **59-2-1802** is repealed and re-enacted to read:

### **59-2-1802. Discretionary deferral for eligible owners.**

(1) An owner of an attached or detached single-family residence may apply to the county for a discretionary deferral under this section for postponement of a portion of the property taxes due on the owner's residence if:

- (a) the owner qualifies as an eligible owner under Subsection 59-2-1801(6)(a);
- (b) the owner discloses all outstanding mortgages on the residence;
- (c) the owner is not receiving any of the following forms of property tax relief for the same residence:
  - (i) the homeowner's credit under Section 59-2-1208;
  - (ii) a deferral under Section 59-2-1802.5; or
  - (iii) an abatement under Section 59-2-1803; and

## SB0197 compared with SB0197S03

(d) there are no delinquent property taxes, delinquent tax notice charges, or outstanding penalties, interest, or administrative costs related to a delinquent property tax or a delinquent tax notice charge due on the owner's residence, other than:

(i) taxes and tax notice charges previously deferred under this section; and

(ii) interest accrued on the taxes and tax notice charges described in Subsection (1)(b)(i).

(2) A county may grant an application for a deferral under this section if:

(a) the county determines that the applicant meets the conditions of Subsection (1); and

(b) the applicant complies with the other applicable provisions of this part.

(3) Of the total amount of taxes and tax notice charges levied on an eligible owner's primary residence for a calendar year in which the eligible owner receives a deferral under this section:

(a) the adjusted property tax amount is 50% of the lesser of:

(i) the base year property tax amount; and

(ii) the current year property tax amount; and

(b) the amount deferred is the amount exceeding the adjusted property tax amount.

(4)

(a) Except as provided in Subsection (4)(b), the deferral period under this section is one year.

(b) The county may extend the deferral period for one or more subsequent one-year periods if, for each subsequent calendar year in which the eligible owner seeks to extend the deferral period:

(i) the eligible owner applies for an extension of the deferral;

(ii) the county determines that the eligible owner has continued to meet the conditions of Subsection (1); and

(iii) the eligible owner complies with the other applicable provisions of this part.

(c) For purposes of Subsections 59-2-1331(2)(g)(ii) and 59-2-1343(1)(d), the deferral period ends on the last day of:

(i) the initial one-year deferral period, if the county does not extend the deferral period under Subsection (4)(b); or

(ii) the final one-year deferral period subsequently granted, if the county extends the deferral period under Subsection (4)(b).

(5)

(a) Taxes and tax notice charges deferred under this section accumulate with interest and applicable recording fees as a lien against the residential property.

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- 605 (b)
- (i) Except as provided in Subsection (5)(b)(ii), a lien described in this Subsection (5) has the same legal status as a lien described in Section 59-2-1325.
- 607 (ii) A lien described in this Subsection (5) is subordinate to any mortgage on the property.
- 609 (c) To release the lien described in this Subsection (5), an eligible owner shall pay the total amount subject to the lien:
- 611 (i) upon the eligible owner selling or otherwise disposing of the residential property; or
- 613 (ii) when the residential property is no longer the eligible owner's primary residence.
- 614 (d)
- (i) Notwithstanding Subsection (5)(c), an eligible owner that receives a deferral under this section does not have to pay the deferred taxes, deferred tax notice charges, or applicable recording fees when the residential property transfers to the eligible owner's surviving spouse as a result of the eligible owner's death.
- 618 (ii) After the residential property transfers to the eligible owner's surviving spouse, the deferred taxes, deferred tax notice charges, and applicable recording fees are due:
- 621 (A) upon the surviving spouse selling or otherwise disposing of the residential property; or
- 623 (B) when the residential property is no longer the surviving spouse's primary residence.
- 625 (e)
- (i) Notwithstanding Subsection (5)(c), an eligible owner that receives a deferral under this section does not have to pay the deferred taxes, deferred tax notice charges, or applicable recording fees when the residential property transfers between the eligible owner and a trust described in Section 59-2-1805 if:
- 629 (A) the eligible owner is the grantor of the trust; and
- 630 (B) the residential property remains the eligible owner's primary residence.
- 631 (ii) After the residential property transfers between the eligible owner and a trust as provided in Subsection (5)(e)(i), the deferred taxes, deferred tax notice charges, and applicable recording fees are due when the residential property is no longer the eligible owner's primary residence.
- 635 (f) When the deferral period ends:
- 636 (i) the lien becomes due and subject to the collection procedures described in Section 59-2-1331; and
- 638 (ii) the date of levy is the date that the deferral period ends.
- 639 (6)

## SB0197 compared with SB0197S03

(a) If a county grants an eligible owner more than one deferral under this section for the same residential property, including an extension of the deferral period under Subsection (4)(b), the county is not required to submit for recording more than one lien.

(b) Each subsequent deferral relates back to the date of the initial lien filing.

(7)

(a) For each residential property for which the county grants a deferral under this section, the county treasurer shall maintain a record that is an itemized account of the total amount of deferred property taxes and deferred tax notice charges subject to the lien.

(b) The record described in this Subsection (7) is the official record of the amount of the lien.

(8) Notwithstanding Subsection 59-2-1331(2)(c), taxes and tax notice charges deferred under this section bear interest at a rate equal to the greater of:

(a) two percentage points below the federal funds rate:

(i) published by the Federal Reserve Bank of New York; and

(ii) that exists on January 1 of the calendar year immediately following the calendar year for which the deferral is granted; and

(b) 1%.

(9) A county may not require approval from lien holders for residential property that is subject to a mortgage or trust deed to receive a deferral under this section.

(10) A county that grants a deferral to an eligible owner under this section shall:

(a) provide notice of the adjusted property tax amount to the holder of each mortgage or trust deed outstanding on the residential property; and

(b) refund to the eligible owner any amount of property taxes paid by the eligible owner during the deferral period in excess of the adjusted property tax amount.

Section 9. Section **59-2-1802.5** is repealed and re-enacted to read:

**59-2-1802.5. Nondiscretionary deferral for eligible owners.**

(1) An owner of an attached or detached single-family residence may apply to the county for a nondiscretionary deferral under this section for postponement of a portion of the property taxes due on the eligible owner's residence if:

(a) the owner qualifies as an eligible owner under Subsection 59-2-1801(6)(b);

(b) the owner discloses all outstanding mortgages on the residence, none of which is a reverse mortgage;

## SB0197 compared with SB0197S03

- 673 (c) the assessed value of the residence, as listed on the valuation notice sent in accordance with Section  
676 59-2-919.1, is greater than the amount of any outstanding mortgage on the residence by 5% or more;
- 678 (d) the owner is not receiving any of the following forms of property tax relief for the same residence:  
679 (i) the homeowner's credit under Section 59-2-1208;  
680 (ii) a deferral under Section 59-2-1802; or  
681 (iii) an abatement under Section 59-2-1803; and
- 684 (e) there are no delinquent property taxes, delinquent tax notice charges, or outstanding penalties,  
685 interest, or administrative costs related to a delinquent property tax or a delinquent tax notice charge  
687 due on the owner's residence, other than:
- 688 (i) taxes and tax notice charges previously deferred under this section; and  
689 (ii) accrued interest on the taxes and tax notice charges described in Subsection (1)(c)(i).
- 690 (2) A county shall grant an application for a deferral under this section if:  
693 (a) the county determines that the applicant meets the conditions of Subsection (1); and  
694 (b) the applicant complies with the other applicable provisions of this part.
- 695 (3) Of the total amount of taxes and tax notice charges levied on an eligible owner's primary residence  
696 for a calendar year in which the eligible owner receives a deferral under this section:
- 697 (a) the adjusted property tax amount is 75% of the lesser of:  
698 (i) the base year property tax amount; and  
699 (ii) the current year property tax amount; and  
700 (b) the amount deferred is the amount exceeding the adjusted property tax amount.
- 701 (4)  
702 (a) Except as provided in Subsection (4)(b), the deferral period under this section is one year.  
703 (b) The county shall extend the deferral period for one or more subsequent one-year periods if, for each  
704 subsequent calendar year in which the eligible owner seeks to extend the deferral period:
- 705 (i) the eligible owner applies for an extension of the deferral;  
706 (ii) the county determines that the eligible owner has continued to meet the conditions of Subsection  
707 (1); and  
708 (iii) the eligible owner complies with the other applicable provisions of this part.
- 709 (c) For purposes of Subsections 59-2-1331(2)(g)(ii) and 59-2-1343(1)(d), the deferral period ends on  
710 the last day of:

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- (i) the initial one-year deferral period, if the county does not extend the deferral period under Subsection (4)(b); or
- 710 (ii) the final one-year deferral period subsequently granted, if the county extends the deferral period under Subsection (4)(b).
- 712 (5)
- (a) Taxes and tax notice charges deferred under this section accumulate with interest and applicable recording fees as a lien against the residential property.
- 714 (b) A lien described in this Subsection (5) has the same legal status as a lien described in Section 59-2-1325.
- 716 (c) To release the lien described in this Subsection (5), an eligible owner shall pay the total amount subject to the lien:
- 718 (i) upon the eligible owner selling or otherwise disposing of the residential property; or
- 720 (ii) when the residential property is no longer the eligible owner's primary residence.
- 721 (d)
- (i) Notwithstanding Subsection (5)(c), an eligible owner that receives a deferral under this section does not have to pay the deferred taxes, deferred tax notice charges, or applicable recording fees when the residential property transfers to the eligible owner's surviving spouse as a result of the eligible owner's death.
- 725 (ii) After the residential property transfers to the eligible owner's surviving spouse, the deferred taxes, deferred tax notice charges, and applicable recording fees are due:
- 728 (A) upon the surviving spouse selling or otherwise disposing of the residential property; or
- 730 (B) when the residential property is no longer the surviving spouse's primary residence.
- 732 (e) Notwithstanding Subsection (5)(c), an eligible owner that receives a deferral under this section does not have to pay the deferred taxes, deferred tax notice charges, or applicable recording fees when the residential property transfers between the eligible owner and a trust described in Section 59-2-1805 if:
- 736 (i) the eligible owner is the grantor of the trust; and
- 737 (ii) the residential property remains the eligible owner's primary residence.
- 738 (f) After the residential property transfers between the eligible owner and a trust as provided in Subsection (5)(e)(i), the deferred taxes, deferred tax notice charges, and applicable recording fees are due when the residential property is no longer the eligible owner's primary residence.

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- (g) When the deferral period ends:
- (i) the lien becomes due and subject to the collection procedures described in Section 59-2-1331; and
- (ii) the date of levy is the date that the deferral period ends.
- (6)
- (a) If a county grants an eligible owner more than one deferral under this section for the same residential property, including an extension of the deferral period under Subsection (4)(b), the county is not required to submit for recording more than one lien.
- (b) Each subsequent deferral relates back to the date of the initial lien filing.
- (7)
- (a) For each residential property for which the county grants a deferral under this section, the county treasurer shall maintain a record that is an itemized account of the total amount of deferred property taxes and deferred tax notice charges subject to the lien.
- (b) The record described in this Subsection (7) is the official record of the amount of the lien.
- (8) Notwithstanding Subsection 59-2-1331(2)(c), taxes and tax notice charges deferred under this section bear interest at a rate equal to the greater of:
- (a) one percentage point below the federal funds rate:
- (i) published by the Federal Reserve Bank of New York; and
- (ii) that exists on January 1 of the calendar year immediately following the calendar year for which the deferral is granted; and
- (b) 1%.
- (9) A county may not require approval from lien holders for residential property that is subject to a mortgage or trust deed to receive a deferral under this section.
- (10) A county that grants a deferral to an eligible owner under this section shall:
- (a) provide notice of the adjusted property tax amount to the holder of each mortgage or trust deed outstanding on the residential property; and
- (b) refund to the eligible owner any amount of property taxes paid by the eligible owner during the deferral period in excess of the adjusted property tax amount.

### Section 10. Section 59-2-1803 is amended to read:

#### **59-2-1803. Tax abatement for indigent individuals -- Maximum amount -- Refund.**

- (1) In accordance with this part, a county may remit or abate the taxes of an indigent individual:

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(a) if the indigent individual owned the property as of January 1 of the year for which the county remits or abates the taxes; [and]

(b) if the indigent individual, for a calendar year beginning on or after January 1, 2026, received an abatement under this section for the same property at least once within the previous two calendar years;

(c) if the indigent individual is not receiving any of the following forms of property tax relief for the same property:

(i) the homeowner's credit under Section 59-2-1208; or

(ii) a deferral under Section 59-2-1802 or 59-2-1802.5; and

[~~(b)~~] (d) in an amount not more than the lesser of:

(i) the [~~amount provided as a homeowner's~~] maximum amount available as a renter's credit for the lowest household income bracket as described in Section [59-2-1208] 59-2-1209; or

(ii) 50% of the total tax levied for the indigent individual for the current year.

(2) A county that grants an abatement to an indigent individual shall refund to the indigent individual an amount that is equal to the amount by which the indigent individual's property taxes paid exceed the indigent individual's property taxes due, if the amount is at least \$1.

### Section 11. Section 59-2-1804 is amended to read:

#### **59-2-1804. Application for tax deferral or tax abatement.**

(1)

(a) Except as provided in Subsection (1)(b) or (2), an applicant for deferral or abatement for the current tax year shall annually file an application on or before September 1 with the county in which the applicant's property is located.

(b) If a county finds good cause exists, the county may extend until December 31 the deadline described in Subsection (1)(a).

(c) An indigent individual may apply and potentially qualify for deferral, abatement, or both.

(2)

(a) A county shall extend the default application deadline by one additional year if the applicant had been approved for a deferral under this part in the prior year; or

(b) the county determines that:

(i) the applicant or a member of the applicant's immediate family had an illness or injury that prevented the applicant from filing the application on or before the default application deadline;



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- 810 (ii) a member of the applicant's immediate family died during the calendar year of the default  
application deadline;
- 812 (iii) the failure of the applicant to file the application on or before the default application deadline was  
beyond the reasonable control of the applicant; or
- 814 (iv) denial of an application would be unjust or unreasonable.
- 815 (3)
- [~~(a)~~] An applicant shall include in an application a signed statement that describes the eligibility of the  
applicant for deferral or abatement.
- 817 [~~(b)~~ For an application for a deferral under Section 59-2-1802.5, the requirements described in  
Subsection (3)(a) include:]
- 819 [~~(i)~~ proof that the applicant resides at the single-family residence for which the applicant seeks the  
deferral;]
- 821 [~~(ii)~~ proof of age; and]
- 822 [~~(iii)~~ proof of household income.]
- 823 (4) Both spouses shall sign an application if the application seeks a deferral or abatement on a  
residence:
- 825 (a) in which both spouses reside; and
- 826 (b) that the spouses own as joint tenants.
- 827 (5) If an applicant is dissatisfied with a county's decision on the applicant's application for deferral or  
abatement, the applicant may appeal the decision to the commission in accordance with Section  
59-2-1006.
- 830 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission  
may make rules to implement this section.

832 Section 12. Section 63J-1-602.2 is amended to read:

833 **63J-1-602.2. List of nonlapsing appropriations to programs.**

Appropriations made to the following programs are nonlapsing:

- 835 (1) The Legislature and the Legislature's committees.
- 836 (2) The State Board of Education, including all appropriations to agencies, line items, and programs  
under the jurisdiction of the State Board of Education, in accordance with Section 53F-9-103.
- 839 (3) The Rangeland Improvement Act created in Section 4-20-101.
- 840 (4) The Percent-for-Art Program created in Section 9-6-404.

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- 841 (5) The LeRay McAllister Working Farm and Ranch Fund created in Section 4-46-301.  
842 (6) The Utah Lake Authority created in Section 11-65-201.  
843 (7) Dedicated credits accrued to the Utah Marriage Commission as provided under Subsection  
17-16-21(2)(d)(ii).  
845 (8) The Wildlife Land and Water Acquisition Program created in Section 23A-6-205.  
846 (9) Sanctions collected as dedicated credits from Medicaid providers under Subsection 26B-3-108(7).  
848 (10) The primary care grant program created in Section 26B-4-310.  
849 (11) The Opiate Overdose Outreach Pilot Program created in Section 26B-4-512.  
850 (12) The Utah Health Care Workforce Financial Assistance Program created in Section 26B-4-702.  
852 (13) The Rural Physician Loan Repayment Program created in Section 26B-4-703.  
853 (14) The Utah Medical Education Council for the:  
854 (a) administration of the Utah Medical Education Program created in Section 26B-4-707;  
855 (b) provision of medical residency grants described in Section 26B-4-711; and  
856 (c) provision of the forensic psychiatric fellowship grant described in Section 26B-4-712.  
857 (15) The Division of Services for People with Disabilities, as provided in Section 26B-6-402.  
858 (16) The Communication Habits to reduce Adolescent Threats (CHAT) Pilot Program created in  
Section 26B-7-122.  
860 (17) Funds that the Department of Alcoholic Beverage Services retains in accordance with Subsection  
32B-2-301(8)(a) or (b).  
862 (18) The General Assistance program administered by the Department of Workforce Services, as  
provided in Section 35A-3-401.  
864 (19) The Utah National Guard, created in Title 39A, National Guard and Militia Act.  
865 (20) The Search and Rescue Financial Assistance Program, as provided in Section 53-2a-1102.  
867 (21) The Emergency Medical Services Grant Program in Section 53-2d-207.  
868 (22) The Motorcycle Rider Education Program, as provided in Section 53-3-905.  
869 (23) The Utah Board of Higher Education for teacher preparation programs, as provided in Section  
53B-6-104.  
871 (24) Innovation grants under Section 53G-10-608, except as provided in Subsection 53G-10-608(6).  
873 (25) The Division of Fleet Operations for the purpose of upgrading underground storage tanks under  
Section 63A-9-401.

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(26) The Division of Technology Services for technology innovation as provided under Section 63A-16-903.

877 (27) The State Capitol Preservation Board created by Section 63O-2-201.

878 (28) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.

879 (29) The Colorado River Authority of Utah, created in Title 63M, Chapter 14, Colorado River Authority of Utah Act.

881 (30) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

883 (31) The Governor's Office of Economic Opportunity's Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program.

886 (32) County correctional facility contracting program for state inmates as described in Section 64-13e-103.

888 (33) County correctional facility reimbursement program for state probationary inmates and state parole inmates as described in Section 64-13e-104.

890 (34) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.

891 (35) The Division of Human Resource Management user training program, as provided in Section 63A-17-106.

893 (36) A public safety answering point's emergency telecommunications service fund, as provided in Section 69-2-301.

895 (37) The Traffic Noise Abatement Program created in Section 72-6-112.

896 (38) The money appropriated from the Navajo Water Rights Negotiation Account to the Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a settlement of federal reserved water right claims.

899 (39) The Judicial Council for compensation for special prosecutors, as provided in Section 77-10a-19.

901 (40) A state rehabilitative employment program, as provided in Section 78A-6-210.

902 (41) The Utah Geological Survey, as provided in Section 79-3-401.

903 (42) The Bonneville Shoreline Trail Program created under Section 79-5-503.

904 (43) Adoption document access as provided in Sections 78B-6-141, 78B-6-144, and 78B-6-144.5.

906 (44) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense Commission.

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(45) The program established by the Division of Facilities Construction and Management under Section 63A-5b-703 under which state agencies receive an appropriation and pay lease payments for the use and occupancy of buildings owned by the Division of Facilities Construction and Management.

~~[(46) The State Tax Commission for reimbursing counties for deferrals in accordance with Section 59-2-1802.5.]~~

~~[(47)]~~ (46) The Veterinarian Education Loan Repayment Program created in Section 4-2-902.

Section 13. **Effective date.**

This bill takes effect on May 7, 2025.

Section 14. **Retrospective Operation.**

~~{This}~~ This bill has retrospective operation for a taxable year beginning on or after ~~{:}~~ January 1, 2025.

Section 15. **Coordinating S.B. 197 with H.B. 20.**

If S.B. 197, Property Tax Amendments, and H.B. 20, Property Tax Code Recodification, both pass and become law, the Legislature intends that, on January 1, 2026:

(1) Section 59-2-1208, repealed and reenacted in S.B. 197, be renumbered to Section 59-2a-305;

(2)

(a) Section 59-2-1209, repealed and reenacted in S.B. 197, be renumbered to Section 59-2a-205; and

(b) Subsection 59-2-1209(1)(b), enacted in S.B. 197, be replaced with the following language:

"(b) For a calendar year beginning on or after January 1, 2026, the commission shall increase or decrease the household income eligibility amounts and the maximum credit amounts under Subsection (1)(a) 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 2024.";

(3) the following definition be inserted alphabetically as a new subsection in Section 59-2a-101 (renumbered from Section 59-2-1202 in H.B. 20) and that the remaining subsections be renumbered accordingly:

""Adjusted property tax amount" means the amount of property taxes levied on an eligible owner's primary residence that the eligible owner is required to pay for a calendar year in which the eligible owner receives a deferral under this chapter.";

(4) the following definition be inserted alphabetically as a new subsection in Section 59-2a-101 (renumbered from Section 59-2-1202 in H.B. 20) and that the remaining subsections be renumbered accordingly:

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943 ""Base year property tax amount" means:

944 (a) for a calendar year in which an eligible owner did not receive a deferral under this chapter for  
the preceding calendar year, the amount of property taxes levied on the eligible owner's primary  
residence for the preceding calendar year; and

947 (b) for a calendar year in which an eligible owner received a deferral under this chapter for the  
preceding calendar year, the amount of property taxes levied on the eligible owner's primary  
residence for the calendar year immediately preceding the calendar year for which the eligible  
owner first received the deferral.";

951 (5) the following definition be inserted alphabetically as a new subsection in Section 59-2a-101  
(renumbered from Section 59-2-1202 in H.B. 20) and that the remaining subsections be renumbered  
accordingly:

954 ""Current year property tax amount" means the amount of property taxes levied on an eligible  
owner's primary residence for the current calendar year.";

956 (6) Subsection 59-2a-101(9), enacted in H.B. 20, be replaced with the following language:

957 ""Eligible owner" means:

958 (a) for a deferral under Section 59-2a-701, an owner of an attached or detached single-family  
residence:

960 (i) (A) who uses the residence as the owner's primary residence as of January 1 of the calendar year  
for which the owner applies for the deferral;

962 (B) who owns the residence for at least one year as of January 1 of the calendar year for which the  
owner applies for the deferral;

964 (C) whose household income does not exceed \$50,000; and

965 (D) whose household liquid resources do not exceed 20 times the amount of property taxes levied on  
the residence for the preceding calendar year; or

967 (ii) that is a trust described in Section 59-2a-109 if the grantor of the trust is an individual described  
in Subsection (6)(a)(i); and

969 (b) for a deferral under Section 59-2a-901, an owner of an attached or detached single-family  
residence:

971 (i) (A) who uses the residence as the owner's primary residence as of January 1 of the calendar year  
for which the owner applies for the deferral;

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(B) who owns the residence for at least one year as of January 1 of the calendar year for which the owner applies for the deferral;

975 (C) who is 65 years old or older on or before December 31 of the calendar year for which the owner applies for the deferral;

977 (D) whose household income does not exceed \$60,000; and

978 (E) whose household liquid resources do not exceed 20 times the amount of property taxes levied on the residence for the preceding calendar year; or

980 (ii) that is a trust described in Section 59-2a-109 if the grantor of the trust is an individual described in Subsection (6)(b)(i).";

982 (7) Section 59-2-1802, repealed and reenacted in S.B. 197, be renumbered to Section 59-2a-701; and

984 (8) Section 59-2-1802.5, repealed and reenacted in S.B. 197, be renumbered to Section 59-2a-901.

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