

Daniel McCay proposes the following substitute bill:

Property Tax Relief Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

House Sponsor:

LONG TITLE

General Description:

This bill modifies property tax relief provisions.

Highlighted Provisions:

This bill:

- defines terms;
- expands household income eligibility and increases credit amounts for property tax relief in the form of a renter's credit, beginning in 2027;
- prohibits taxpayers from receiving property tax relief in the form of a homeowner's credit unless the taxpayer received the credit within the previous two years, beginning in 2027;
- removes requirements for annual inflation adjustments for a homeowner's credit;
- changes the qualifications, scope, duration, and rates of interest applicable to the discretionary and nondiscretionary property tax deferral programs, beginning in 2027;
- prohibits taxpayers from receiving indigent property tax abatement unless the taxpayer received an abatement within the previous two years, beginning in 2027;
- requires county auditors to include information on the property tax valuation notice regarding the availability of property tax deferral programs;
- requires county treasurers to include information on the tax notice regarding the amount of outstanding taxes and interest for taxpayers who receive a property tax deferral;
- prohibits taxpayers from receiving more than one form of property tax relief, with certain exceptions, beginning in 2027;
- requires property tax deferral revenue to offset the county's certified tax rate calculation;
- extends the delinquency period after which a tax sale listing is required for individuals 70 years old or older, from four years to 10 years;
- sets the interest rate at 6% for delinquent property tax and tax notice charges for individuals 65 years old or older;

▸ excludes a veteran's residential property from eligibility for the veteran armed forces property tax exemption if the veteran's household liquid resources exceed a certain amount; and

▸ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-2-919.1 (Effective 01/01/27), as last amended by Laws of Utah 2025, Chapter 518

59-2-924.2 (Effective 01/01/27), as last amended by Laws of Utah 2025, Chapter 29

59-2-1317 (Effective 01/01/27), as last amended by Laws of Utah 2025, First Special Session, Chapter 17

59-2-1331 (Effective 01/01/27), as last amended by Laws of Utah 2025, Chapter 172

59-2-1343 (Effective 01/01/27), as last amended by Laws of Utah 2025, Chapter 172

59-2a-101 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-102 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-108 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-205 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-303 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-305 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-401 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-402 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-702 (Effective 01/01/27), as enacted by Laws of Utah 2025, Chapter 172

59-2a-902 (Effective 01/01/27), as enacted by Laws of Utah 2025, Chapter 172

63J-1-602.2 (Effective 01/01/27) (Partially Repealed 07/01/29), as last amended by Laws of Utah 2025, First Special Session, Chapter 17

REPEALS AND REENACTS:

59-2a-701 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

59-2a-901 (Effective 01/01/27), as renumbered and amended by Laws of Utah 2025, Chapter 172

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

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

59-2-919.1 (Effective 01/01/27). 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 (5), 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) for property assessed by the county assessor:
 - (A) instructions on how the taxpayer may file an application with the county board of equalization to appeal the valuation or equalization of the property under Section 59-2-1004, including instructions for filing an application through electronic means; and
 - (B) the deadline for the taxpayer to make an application to appeal the valuation or equalization of the property under Section 59-2-1004;
 - (iv) for property assessed by the commission:

- 97 (A) instructions on how the taxpayer may file an application with the commission
98 for a hearing on an objection to the valuation or equalization of the property
99 under Section 59-2-1007;
- 100 (B) the deadline for the taxpayer to apply to the commission for a hearing on an
101 objection to the valuation or equalization of the property under Section
102 59-2-1007; and
- 103 (C) a statement that the taxpayer may not appeal the valuation or equalization of
104 the property to the county board of equalization;
- 105 (v) itemized tax information for all applicable taxing entities, including:
- 106 (A) the dollar amount of the taxpayer's tax liability for the property in the prior
107 year; and
- 108 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 109 (vi) the following, stated separately:
- 110 (A) the charter school levy described in Section 53F-2-703;
- 111 (B) the multicounty assessing and collecting levy described in Subsection
112 59-2-1602(2);
- 113 (C) the county assessing and collecting levy described in Subsection 59-2-1602(4);
- 114 (D) levies for debt service voted on by the public;
- 115 (E) levies imposed for special purposes under Section 10-6-133.4;
- 116 (F) the minimum basic tax rate as defined in Section 53F-2-301; and
- 117 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 118 (vii) the tax impact on the property;
- 119 (viii) the date, time, and place of the required public hearing for each entity;
- 120 (ix) property tax information pertaining to:
- 121 (A) taxpayer relief; and
- 122 (B) the residential exemption described in Section 59-2-103;
- 123 (x) information specifically authorized to be included on the notice under this chapter;
- 124 (xi) the last property review date of the property as described in Subsection
125 59-2-303.1(1)(c);
- 126 (xii) instructions on how the taxpayer may obtain additional information regarding
127 the valuation of the property, including the characteristics and features of the
128 property, from:
- 129 (A) a website maintained by the county; or
- 130 (B) the statewide web portal developed and maintained by the Multicounty

- Appraisal Trust under Subsection 59-2-1606(5)(a) for uniform access to property characteristics and features; ~~and~~
- (xiii) information describing the availability of property tax deferral options for qualifying residential property owners under Sections 59-2a-701 and 59-2a-901, 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
- ~~[(xiii)]~~ (xiv) other information approved by the commission.
- (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):
- (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- (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);
- (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) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a notice sent to a residential property shall:
- (a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship, and this property is your primary residence, you may be eligible to defer payment of this property tax."; 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.
- (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may provide, at the county auditor's discretion, 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 county auditor sends a notice required by this section by electronic means, the county auditor shall attempt to verify whether a taxpayer receives the notice.

(ii) If the county auditor cannot verify receipt of the notice sent by electronic means 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 county auditor shall send the notice required by this section 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 (5):

(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 (5), if:

(i) the taxpayer revokes an election in accordance with Subsection (5)(c) 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 (5) regardless of whether the property that is the subject of the notice required by this section is exempt from taxation.

Section 2. Section **59-2-924.2** is amended to read:

59-2-924.2 (Effective 01/01/27). Adjustments to the calculation of a taxing entity's certified tax rate.

(1) For purposes of this section, "certified tax rate" means a certified tax rate calculated in accordance with Section 59-2-924.

(2) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1, 59-2-405.2,

59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax rate to offset the increased revenues.

(3)(a) Beginning July 1, 1997, if a county has imposed a sales and use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

- (i) decreased on a one-time basis by the amount of the estimated sales and use tax revenue to be distributed to the county under Subsection 59-12-1102(4); and
- (ii) increased by the amount necessary to offset the county's reduction in revenue from uniform fees on tangible personal property under Section 59-2-405, 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in the certified tax rate under Subsection (3)(a)(i).

(b) The commission shall determine estimates of sales and use tax distributions for purposes of Subsection (3)(a).

(4) Beginning January 1, 1998, if a municipality has imposed an additional resort communities sales and use tax under Section 59-12-402, the municipality's certified tax rate shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of estimated revenue from the additional resort communities sales and use tax imposed under Section 59-12-402.

(5)(a) This Subsection (5) applies to each county that:

- (i) establishes a countywide special service district under Title 17D, Chapter 1, Special Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and
- (ii) levies a property tax on behalf of the special service district under Section 17D-1-105.

(b)(i) The certified tax rate of each county to which this Subsection (5) applies shall be decreased by the amount necessary to reduce county revenues by the same amount of revenues that will be generated by the property tax imposed on behalf of the special service district.

(ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the levy on behalf of the special service district under Section 17D-1-105.

(6)(a) As used in this Subsection (6):

- (i) "Annexing county" means a county whose unincorporated area is included within a public safety district by annexation.
- (ii) "Annexing municipality" means a municipality whose area is included within a

- public safety district by annexation.
- (iii) "Equalized public safety protection tax rate" means the tax rate that results from:
- (A) calculating, for each participating county and each participating municipality, the property tax revenue necessary:
- (I) in the case of a fire district, to cover all of the costs associated with providing fire protection, paramedic, and emergency services:
- (Aa) for a participating county, in the unincorporated area of the county; and
- (Bb) for a participating municipality, in the municipality; or
- (II) in the case of a police district, to cover all the costs:
- (Aa) associated with providing law enforcement service:
- (Ii) for a participating county, in the unincorporated area of the county; and
- (Iiii) for a participating municipality, in the municipality; and
- (Bb) that the police district board designates as the costs to be funded by a property tax; and
- (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all participating counties and all participating municipalities and then dividing that sum by the aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:
- (I) for participating counties, in the unincorporated area of all participating counties; and
- (II) for participating municipalities, in all the participating municipalities.
- (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area Act:
- (A) created to provide fire protection, paramedic, and emergency services; and
- (B) in the creation of which an election was not required under Subsection 17B-1-214(3)(d).
- (v) "Participating county" means a county whose unincorporated area is included within a public safety district at the time of the creation of the public safety district.
- (vi) "Participating municipality" means a municipality whose area is included within a public safety district at the time of the creation of the public safety district.
- (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area Act, within a county of the first class:

- 267 (A) created to provide law enforcement service; and
268 (B) in the creation of which an election was not required under Subsection
269 17B-1-214(3)(d).
- 270 (viii) "Public safety district" means a fire district or a police district.
271 (ix) "Public safety service" means:
272 (A) in the case of a public safety district that is a fire district, fire protection,
273 paramedic, and emergency services; and
274 (B) in the case of a public safety district that is a police district, law enforcement
275 service.
- 276 (b) In the first year following creation of a public safety district, the certified tax rate of
277 each participating county and each participating municipality shall be decreased by
278 the amount of the equalized public safety tax rate.
- 279 (c) In the first budget year following annexation to a public safety district, the certified
280 tax rate of each annexing county and each annexing municipality shall be decreased
281 by an amount equal to the amount of revenue budgeted by the annexing county or
282 annexing municipality:
283 (i) for public safety service; and
284 (ii) in:
285 (A) for a taxing entity operating under a January 1 through December 31 fiscal
286 year, the prior calendar year; or
287 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the
288 prior fiscal year.
- 289 (d) Each tax levied under this section by a public safety district shall be considered to be
290 levied by:
291 (i) each participating county and each annexing county for purposes of the county's
292 tax limitation under Section 59-2-908; and
293 (ii) each participating municipality and each annexing municipality for purposes of
294 the municipality's tax limitation under Section 10-5-112, for a town, or Section
295 10-6-133, for a city.
- 296 (e) The calculation of a public safety district's certified tax rate for the year of
297 annexation shall be adjusted to include an amount of revenue equal to one half of the
298 amount of revenue budgeted by the annexing entity for public safety service in the
299 annexing entity's prior fiscal year if:
300 (i) the public safety district operates on a January 1 through December 31 fiscal year;

- 301 (ii) the public safety district approves an annexation of an entity operating on a July 1
302 through June 30 fiscal year; and
- 303 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.
- 304 (7)(a) The base taxable value as defined in Section 17C-1-102 shall be reduced for any
305 year to the extent necessary to provide a community reinvestment agency established
306 under Title 17C, Limited Purpose Local Government Entities - Community
307 Reinvestment Agency Act, with approximately the same amount of money the
308 agency would have received without a reduction in the county's certified tax rate,
309 calculated in accordance with Section 59-2-924, if:
- 310 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or [
311 ~~(3)(a)~~] (3)(a)(i);
- 312 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of
313 the previous year; and
- 314 (iii) the decrease results in a reduction of the amount to be paid to the agency under
315 Section 17C-1-403 or 17C-1-404.
- 316 (b) The base taxable value as defined in Section 17C-1-102 shall be increased in any
317 year to the extent necessary to provide a community reinvestment agency with
318 approximately the same amount of money as the agency would have received without
319 an increase in the certified tax rate that year if:
- 320 (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due
321 to a decrease in the certified tax rate under Subsection (2) or [~~(3)(a)~~] (3)(a)(i); and
- 322 (ii) the certified tax rate of a city, school district, special district, or special service
323 district increases independent of the adjustment to the taxable value of the base
324 year.
- 325 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the
326 amount of money allocated and, when collected, paid each year to a community
327 reinvestment agency established under Title 17C, Limited Purpose Local
328 Government Entities - Community Reinvestment Agency Act, for the payment of
329 bonds or other contract indebtedness, but not for administrative costs, may not be less
330 than that amount would have been without a decrease in the certified tax rate under
331 Subsection (2) or [~~(3)(a)~~] (3)(a)(i).
- 332 (8)(a) For the calendar year beginning on January 1, 2014, the calculation of a county
333 assessing and collecting levy shall be adjusted by the amount necessary to offset:
- 334 (i) any change in the certified tax rate that may result from amendments to Part 16,

- 335 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270,
336 Section 3; and
- 337 (ii) the difference in the amount of revenue a taxing entity receives from or
338 contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that
339 may result from amendments to Part 16, Multicounty Assessing and Collecting
340 Levy, in Laws of Utah 2014, Chapter 270, Section 3.
- 341 (b) A taxing entity is not required to comply with the notice and public hearing
342 requirements in Section 59-2-919 for an adjustment to the county assessing and
343 collecting levy described in Subsection (8)(a).
- 344 (9) If a taxing entity receives decreased revenues from uniform fees on tangible personal
345 property under Section 59-2-405 as a result of any error in applying uniform fees to
346 motor vehicle registration in the calendar year beginning on January 1, 2023, the
347 commission may, for the calendar year beginning on January 1, 2024, increase the
348 taxing entity's budgeted revenue to offset the decreased revenues.
- 349 (10) Beginning January 1, 2027:
- 350 (a) if a county receives increased revenues from payment of deferred property taxes
351 under Section 59-2a-701 or 59-2a-901, the county's certified tax rate shall be
352 decreased by the amount necessary to offset the increased revenues; and
- 353 (b) if a county receives decreased revenues from deferral of property taxes under Section
354 59-2a-701 or 59-2a-901, the county's certified tax rate shall be increased by the
355 amount necessary to offset the decreased revenues.
- 356 Section 3. Section **59-2-1317** is amended to read:
- 357 **59-2-1317 (Effective 01/01/27). Tax notice -- Contents of notice -- Procedures**
358 **and requirements for providing notice.**
- 359 (1) As used in this section, "political subdivision lien" means the same as that term is
360 defined in Section 11-60-102.
- 361 (2) Subject to the other provisions of this section, the county treasurer shall:
- 362 (a) collect the taxes and tax notice charges; and
- 363 (b) provide a notice to each taxpayer that contains the following:
- 364 (i) the kind and value of property assessed to the taxpayer;
- 365 (ii) the street address of the property, if available to the county;
- 366 (iii) that the property may be subject to a detailed review in the next year under
367 Section 59-2-303.1;
- 368 (iv) the amount of taxes levied;

- (v) a separate statement of the taxes levied only on a certain kind or class of property for a special purpose;
- (vi) instructions for payment of the taxes and tax notice charges applicable to the property, including the taxpayer's payment options and collection procedures;
- (vii) any tax notice charges applicable to the property, including:
- (A) if applicable, a political subdivision lien for road damage that a railroad company causes, as described in Section 10-7-30;
 - (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;
 - (C) if applicable, a political subdivision lien for unpaid abatement fees as described in Section 10-11-4;
 - (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;
 - (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;
 - (F) if applicable, a political subdivision lien for an unpaid irrigation district use charge as described in Section 17B-2a-506;
 - (G) if applicable, a political subdivision lien for a contract assessment under a water contract, as described in Section 17B-2a-1007;
 - (H) if applicable, a property tax penalty that a public infrastructure district imposes, as described in Section 17D-4-304; ~~and~~
 - (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
 - (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 59-2a-701 or 59-2a-901;
- (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 or website 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 17-71-302(1)(m); and
- (B) instructions describing how to elect to receive a notice as described in Subsection 17-71-302(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.
- (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.

- 437 (6)(a) Subject to the other provisions of this Subsection (6), a county treasurer may, at
438 the county treasurer's discretion, provide the notice required by this section by
439 electronic mail if a taxpayer makes an election, according to procedures determined
440 by the county treasurer, to receive the notice by electronic mail.
- 441 (b) A taxpayer may revoke an election to receive the notice required by this section by
442 electronic mail if the taxpayer provides written notice to the treasurer on or before
443 October 1.
- 444 (c) A revocation of an election under this section does not relieve a taxpayer of the duty
445 to pay a tax or tax notice charge due under this chapter on or before the due date for
446 paying the tax or tax notice charge.
- 447 (d) A county treasurer shall provide the notice required by this section using a method
448 described in Subsection (5), until a taxpayer makes a new election in accordance with
449 this Subsection (6), if:
- 450 (i) the taxpayer revokes an election in accordance with Subsection (6)(b) to receive
451 the notice required by this section by electronic mail; or
- 452 (ii) the county treasurer finds that the taxpayer's electronic mail address is invalid.
- 453 (e) A person is considered to be a taxpayer for purposes of this Subsection (6) regardless
454 of whether the property that is the subject of the notice required by this section is
455 exempt from taxation.
- 456 (7)(a) The county treasurer shall provide the notice required by this section to a taxpayer
457 on or before November 1.
- 458 (b) The county treasurer shall keep on file in the county treasurer's office the information
459 set forth in the notice.
- 460 (c) The county treasurer is not required to mail a tax receipt acknowledging payment.
- 461 (8) This section does not apply to property taxed under Section 59-2-1302 or 59-2-1307.
- 462 (9)(a) A taxpayer who pays less than the full amount due on the taxpayer's property tax
463 notice may, on a form provided by the county treasurer, direct how the county
464 treasurer allocates the partial payment between:
- 465 (i) the total amount due for property tax;
- 466 (ii) the amount due for assessments, past due special district fees, and other tax notice
467 charges; and
- 468 (iii) any other amounts due on the property tax notice.
- 469 (b) The county treasurer shall comply with a direction submitted to the county treasurer
470 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 4. Section **59-2-1331** is amended to read:

59-2-1331 (Effective 01/01/27). 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)(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

- 505 (ii) the federal funds rate target:
- 506 (A) established by the Federal Open Market Committee; and
- 507 (B) that exists on the January 1 immediately following the date of delinquency.
- 508 (d)(i) The interest rate described in Subsection (2)(c) may not be:
- 509 [(+)] (A) less than 7%; or
- 510 [(+)] (B) more than 10%.
- 511 (ii) Notwithstanding Subsection (2)(c), for purposes of Subsection (2)(b), the interest
- 512 rate for an individual who is 65 years old or older is equal to 6%.
- 513 (e) The penalty described in Subsection (2)(a) is 1% of the amount of the delinquent
- 514 taxes and tax notice charges or \$10, whichever is greater, if all delinquent taxes, all
- 515 tax notice charges, and the penalty are paid on or before the January 31 immediately
- 516 following the delinquency date.
- 517 (f) This section does not apply to the costs, charges, and interest rate accruing on any tax
- 518 notice charge related to an assessment assessed in accordance with:
- 519 (i) Title 11, Chapter 42, Assessment Area Act; or
- 520 (ii) Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act.
- 521 (g)(i) The county shall waive any penalty or interest for a property granted a deferral
- 522 in accordance with Section 59-2a-801 from the day of the delinquency through the
- 523 end of the deferral period.
- 524 (ii) For a property granted a deferral in accordance with Section 59-2a-701 or
- 525 59-2a-901 for a calendar year beginning on or after January 1, 2027, from the day
- 526 of the delinquency through the end of the deferral period:
- 527 (A) the county shall waive the penalty described in Subsection (2)(a); and
- 528 (B) interest accrues on deferred taxes and tax notice charges in accordance with
- 529 Subsection 59-2a-701(8) or 59-2a-901(8), as applicable.
- 530 [(+)] (iii) Penalties and interest accrue in accordance with this Subsection (2) on any
- 531 tax or tax notice charge that is delinquent after the deferral period ends.
- 532 (3)(a) If the delinquency exceeds one year, the amount of taxes, tax notice charges, and
- 533 penalties for that year and all succeeding years shall bear interest until settled in full
- 534 through redemption or tax sale.
- 535 (b) The interest rate to be applied shall be calculated for each year as established under
- 536 Subsection (2) and shall apply on each individual year's delinquency until paid.
- 537 (4) The county treasurer may accept and credit on account against taxes and tax notice
- 538 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 5. Section **59-2-1343** is amended to read:

59-2-1343 (Effective 01/01/27). Tax sale listing.

(1)(a)(i) [Hf] Except as provided in Subsection (1)(a)(ii), 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.

(ii) The county treasurer may not file a tax sale listing under this Subsection (1)(a) for an individual who, as of the first year in which any item in Subsection (1)(b) became delinquent, is 70 years old or older until the lapse of 10 years from the date on which the item in Subsection (1)(b) became delinquent.

(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.

(c) A property tax or a tax notice charge that is deferred in accordance with Section 59-2a-801 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) For a calendar year beginning on or after January 1, 2027, tax and tax notice charges deferred in accordance with Section 59-2a-701 or 59-2a-901 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 6. Section **59-2a-101** is amended to read:

59-2a-101 (Effective 01/01/27). Definitions.

As used in this chapter:

- (1) "Active component of the United States Armed Forces" means the same as that term is defined in Section 59-10-1027.
- (2) "Active duty claimant" means a member of an active component of the United States Armed Forces or a reserve component of the United States Armed Forces who:
- (a) performed qualifying active duty military service; and
 - (b) applies for an exemption described in Part 6, Active Duty Armed Forces Exemption.
- (3) "Adjusted property tax amount" means the amount of property taxes, from the current year property tax amount, that an eligible owner is required to pay for a calendar year in which the eligible owner receives a deferral under Part 7, Discretionary Deferral for Eligible Owners, or Part 9, Nondiscretionary Deferral for Eligible Owners.
- ~~[(3)]~~ (4) "Adjusted taxable value limit" means:
- (a) for the calendar year that begins on January 1, 2023, \$479,504; or
 - (b) for each calendar year after the calendar year that begins on January 1, 2023, the amount of the adjusted taxable value limit for the previous year plus an amount calculated by multiplying the amount of the adjusted taxable value limit for the previous year by the actual percent change in the ~~[consumer-price-index]~~ Consumer Price Index during the previous calendar year.
- (5) "Base year property tax amount" means:
- (a) for a calendar year in which an eligible owner did not receive a deferral under Part 7, Discretionary Deferral for Eligible Owners, or Part 9, Nondiscretionary Deferral for Eligible Owners, 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 Part 7, Discretionary Deferral for Eligible Owners, or Part 9, Nondiscretionary Deferral for Eligible Owners, 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)]~~ (6) "Claim" means:
- (a) a claim for tax abatement described in Subsection ~~[(21)(a)]~~ (24)(a) or a credit under Part 2, Renter's Credit, or Part 3, Homeowner's Credit;
 - (b) an exemption under Part 5, Veteran Armed Forces Exemption, or Part 6, Active Duty

Armed Forces Exemption; or

- (c) an application for an abatement under Part 4, Abatement for Indigent Individuals, or a deferral under Part 7, Discretionary Deferral for Eligible Owners, Part 8, Nondiscretionary Deferral for Property with Qualifying Increase, or Part 9, Nondiscretionary Deferral for ~~[Elderly Property]~~ Eligible Owners.

~~[(5)]~~ (7)(a) "Claimant" means a homeowner or renter who:

- (i) files a claim under Part 2, Renter's Credit, or Part 3, Homeowner's Credit, for a residence;
- (ii) is domiciled in this state for the entire calendar year for which a claim for relief is filed; and
- (iii) on or before December 31 of the year for which a claim for relief is filed, 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 ~~[(5)(a)]~~ (7)(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:
 - (A) the requirements described in Subsections ~~[(5)(a)(i)]~~ (7)(a)(i) and ~~[(5)(a)(ii)]~~ (7)(a)(ii); and
 - (B) the income requirements described in Part 2, Renter's Credit, if the surviving spouse is filing a claim for a renter's credit, or Part 3, Homeowner's Credit, if the surviving spouse is filing a claim for a homeowner's credit;
- (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
- (iv) if the surviving spouse is unmarried at the time the surviving spouse files the claim.

- (c) If two or more individuals of a household are able to meet the qualifications for a claimant, the individuals may determine among them as to who the claimant shall be, but if the individuals 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.

~~[(6)]~~ (8) "Consumer ~~[price index]~~ Price Index" means:

- (a) for Part 2, Renter's Credit, and Part 3, Homeowner's Credit, 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; and
- (b) for the other parts of this chapter, the same as that term is described in Section 1(f)(4), Internal Revenue Code, and defined in Section 1(f)(5), Internal Revenue Code.

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

~~[(7)]~~ (10) "Deceased veteran with a disability" means a deceased individual who was a veteran with a disability at the time the individual died.

~~[(8)]~~ (11) "Deferral" means a postponement of a tax due date or a tax notice charge granted in accordance with Section 59-2a-701, 59-2a-801, or 59-2a-901.

~~[(9) "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 Part 9, Nondiscretionary Deferral for Elderly Property Owners;]~~

~~[(ii) whose household income does not exceed 200% of the maximum household income certified to a homeowner's credit described in Section 59-2a-305; and]~~

~~[(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]~~

~~[(b) that is a trust described in Section 59-2a-109 if the grantor of the trust is an individual described in Subsection (9)(a).]~~

(12) "Eligible owner" means:

(a) for a deferral under Part 7, Discretionary Deferral for Eligible Owners, an owner of an attached or detached single-family residence:

(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;

(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;

(C) whose household income does not exceed \$60,000, subject to adjustment in accordance with 59-2a-701(11); and

(D) whose household liquid resources do not exceed 40 times the amount of property taxes levied on the residence for the preceding calendar year; or

(ii) that is a trust described in Section 59-2a-109 if the grantor of the trust is an

individual described in Subsection (12)(a)(i); and

(b) for a deferral under Part 9, Nondiscretionary Deferral for Eligible Owners, an owner of an attached or detached single-family residence:

(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;

(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;

(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;

(D) whose household income does not exceed \$75,000, subject to adjustment in accordance with Subsection 59-2a-901(11); and

(E) whose household liquid resources do not exceed 40 times the amount of property taxes levied on the residence for the preceding calendar year; or

(ii) that is a trust described in Section 59-2a-109 if the grantor of the trust is an individual described in Subsection (12)(b)(i).

~~[(10)]~~ (13)(a) "Eligible property" means property owned by a veteran claimant that is:

~~[(a)]~~ (i) except as provided in Subsection (13)(b), the veteran claimant's primary residence, including a residence that the veteran claimant does not reside in because the veteran claimant is admitted as an inpatient at a health care facility as defined in Section 26B-4-501; or

~~[(b)]~~ (ii) tangible personal property that:

~~[(i)]~~ (A) is held exclusively for personal use; and

~~[(ii)]~~ (B) is not used in a trade or business.

(b) "Eligible property" does not include a veteran claimant's primary residence if the veteran claimant's household liquid resources exceed 40 times the amount of property taxes levied on the primary residence for the preceding calendar year.

~~[(11)]~~ (14)(a) "Gross rent" means rent actually paid in cash or the cash 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.

(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.

~~[(12)]~~ (15)(a) "Homeowner" means:

- (i) an individual whose name is listed on the deed of a residence; or
- (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.

(b) "Homeowner" does not include:

- (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
- (ii) an individual who is listed on a deed of a residence along with an entity other than a qualifying trust.

~~[(13)]~~ (16) "Homeowner's credit" means a credit against a claimant's property tax liability.

~~[(14)]~~ (17) "Household" means the association of individuals who live in the same dwelling, sharing the dwelling's furnishings, facilities, accommodations, and expenses.

~~[(15)]~~ (18)(a) "Household income" means all income received by all members of a claimant's household in:

- (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 18 years old; or
- (ii) a parent or a grandparent, through blood, marriage, or adoption, of the claimant or the claimant's spouse.

~~[(16)]~~ (19) "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:

- (a) cash on hand;
- (b) money in a checking or savings account;
- (c) savings certificates; and
- (d) stocks or bonds.

~~[(17)]~~ (20) "Income" means the sum of:

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

~~[(18)]~~ (21) "Indigent individual" means a poor individual as described in Utah Constitution, Article XIII, Section 3, Subsection (4), who:

- (a)(i) is 65 years old or older; or

(ii) is less than 65 years old and:

(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

(B) the individual has a disability;

(b) has a total household income of less than the maximum household income certified to a homeowner's credit described in Section 59-2a-305;

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

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

~~[(19)]~~ (22) "Military entity" means:

(a) the United States Department of Veterans Affairs;

(b) an active component of the United States Armed Forces; or

(c) a reserve component of the United States Armed Forces.

~~[(20)]~~ (23)(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 chapter;

(iii) depreciation claimed pursuant to the Internal Revenue Code by a claimant on the residence for which the claimant files for relief under this chapter;

(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 ~~[(20)(b)(vi)]~~ (23)(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:

(i) public assistance;

- (ii) aid, assistance, or contributions from a tax-exempt nongovernmental source;
- (iii) surplus foods;
- (iv) relief in kind supplied by a public or private agency;
- (v) relief provided under this chapter;
- (vi) [~~Social Security Disability Income~~] social security disability income payments received under the Social Security Act;
- (vii) federal tax refunds;
- (viii) federal child tax credits received under 26 U.S.C. Sec. 24;
- (ix) federal earned income tax credits received under 26 U.S.C. Sec. 32;
- (x) payments received under a reverse mortgage;
- (xi) payments or reimbursements to senior program volunteers under 42 U.S.C. Sec. 5058; or
- (xii) gifts or bequests.

- [(21)] (24)(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.
- (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.
- (c) The relief described in Subsection [(21)(a)] (24)(a) constitutes:
- (i) a tax abatement for the poor in accordance with Utah Constitution, Article XIII, [~~Section 3; and~~] Section 3; and
 - (ii) the residential exemption provided for in Section 59-2-103.
- (d) For purposes of this Subsection [(21)] (24), property taxes accrued are levied on the lien date.
- (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.
- (f)(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.

- 811 (ii) For purposes of this Subsection [~~(21)~~(f)] (24)(f), "unit" refers to the parcel of
812 property covered by a single tax statement of which the residence is a part.
- 813 [~~(22)~~] (25) "Property taxes due" means:
- 814 (a) for a claimant:
- 815 (i) the taxes due for which the county or the commission grants a tax abatement for
816 the poor described in Subsection [~~(21)~~] (24) or a credit; and
- 817 (ii) for the calendar year for which the tax abatement for the poor or credit is granted;
- 818 (b) for an indigent individual:
- 819 (i) the taxes due for which a county granted an abatement under Section 59-2a-401;
820 and
- 821 (ii) for the calendar year for which the county grants the abatement;
- 822 (c) for an active duty claimant:
- 823 (i) the taxes due for which the county or the commission grants an exemption; and
824 (ii) for the calendar year for which the exemption is granted; or
- 825 (d) for a veteran claimant:
- 826 (i)(A) the taxes due for which the county or the commission grants an exemption;
827 and
- 828 (B) for the calendar year for which the exemption is granted; and
- 829 (ii) a uniform fee on tangible personal property described in Section 59-2-405 that is:
- 830 (A) owned by the veteran claimant; and
831 (B) assessed for the calendar year for which the county grants an exemption.
- 832 [~~(23)~~] (26) "Property taxes paid" means an amount equal to the sum of:
- 833 (a) the amount of property taxes, and for a veteran claimant, uniform fee, paid for the
834 taxable year for which the individual applied for relief described in this chapter; and
- 835 (b) the amount of the relief the county grants under this chapter.
- 836 [~~(24)~~] (27) "Public assistance" means:
- 837 (a) medical assistance provided under Title 26B, Chapter 3, Health Care -
838 Administration and Assistance;
- 839 (b) SNAP benefits as defined in Section 35A-1-102;
- 840 (c) services or benefits provided under Title 35A, Chapter 3, Employment Support Act;
841 and
- 842 (d) foster care maintenance payments provided from the General Fund or under Title
843 IV-E of the Social Security Act.
- 844 [~~(25)~~] (28) "Qualifying active duty military service" means at least 200 days, regardless of

whether consecutive, in any continuous 365-day period of active duty military service outside the state in an active component of the United States Armed Forces or a reserve component of the United States Armed Forces, if the days of active duty military service:

- (a) were completed in the year before an individual applies for an exemption described in Section 59-2a-601; and
- (b) have not previously been counted as qualifying active duty military service for purposes of qualifying for an exemption described in Section 59-2a-601 or applying for the exemption as described in Section 59-2a-602.

~~[(26)]~~ (29) "Qualifying disabled veteran claimant" means a veteran claimant who has a 100% service-connected disability rating by the Veterans Benefits Administration that is permanent and total.

~~[(27)]~~ (30) "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.

~~[(28)]~~ (31) "Qualifying trust" means a trust holding title to real or tangible personal property for which an individual:

- (a) makes a claim under this ~~[part]~~ chapter;
- (b) proves to the satisfaction of the county that title to the portion of the trust will revert 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:

- 879 (A) to revoke;
- 880 (B) to terminate;
- 881 (C) to alter;
- 882 (D) to amend; or
- 883 (E) to appoint; and

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

886 ~~[(29)]~~ (32) "Relative" means a spouse, child, parent, grandparent, grandchild, brother, sister,
887 parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, first cousin, or a
888 spouse of any of these individuals.

889 ~~[(30)]~~ (33) "Rental assistance payment" means any payment that:

- 890 (a) is made by a:
 - 891 (i) governmental entity;
 - 892 (ii) charitable organization; or
 - 893 (iii) religious organization; and
- 894 (b) is specifically designated for the payment of rent of a claimant:
 - 895 (i) for the calendar year for which the claimant seeks a renter's credit under this part;
 - 896 and
 - 897 (ii) regardless of whether the payment is made to the claimant or the landlord.

898 ~~[(31)]~~ (34) "Reserve component of the United States Armed Forces" means the same as that
899 term is defined in Section 59-10-1027.

900 ~~[(32)]~~ (35)(a)(i) "Residence" means a dwelling in this state, whether owned or rented,
901 and so much of the land surrounding the dwelling, not exceeding one acre, as is
902 reasonably necessary for use of the dwelling as a home.

- 903 (ii) "Residence" includes a dwelling that is:
 - 904 (A) a part of a multidwelling or multipurpose building and a part of the land upon
 - 905 which the multidwelling or multipurpose building is built; and
 - 906 (B) a mobile home, manufactured home, or houseboat.

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

909 (c) For purposes of this Subsection ~~[(32)]~~ (35), "owned" includes a vendee in possession
910 under a land contract or one or more joint tenants or tenants in common.

911 ~~[(33)]~~ (36) "Statement of disability" means a document:

- 912 (a) issued by a military entity; and

(b) that lists the percentage of disability for the veteran with a disability or deceased veteran with a disability.

~~[(34)]~~ (37) "Tax notice charge" means the same as that term is defined in Section 59-2-1301.5.

~~[(35)]~~ (38) "Veteran claimant" means one of the following individuals who applies for an exemption described in Section 59-2a-501:

(a) a veteran with a disability;

(b) the unmarried surviving spouse of:

(i) a deceased veteran with a disability; or

(ii) a veteran who was killed in action or died in the line of duty; or

(c) a minor orphan of:

(i) a deceased veteran with a disability; or

(ii) a veteran who was killed in action or died in the line of duty.

~~[(36)]~~ (39) "Veteran who was killed in action or died in the line of duty" means an individual who was killed in action or died in the line of duty in an active component of the United States Armed Forces or a reserve component of the United States Armed Forces, regardless of whether that individual had a disability at the time that individual was killed in action or died in the line of duty.

~~[(37)]~~ (40) "Veteran with a disability" means an individual with a disability who, during military training or a military conflict, acquired a disability in the line of duty in an active component of the United States Armed Forces or a reserve component of the United States Armed Forces, as determined by a military entity.

Section 7. Section **59-2a-102** is amended to read:

59-2a-102 (Effective 01/01/27). Right to file claim -- Death of claimant.

(1)(a) The right to file a claim under this chapter is personal to the individual eligible to file the claim.

(b) The right to file a claim does not survive the death of the individual eligible to file the claim.

(c) The right to file a claim may be exercised on behalf of an individual eligible to file the claim by:

(i) a legal guardian; or

(ii) an attorney-in-fact.

(2)(a) If an individual dies after having filed a timely claim, the county or the commission shall disburse the amount of the claim to another member of the

household as determined by the commission by rule.

(b) If the individual described in Subsection (2)(a) was the only member of the household, the county or the commission may pay the claim to the executor or administrator, except that if neither an executor or administrator is appointed and qualified within two years of the filing of the claim, the amount of the claim escheats to the state.

(3) If the individual is the grantor, trustor, or settlor of or holds another similar role in a qualifying trust and the individual meets the requirements of one or more parts of this chapter, the individual may claim the portion of the credit and be treated as the owner of that portion of the property held in trust.

(4) The relief described in Subsection [~~59-2a-101(21)(a)~~] 59-2a-101(24)(a) is in addition to any other exemption or reduction for which a homeowner may be eligible, including the homeowner's credit provided for in Section 59-2a-305.

Section 8. Section **59-2a-108** is amended to read:

**59-2a-108 (Effective 01/01/27). Extension of time for filing application --
Rulemaking authority -- County authority to make refunds.**

(1)(a) The commission or a county may extend the time for filing an application until December 31 of the year the application is required to be filed if, subject to any rules made by the commission under Subsection (1)(b), the commission or county finds that good cause exists to extend the deadline.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules to establish the circumstances under which the commission or a county may, for good cause, extend the deadline for filing an application under Subsection (1)(a).

(2) A county granting an abatement described in Subsection [~~59-2a-101(21)~~] 59-2a-101(24) or to an indigent individual, a homeowner's credit, or an exemption described in Part 5, Veteran Armed Forces Exemption, or Part 6, Active Duty Armed Forces Exemption, shall refund to the recipient of the abatement, homeowner's credit, or exemption an amount equal to the amount by which the property taxes paid exceed the property taxes due, if that amount is \$1 or more.

Section 9. Section **59-2a-205** is amended to read:

**59-2a-205 (Effective 01/01/27). Amount of renter's credit -- Cost-of-living
adjustment -- Prohibition on credit for 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) and (4), for a calendar year beginning on or after January 1, ~~[2024]~~ 2025, and before January 1, 2027, a claimant may claim a renter's credit for the previous calendar year that does not exceed the following amounts:

If household income is	Percentage of gross rent allowed as a credit
\$0 -- [\$13,884] <u>\$14,490</u>	9.5%
[\$13,885 -- \$18,515] <u>\$14,491 -- \$19,324</u>	8.5%
[\$18,516 -- \$23,141] <u>\$19,325 -- \$24,152</u>	7.0%
[\$23,142 -- \$27,770] <u>\$24,153 -- \$28,983</u>	5.5%
[\$27,771 -- \$32,401] <u>\$28,984 -- \$33,816</u>	4.0%
[\$32,402 -- \$36,754] <u>\$33,817 -- \$38,360</u>	3.0%
[\$36,755 -- \$40,840] <u>\$38,361 -- \$42,623</u>	2.5%

(b) For [a] the calendar year beginning on ~~[or after]~~ January 1, ~~[2025]~~ 2026, the commission shall increase or decrease the household income eligibility amounts under Subsection (1)(a) by a percentage equal to the percentage difference between the ~~[consumer price index]~~ Consumer Price Index for the preceding calendar year and the ~~[consumer price index]~~ Consumer Price Index for calendar year ~~[2023]~~ 2024.

(c) For a calendar year beginning on or after January 1, 2025, and before January 1, 2027, a credit under this section may not exceed the maximum amount allowed as a homeowner's credit for each income bracket under Section 59-2a-305.

(2)(a) Subject to Subsections (3) and (4), for a calendar year beginning on or after January 1, 2027, a claimant may claim a renter's credit for the previous calendar year that does not exceed the following amounts:

<u>If household income is</u>	<u>Percentage of gross rent allowed as a credit</u>	<u>Maximum credit amount</u>
<u>\$0 -- \$14,500</u>	<u>9.5%</u>	<u>\$2,000</u>
<u>\$14,501 -- \$18,750</u>	<u>8.5%</u>	<u>\$1,750</u>
<u>\$18,751 -- \$23,000</u>	<u>7.0%</u>	<u>\$1,500</u>
<u>\$23,001 -- \$27,250</u>	<u>5.5%</u>	<u>\$1,250</u>
<u>\$27,251 -- \$31,500</u>	<u>4.0%</u>	<u>\$1,000</u>

1011	<u>\$31,501 -- \$35,750</u>	<u>3.0%</u>	<u>\$750</u>
1012	<u>\$35,751 -- \$40,000</u>	<u>2.5%</u>	<u>\$500</u>
1013	<u>\$40,001 -- \$46,000</u>	<u>2.0%</u>	<u>\$250</u>

- 1014 (b) For a calendar year beginning on or after January 1, 2028:
- 1015 (i) the commission shall increase or decrease the household income eligibility
- 1016 amounts and the maximum credit amounts under Subsection (2)(a) by a
- 1017 percentage equal to the percentage difference between the Consumer Price Index
- 1018 for the preceding calendar year and the Consumer Price Index for calendar year
- 1019 2026; and
- 1020 (ii) after the commission has adjusted the maximum credit amounts in accordance
- 1021 with Subsection (2)(b)(i), the commission shall increase each maximum credit
- 1022 amount under Subsection (2)(a) by \$49.
- 1023 ~~[(2)]~~ (3)(a) A claimant may claim a renter's credit under this part only for gross rent that
- 1024 does not constitute a rental assistance payment.
- 1025 (b) For purposes of determining whether a claimant receives a rental assistance payment
- 1026 and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 1027 the commission may make rules defining the terms:
- 1028 (i) "governmental entity";
- 1029 (ii) "charitable organization"; or
- 1030 (iii) "religious organization."
- 1031 ~~[(3)]~~ (4) For purposes of calculating gross rent when a claimant's rent includes electricity or
- 1032 natural gas and the utility amount is not itemized in the statement provided in
- 1033 accordance with Section 59-2a-204, the commission shall deduct from rent:
- 1034 (a) 7% of rent if the rent includes electricity or natural gas but not both; or
- 1035 (b) 13% of rent if the rent includes both electricity and natural gas.
- 1036 ~~[(4)]~~ (5) An individual may not receive the renter's credit under this section if the individual
- 1037 is:
- 1038 (a) claimed as a personal exemption on another individual's federal income tax return
- 1039 during any portion of a calendar year for which the individual seeks to claim the
- 1040 renter's credit under this section; or
- 1041 (b) a dependent with respect to whom another individual claims a tax credit under
- 1042 Section 24(h)(4), Internal Revenue Code, during any portion of a calendar year for
- 1043 which the individual seeks to claim the renter's credit under this section.

[~~(5)~~] (6) A payment for a renter's credit allowed by this section, and authorized by Section 59-2a-202, 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 59-2a-305.]~~

Section 10. Section **59-2a-303** is amended to read:

59-2a-303 (Effective 01/01/27). Application for homeowner's credit -- Time for filing -- Obtaining payment from General Fund.

(1)(a) A claimant shall file annually an application for the credit with the county in which the residence for which the claimant is seeking a homeowner's credit is located before September 1.

(b) The application under this section shall:

(i) be on forms provided by the county that meet the requirements of Subsection 59-2a-103(3); and

(ii) include a household income statement signed by the claimant stating that:

(A) the income statement is correct; and

(B) the claimant qualifies for the credit.

(c)(i) Subject to Subsection (1)(c)(ii), a county shall apply the credit in accordance with this section and Section 59-2a-304 for the year in which the claimant applies for a homeowner's credit if the claimant meets the criteria for obtaining a homeowner's credit as provided in this part.

(ii) A homeowner's credit under this part may not exceed the claimant's property tax liability for the residence for the year in which the claimant applies for a homeowner's credit under this part.

(d) A claimant may qualify for a homeowner's credit under this part regardless of whether the claimant owes delinquent property taxes.

(2)(a)(i) The county shall compile a list of claimants and the homeowner's credits granted to the claimants for purposes of obtaining payment from the General Fund for the amount of credits granted.

(ii) A county may not obtain payment from the General Fund for the amount described in Subsection [~~59-2a-101(21)~~] 59-2a-101(24).

(b) Upon certification by the commission the payment for the credits under this Subsection (2) shall be made to the county on or before January 1 if the list of claimants and the credits granted are received by the commission on or before November 30 of the year in which the credits under this part are granted.

(c) If the commission does not receive the list under this Subsection (2) on or before November 30, payment shall be made within 30 days of receipt of the list of claimants and credits from the county.

Section 11. Section **59-2a-305** is amended to read:

59-2a-305 (Effective 01/01/27). Amount of homeowner's credit -- Limitations -- General Fund as source of credit.

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

If household income is	Homeowner's credit
\$0 -- [\$13,884] \$14,490	[\$1,259] \$1,312
[\$13,885 -- \$18,515] \$14,491 -- \$19,324	[\$1,105] \$1,151
[\$18,516 -- \$23,141] \$19,325 -- \$24,152	[\$954] \$993
[\$23,142 -- \$27,770] \$24,153 -- \$28,983	[\$726] \$756
[\$27,771 -- \$32,401] \$28,984 -- \$33,816	[\$577] \$600
[\$32,402 -- \$36,754] \$33,817 -- \$38,360	[\$351] \$364
[\$36,755 -- \$40,840] \$38,361 -- \$42,623	[\$197] \$204

(b) For ~~[a]~~ the calendar year beginning on ~~[or after]~~ January 1, ~~[2025,]~~ 2026:

(i) the commission shall increase or decrease the household income eligibility and credit amounts ~~[and the credits]~~ under Subsection (1)(a) by a percentage equal to the percentage difference between the ~~[consumer price index]~~ Consumer Price Index for the preceding calendar year and the ~~[consumer price index]~~ Consumer Price Index for calendar year ~~[2023,]~~ 2024; and

(ii) after the commission has adjusted the credit amounts in accordance with Subsection (1)(b)(i), the commission shall increase each credit amount under Subsection (1)(a) by \$49.

(c) The household income eligibility and credit amounts under Subsection (1)(a) that apply for the calendar year beginning on January 1, 2026, as adjusted in accordance with Subsection (1)(b), shall apply for each calendar year beginning on or after January 1, 2027.

(2)(a) An individual may not receive the homeowner's credit under this section or the abatement described in Subsection ~~[59-2a-101(21)]~~ 59-2a-101(24) on 20% of the fair

market value of the residence if:

- (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;
- (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
- (iii) the individual did not own the residence for the entire calendar year for which the individual claims the homeowner's credit.

(b) For a calendar year in which a residence is sold, the amount received as a homeowner's credit under this section or as an abatement described in Subsection [59-2a-101(21)] 59-2a-101(24) 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.

(3) For a calendar year beginning on or after January 1, 2027, an individual may not receive a homeowner's credit under this section if:

- (a) the individual did not receive the homeowner's credit for the same residence at least once within the preceding two calendar years; or
- (b) the individual receives any of the following forms of property tax relief for the same residence:

(i) a deferral under:

(A) Part 7, Discretionary Deferral for Eligible Owners; or

(B) Part 9, Nondiscretionary Deferral for Eligible Owners; or

(ii) an abatement under Part 4, Abatement for Indigent Individuals.

~~[(3)]~~ (4) A payment for a homeowner's credit allowed by this section, and authorized by Section 59-2a-302, shall be paid from the General Fund.

~~[(4) After the commission has adjusted the homeowner credit amount under Subsection (1)(b), the commission shall increase each homeowner credit amount under Subsection (1) by \$49.]~~

Section 12. Section **59-2a-401** is amended to read:

59-2a-401 (Effective 01/01/27). Tax abatement for indigent individuals --

Maximum amount.

~~[In accordance with this part]~~ For a calendar year beginning on or after January 1, 2027, a county may remit or abate the taxes of an indigent individual:

- 1144 (1) if the indigent individual owned the property as of January 1 of the year for which the
 1145 county remits or abates the taxes; [and]
- 1146 (2) if the indigent individual received an abatement under this part for the same property at
 1147 least once within the previous two calendar years;
- 1148 (3) if the indigent individual is not receiving any of the following forms of property tax
 1149 relief for the same property:
- 1150 (a) the homeowner's credit under Part 3, Homeowner's Credit; or
 1151 (b) a deferral under:
- 1152 (i) Part 7, Discretionary Deferral for Eligible Owners; or
 1153 (ii) Part 9, Nondiscretionary Deferral for Eligible Owners; and
- 1154 [(2)] (4) in an amount not more than the lesser of:
- 1155 (a) the ~~[amount provided as a homeowner's]~~ maximum amount available as a renter's
 1156 credit for the lowest household income bracket as described in Section [59-2a-305]
 1157 59-2a-205; or
- 1158 (b) 50% of the total tax levied for the indigent individual for the current year.
- 1159 Section 13. Section **59-2a-402** is amended to read:
- 1160 **59-2a-402 (Effective 01/01/27). Application -- Rulemaking.**
- 1161 (1)(a) Except as provided in Section 59-2a-108 or Subsection (2), an applicant for
 1162 abatement for the current tax year shall annually file an application on or before
 1163 September 1 with the county in which the applicant's property is located.
- 1164 (b) An indigent individual may for the same property apply and potentially qualify only
 1165 for an abatement under this part, or both an abatement under this part and a deferral
 1166 under [Part 7, Discretionary Deferral,]Part 8, Nondiscretionary Deferral for Property
 1167 with Qualifying Increase[, or Part 9, Nondiscretionary Abatement for Elderly
 1168 Property Owners, abatement, or both].
- 1169 (2) A county shall extend the September 1 application deadline by one additional year if the
 1170 county determines that:
- 1171 (a) the applicant or a member of the applicant's immediate family had an illness or injury
 1172 that prevented the applicant from filing the application on or before the September 1
 1173 application deadline;
- 1174 (b) a member of the applicant's immediate family died during the calendar year of the
 1175 September 1 application deadline;
- 1176 (c) the failure of the applicant to file the application on or before the September 1
 1177 application deadline was beyond the reasonable control of the applicant; or

(d) denial of an application would be unjust or unreasonable.

(3) An applicant shall include in an application a signed statement that describes the eligibility of the applicant for abatement.

(4) Both spouses shall sign an application if the application seeks an abatement on a residence:

(a) in which both spouses reside; and

(b) that the spouses own as joint tenants.

(5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules to implement this section.

Section 14. Section **59-2a-701** is repealed and reenacted to read:

Part 7. Discretionary Deferral for Eligible Owners

59-2a-701 (Effective 01/01/27). Discretionary deferral for eligible owners.

(1) For a calendar year beginning on or after January 1, 2027, an eligible owner may apply to the county for a discretionary deferral under this section for postponement of a portion of the property taxes due on the eligible owner's primary residence.

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

(a) the applicant meets the definition of an eligible owner;

(b) with respect to the primary residence for which the applicant applies for the deferral:

(i) the applicant discloses all outstanding mortgages on the residence;

(ii) the applicant is not receiving any of the following forms of property tax relief for the same residence:

(A) the homeowner's credit under Part 3, Homeowner's Credit;

(B) an abatement under Part 4, Abatement for Indigent Individuals; or

(C) a deferral under Part 9, Nondiscretionary Deferral for Eligible Owners; and

(iii) 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 residence, other than:

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

(B) interest accrued on the taxes and tax notice charges described in Subsection

(2)(b)(iii)(A); and

(c) 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:

- 1212 (a) the adjusted property tax amount is 50% of the lesser of:
1213 (i) the base year property tax amount; and
1214 (ii) the current year property tax amount; and
1215 (b) the amount deferred is the amount of property taxes exceeding the adjusted property
1216 tax amount.
- 1217 (4)(a) Except as provided in Subsection (4)(b), the deferral period under this section is
1218 one year.
- 1219 (b) The county may extend the deferral period for one or more subsequent one-year
1220 periods if, for each subsequent calendar year in which the eligible owner seeks to
1221 extend the deferral period:
1222 (i) the eligible owner applies for an extension of the deferral; and
1223 (ii) the application meets the requirements of Subsection (2).
- 1224 (c) For purposes of Subsections 59-2-1331(2)(g)(ii) and 59-2-1343(1)(d), the deferral
1225 period ends on the last day of:
1226 (i) the initial one-year deferral period, if the county does not extend the deferral
1227 period under Subsection (4)(b); or
1228 (ii) the final one-year deferral period subsequently granted, if the county extends the
1229 deferral period under Subsection (4)(b).
- 1230 (5)(a) Taxes and tax notice charges deferred under this section accumulate with interest
1231 and applicable recording fees as a lien against the residential property.
- 1232 (b) A lien described in this Subsection (5):
1233 (i) has the same legal status as a lien described in Section 59-2-1325; and
1234 (ii) is subordinate to any mortgage on the property.
- 1235 (c) To release the lien described in this Subsection (5), except as provided in
1236 Subsections (5)(d) through (f), an eligible owner shall pay the total amount subject to
1237 the lien:
1238 (i) upon the eligible owner selling or otherwise disposing of the residential property;
1239 or
1240 (ii) when the residential property is no longer the eligible owner's primary residence.
- 1241 (d)(i) An eligible owner that receives a deferral under this section does not have to
1242 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
1243 when the residential property transfers to the eligible owner's surviving spouse as
1244 a result of the eligible owner's death.
1245 (ii) After the residential property transfers to the eligible owner's surviving spouse,

- 1246 the deferred taxes, deferred tax notice charges, and applicable recording fees are
1247 due:
- 1248 (A) upon the surviving spouse selling or otherwise disposing of the residential
1249 property; or
- 1250 (B) when the residential property is no longer the surviving spouse's primary
1251 residence.
- 1252 (e)(i) An eligible owner that receives a deferral under this section does not have to
1253 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
1254 when the residential property transfers between the eligible owner and a trust
1255 described in Section 59-2a-109 if:
- 1256 (A) the eligible owner is the grantor of the trust; and
1257 (B) the residential property remains the eligible owner's primary residence.
- 1258 (ii) After the residential property transfers between the eligible owner and a trust
1259 described in Subsection (5)(e)(i), the deferred taxes, deferred tax notice charges,
1260 and applicable recording fees are due when the residential property is no longer
1261 the eligible owner's primary residence.
- 1262 (f)(i) An eligible owner that receives a deferral under this section does not have to
1263 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
1264 when the residential property transfers between the eligible owner and a special
1265 needs trust as described in 42 U.S.C. Sec. 1396p(d)(4) if the beneficiary of the
1266 trust meets the definition of an eligible owner.
- 1267 (ii) After the residential property transfers to a special needs trust described in
1268 Subsection (5)(f)(i), the deferred taxes, deferred tax notice charges, and applicable
1269 recording fees are due:
- 1270 (A) upon the sale or disposal of the residential property; or
1271 (B) when the residential property is no longer the primary residence of the
1272 beneficiary of the trust described in Subsection (5)(f)(i).
- 1273 (g) When the deferral period ends:
- 1274 (i) the lien becomes due and subject to the collection procedures described in Section
1275 59-2-1331; and
- 1276 (ii) the date of levy is the date that the deferral period ends.
- 1277 (6)(a) If a county grants an eligible owner more than one deferral under this section for
1278 the same residential property, including an extension of the deferral period under
1279 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 of 2%.

(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.

(11) For a calendar year beginning on or after January 1, 2028, the commission shall increase or decrease the household income eligibility amount specified in Subsection 59-2a-101(12)(a)(i)(C) 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 2026.

Section 15. Section **59-2a-702** is amended to read:

59-2a-702 (Effective 01/01/27). Application -- Rulemaking authority.

(1)(a) Except as provided in Section 59-2a-108 or Subsection (2), an applicant for deferral 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) An indigent individual may for the same property apply and potentially qualify only for a deferral under this part, or both a deferral under this part and Part 8, Nondiscretionary Deferral for Property with Qualifying Increase~~[, or Part 9, Nondiscretionary Deferral for Elderly Property Owners, an abatement, or both]~~.

(2) A county shall extend the September 1 application deadline by one additional year if:

(a) the applicant had been approved for a deferral under this part in the prior year; or

(b) the county determines that:

- 1314 (i) the applicant or a member of the applicant's immediate family had an illness or
 1315 injury that prevented the applicant from filing the application on or before the
 1316 September 1 application deadline;
- 1317 (ii) a member of the applicant's immediate family died during the calendar year of the
 1318 September 1 application deadline;
- 1319 (iii) the failure of the applicant to file the application on or before the September 1
 1320 application deadline was beyond the reasonable control of the applicant; or
- 1321 (iv) denial of an application would be unjust or unreasonable.
- 1322 (3) An applicant shall include in an application a signed statement that describes the
 1323 eligibility of the applicant for deferral.
- 1324 (4) Both spouses shall sign an application if the application seeks a deferral or abatement on
 1325 a residence:
- 1326 (a) in which both spouses reside; and
- 1327 (b) that the spouses own as joint tenants.
- 1328 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 1329 commission may make rules to implement this section.

1330 Section 16. Section **59-2a-901** is repealed and reenacted to read:

1331 **Part 9. Nondiscretionary Deferral for Eligible Owners**

1332 **59-2a-901 (Effective 01/01/27). Nondiscretionary deferral for eligible owners.**

- 1333 (1) For a calendar year beginning on or after January 1, 2027, an eligible owner may apply
 1334 to the county for a nondiscretionary deferral under this section for postponement of a
 1335 portion of the property taxes due on the eligible owner's primary residence.
- 1336 (2) A county shall grant an application for a deferral under this section if:
- 1337 (a) the applicant meets the definition of an eligible owner;
- 1338 (b) with respect to the primary residence for which the applicant applies for the deferral:
- 1339 (i) the eligible owner discloses all outstanding mortgages on the residence, none of
 1340 which is a reverse mortgage;
- 1341 (ii) the eligible owner is not receiving an abatement under Part 4, Abatement for
 1342 Indigent Individuals, or a deferral under Part 7, Discretionary Deferral for Eligible
 1343 Owners, for the same residence;
- 1344 (iii) the assessed value of the residence, as listed on the valuation notice sent in
 1345 accordance with Section 59-2-919.1, is greater than the amount of any outstanding
 1346 mortgage on the residence by 5% or more; and
- 1347 (iv) there are no delinquent property taxes, delinquent tax notice charges, or

- 1348 outstanding penalties, interest, or administrative costs related to a delinquent
1349 property tax or a delinquent tax notice charge due on the residence, other than:
1350 (A) taxes and tax notice charges previously deferred under this section; and
1351 (B) accrued interest on the taxes and tax notice charges described in Subsection
1352 (2)(b)(iv)(A); and
1353 (c) the applicant complies with the other applicable provisions of this part.
- 1354 (3) Of the total amount of taxes and tax notice charges levied on an eligible owner's
1355 primary residence for a calendar year in which the eligible owner receives a deferral
1356 under this section:
1357 (a) the adjusted property tax amount is 100% of the lesser of:
1358 (i) the base year property tax amount; and
1359 (ii) the current year property tax amount; and
1360 (b) the amount deferred is the amount of property taxes exceeding the adjusted property
1361 tax amount.
- 1362 (4)(a) Except as provided in Subsection (4)(b), the deferral period under this section is
1363 one year.
1364 (b) The county shall extend the deferral period for one or more subsequent one-year
1365 periods if, for each subsequent calendar year in which the eligible owner seeks to
1366 extend the deferral period:
1367 (i) the eligible owner applies for an extension of the deferral; and
1368 (ii) the application meets the requirements of Subsection (2).
- 1369 (c) For purposes of Subsections 59-2-1331(2)(g)(ii) and 59-2-1343(1)(d), the deferral
1370 period ends on the last day of:
1371 (i) the initial one-year deferral period, if the county does not extend the deferral
1372 period under Subsection (4)(b); or
1373 (ii) the final one-year deferral period subsequently granted, if the county extends the
1374 deferral period under Subsection (4)(b).
- 1375 (5)(a) Taxes and tax notice charges deferred under this section accumulate with interest
1376 and applicable recording fees as a lien against the residential property.
1377 (b) A lien described in this Subsection (5) has the same legal status as a lien described in
1378 Section 59-2-1325.
1379 (c) To release the lien described in this Subsection (5), except as provided in
1380 Subsections (5)(d) through (f), an eligible owner shall pay the total amount subject to
1381 the lien:

(i) upon the eligible owner selling or otherwise disposing of the residential property;
or

(ii) when the residential property is no longer the eligible owner's primary residence.

(d)(i) 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.

(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:

(A) upon the surviving spouse selling or otherwise disposing of the residential
property; or

(B) when the residential property is no longer the surviving spouse's primary
residence.

(e)(i) 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 59-2a-109 if:

(A) the eligible owner is the grantor of the trust; and

(B) the residential property remains the eligible owner's primary residence.

(ii) After the residential property transfers between the eligible owner and a trust
described 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.

(f)(i) 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 special
needs trust as described in 42 U.S.C. Sec. 1396p(d)(4) if the beneficiary of the
trust meets the definition of an eligible owner.

(ii) After the residential property transfers to a special needs trust described in
Subsection (5)(f)(i), the deferred taxes, deferred tax notice charges, and applicable
recording fees are due:

(A) upon the sale or disposal of the residential property; or

(B) when the residential property is no longer the primary residence of the

beneficiary of the trust described in Subsection (5)(f)(i).

(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 of 3%.

(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.

(11) For a calendar year beginning on or after January 1, 2028, the commission shall increase or decrease the household income eligibility amount specified in Subsection 59-2a-101(12)(b)(i)(D) 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 2026.

Section 17. Section **59-2a-902** is amended to read:

59-2a-902 (Effective 01/01/27). Application -- Rulemaking authority.

(1)(a) Except as provided in Section 59-2a-108 or Subsection (2), an applicant for deferral 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) An indigent individual may for the same property apply and potentially qualify only for a deferral under ~~[Part 7, Discretionary Deferral, or]~~ this part, or both a deferral under this part and Part 8, Nondiscretionary Deferral for Property with Qualifying Increase~~[, an abatement, or both]~~.

(2) A county shall extend the September 1 application deadline by one additional year if:

(a) 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 September 1 application deadline;

(ii) a member of the applicant's immediate family died during the calendar year of the September 1 application deadline;

(iii) the failure of the applicant to file the application on or before the September 1 application deadline was beyond the reasonable control of the applicant; or

(iv) denial of an application would be unjust or unreasonable.

(3)~~[(a)]~~ An applicant shall include in an application a signed statement that describes the eligibility of the applicant for deferral.

~~[(b) The requirements described in Subsection (3)(a) include:]~~

~~[(i) proof that the applicant resides at the single-family residence for which the applicant seeks the deferral;]~~

~~[(ii) proof of age; and]~~

~~[(iii) proof of household income.]~~

(4) Both spouses shall sign an application if the application seeks a deferral on a residence:

(a) in which both spouses reside; and

(b) that the spouses own as joint tenants.

(5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules to implement this section.

Section 18. Section **63J-1-602.2** is amended to read:

63J-1-602.2 (Effective 01/01/27) (Partially Repealed 07/01/29). List of nonlapsing appropriations to programs.

Appropriations made to the following programs are nonlapsing:

(1) The Legislature and the Legislature's committees.

(2) The State Board of Education, including all appropriations to agencies, line items, and

- 1484 programs under the jurisdiction of the State Board of Education, in accordance with
1485 Section 53F-9-103.
- 1486 (3) The Rangeland Improvement Act created in Section 4-20-101.
- 1487 (4) The Percent-for-Art Program created in Section 9-6-404.
- 1488 (5) The LeRay McAllister Working Farm and Ranch Fund Program created in Title 4,
1489 Chapter 46, Part 3, LeRay McAllister Working Farm and Ranch Fund.
- 1490 (6) The Utah Lake Authority created in Section 11-65-201.
- 1491 (7) Dedicated credits accrued to the Utah Marriage Commission as provided under
1492 Subsection 17-66-303(2)(d)(ii).
- 1493 (8) The Wildlife Land and Water Acquisition Program created in Section 23A-6-205.
- 1494 (9) Sanctions collected as dedicated credits from Medicaid providers under Subsection
1495 26B-3-108(7).
- 1496 (10) The primary care grant program created in Section 26B-4-310.
- 1497 (11) The Opiate Overdose Outreach Pilot Program created in Section 26B-4-512.
- 1498 (12) The Utah Health Care Workforce Financial Assistance Program created in Section
1499 26B-4-702.
- 1500 (13) The Rural Physician Loan Repayment Program created in Section 26B-4-703.
- 1501 (14) The Utah Medical Education Council for the:
- 1502 (a) administration of the Utah Medical Education Program created in Section 26B-4-707;
- 1503 (b) provision of medical residency grants described in Section 26B-4-711; and
- 1504 (c) provision of the forensic psychiatric fellowship grant described in Section 26B-4-712.
- 1505 (15) The Division of Services for People with Disabilities, as provided in Section 26B-6-402.
- 1506 (16) The Communication Habits to reduce Adolescent Threats (CHAT) Pilot Program
1507 created in Section 26B-7-122.
- 1508 (17) Funds that the Department of Alcoholic Beverage Services retains in accordance with
1509 Subsection 32B-2-301(8)(a) or (b).
- 1510 (18) The General Assistance program administered by the Department of Workforce
1511 Services, as provided in Section 35A-3-401.
- 1512 (19) The Utah National Guard, created in Title 39A, National Guard and Militia Act.
- 1513 (20) The Search and Rescue Financial Assistance Program, as provided in Section
1514 53-2a-1102.
- 1515 (21) The Emergency Medical Services Grant Program, as provided in Section 53-2d-207.
- 1516 (22) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- 1517 (23) The Utah Board of Higher Education for teacher preparation programs, as provided in

- 1518 Section 53H-5-402.
- 1519 (24) Innovation grants under Section 53G-10-608, except as provided in Subsection
- 1520 53G-10-608(3).
- 1521 (25) The Division of Fleet Operations for the purpose of upgrading underground storage
- 1522 tanks under Section 63A-9-401.
- 1523 (26) The Division of Technology Services for technology innovation as provided under
- 1524 Section 63A-16-903.
- 1525 (27) The State Capitol Preservation Board created by Section 63O-2-201.
- 1526 (28) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.
- 1527 (29) The Colorado River Authority of Utah, created in Title 63M, Chapter 14, Colorado
- 1528 River Authority of Utah Act.
- 1529 (30) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act, as
- 1530 provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 1531 (31) The Governor's Office of Economic Opportunity's Rural Employment Expansion
- 1532 Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion
- 1533 Program.
- 1534 (32) County correctional facility contracting program for state inmates as described in
- 1535 Section 64-13e-103.
- 1536 (33) County correctional facility reimbursement program for state probationary inmates and
- 1537 state parole inmates as described in Section 64-13e-104.
- 1538 (34) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.
- 1539 (35) The Division of Human Resource Management user training program, as provided in
- 1540 Section 63A-17-106.
- 1541 (36) A public safety answering point's emergency telecommunications service fund, as
- 1542 provided in Section 69-2-301.
- 1543 (37) The Traffic Noise Abatement Program created in Section 72-6-112.
- 1544 (38) The money appropriated from the Navajo Water Rights Negotiation Account to the
- 1545 Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a
- 1546 settlement of federal reserved water right claims.
- 1547 (39) The Judicial Council for compensation for special prosecutors, as provided in Section
- 1548 77-10a-19.
- 1549 (40) A state rehabilitative employment program, as provided in Section 78A-6-210.
- 1550 (41) The Utah Geological Survey, as provided in Section 79-3-401.
- 1551 (42) The Bonneville Shoreline Trail Program created under Section 79-5-503.

1552 (43) Adoption document access as provided in Sections 81-13-103, 81-13-504, and
1553 81-13-505.

1554 (44) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense
1555 Commission.

1556 (45) The program established by the Division of Facilities Construction and Management
1557 under Section 63A-5b-703 under which state agencies receive an appropriation and pay
1558 lease payments for the use and occupancy of buildings owned by the Division of
1559 Facilities Construction and Management.

1560 [~~(46) The State Tax Commission for reimbursing counties for deferrals in accordance with~~
1561 ~~Section 59-2-1802.5.]~~

1562 [(47)] (46) The Veterinarian Education Loan Repayment Program created in Section 4-2-902.
1563 Section 19. **Effective Date.**

1564 This bill takes effect on January 1, 2027.