

Daniel McCay proposes the following substitute bill:

1 **Property Tax Relief Amendments**

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

House Sponsor:

2 **LONG TITLE**

3 **General Description:**

4 This bill modifies property tax relief provisions.

5 **Highlighted Provisions:**

6 This bill:

7 ▶ defines terms;

8 ▶ expands household income eligibility and increases credit amounts for property tax relief
9 in the form of a renter's credit, beginning in 2027;

10 ▶ prohibits taxpayers from receiving property tax relief in the form of a homeowner's credit
11 unless the taxpayer received the credit within the previous two years, beginning in 2027;

12 ▶ removes requirements for annual inflation adjustments for a homeowner's credit;

13 ▶ changes the qualifications, scope, duration, and rates of interest applicable to the
14 discretionary and nondiscretionary property tax deferral programs, beginning in 2027;

15 ▶ prohibits taxpayers from receiving indigent property tax abatement unless the taxpayer
16 received an abatement within the previous two years, beginning in 2027;

17 ▶ requires county auditors to include information on the property tax valuation notice
18 regarding the availability of property tax deferral programs;

19 ▶ requires county treasurers to include information on the tax notice regarding the amount
20 of outstanding taxes and interest for taxpayers who receive a property tax deferral;

21 ▶ prohibits taxpayers from receiving more than one form of property tax relief, with certain
22 exceptions, beginning in 2027;

23 ▶ requires property tax deferral revenue to offset the county's certified tax rate calculation;

24 ▶ extends the delinquency period after which a tax sale listing is required for individuals 70
25 years old or older, from four years to 10 years;

26 ▶ sets the interest rate at 6% for delinquent property tax and tax notice charges for
27 individuals 65 years old or older;

29 ▸ excludes a veteran's residential property from eligibility for the veteran armed forces
30 property tax exemption if the veteran's household liquid resources exceed a certain
31 amount; and
32 ▸ makes technical and conforming changes.

33 **Money Appropriated in this Bill:**

34 None

35 **Other Special Clauses:**

36 This bill provides a special effective date.

37 **Utah Code Sections Affected:**

38 **AMENDS:**

39 **59-2-919.1 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 518

40 **59-2-924.2 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 29

41 **59-2-1317 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
42 Session, Chapter 17

43 **59-2-1331 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 172

44 **59-2-1343 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 172

45 **59-2a-101 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
46 Chapter 172

47 **59-2a-102 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
48 Chapter 172

49 **59-2a-108 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
50 Chapter 172

51 **59-2a-205 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
52 Chapter 172

53 **59-2a-303 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
54 Chapter 172

55 **59-2a-305 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
56 Chapter 172

57 **59-2a-401 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
58 Chapter 172

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

61 **59-2a-702 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172

62 **59-2a-902 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172

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

65 REPEALS AND REENACTS:

66 **59-2a-701 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
67 Chapter 172

68 **59-2a-901 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
69 Chapter 172

70

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

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

73 **59-2-919.1 (Effective 01/01/27). Notice of property valuation and tax changes.**

74 (1) In addition to the notice requirements of Section 59-2-919, the county auditor, on or
75 before July 22 of each year, shall notify each owner of real estate who is listed on the
76 assessment roll.

77 (2) The notice described in Subsection (1) shall:

78 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
79 10 or more days before the day on which:
80 (i) the county board of equalization meets; and
81 (ii) the taxing entity holds a public hearing on the proposed increase in the certified
82 tax rate;

83 (b) be on a form that is:

84 (i) approved by the commission; and
85 (ii) uniform in content in all counties in the state; and

86 (c) contain for each property:

87 (i) the assessor's determination of the value of the property;
88 (ii) the taxable value of the property;
89 (iii) for property assessed by the county assessor:

90 (A) instructions on how the taxpayer may file an application with the county
91 board of equalization to appeal the valuation or equalization of the property
92 under Section 59-2-1004, including instructions for filing an application
93 through electronic means; and

94 (B) the deadline for the taxpayer to make an application to appeal the valuation or
95 equalization of the property under Section 59-2-1004;

96 (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

165 means.

166 (b)(i) If a county auditor sends a notice required by this section by electronic means,
167 the county auditor shall attempt to verify whether a taxpayer receives the notice.
168 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
169 14 days or more before the county board of equalization meets and the taxing
170 entity holds a public hearing on a proposed increase in the certified tax rate, the
171 county auditor shall send the notice required by this section by mail as provided in
172 Subsection (2).

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

176 (d) An election or a revocation of an election under this Subsection (5):
177 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
178 before the due date for paying the tax; or
179 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
180 equalization of the taxpayer's real property submit the application for appeal
181 within the time period provided in Subsection 59-2-1004(3).

182 (e) A county auditor shall provide the notice required by this section as provided in
183 Subsection (2), until a taxpayer makes a new election in accordance with this
184 Subsection (5), if:
185 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
186 the notice required by this section by electronic means; or
187 (ii) the county auditor finds that the taxpayer's electronic contact information is
188 invalid.

189 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
190 of whether the property that is the subject of the notice required by this section is
191 exempt from taxation.

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

193 **59-2-924.2 (Effective 01/01/27). Adjustments to the calculation of a taxing
194 entity's certified tax rate.**

195 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated in
196 accordance with Section 59-2-924.
197 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform
198 fees on tangible personal property under Section 59-2-405, 59-2-405.1, 59-2-405.2,

199 59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and use tax under
200 Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease
201 its certified tax rate to offset the increased revenues.

202 (3)(a) Beginning July 1, 1997, if a county has imposed a sales and use tax under Chapter
203 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:
204 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
205 revenue to be distributed to the county under Subsection 59-12-1102(4); and
206 (ii) increased by the amount necessary to offset the county's reduction in revenue
207 from uniform fees on tangible personal property under Section 59-2-405,
208 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in
209 the certified tax rate under Subsection (3)(a)(i).

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

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

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

218 (i) establishes a countywide special service district under Title 17D, Chapter 1,
219 Special Service District Act, to provide jail service, as provided in Subsection
220 17D-1-201(10); and
221 (ii) levies a property tax on behalf of the special service district under Section
222 17D-1-105.

223 (b)(i) The certified tax rate of each county to which this Subsection (5) applies shall
224 be decreased by the amount necessary to reduce county revenues by the same
225 amount of revenues that will be generated by the property tax imposed on behalf
226 of the special service district.
227 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
228 levy on behalf of the special service district under Section 17D-1-105.

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

230 (i) "Annexing county" means a county whose unincorporated area is included within
231 a public safety district by annexation.
232 (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

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

(Iii) 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;

- (A) created to provide law enforcement service; and
- (B) in the creation of which an election was not required under Subsection 17B-1-214(3)(d).

(viii) "Public safety district" means a fire district or a police district.

(ix) "Public safety service" means:

- (A) in the case of a public safety district that is a fire district, fire protection, paramedic, and emergency services; and
- (B) in the case of a public safety district that is a police district, law enforcement service.

(b) In the first year following creation of a public safety district, the certified tax rate of each participating county and each participating municipality shall be decreased by the amount of the equalized public safety tax rate.

(c) In the first budget year following annexation to a public safety district, the certified tax rate of each annexing county and each annexing municipality shall be decreased by an amount equal to the amount of revenue budgeted by the annexing county or annexing municipality:

- (i) for public safety service; and
- (ii) in:
 - (A) for a taxing entity operating under a January 1 through December 31 fiscal year, the prior calendar year; or
 - (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior fiscal year.

(d) Each tax levied under this section by a public safety district shall be considered to be levied by:

- (i) each participating county and each annexing county for purposes of the county's tax limitation under Section 59-2-908; and
- (ii) each participating municipality and each annexing municipality for purposes of the municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a city.

(e) The calculation of a public safety district's certified tax rate for the year of annexation shall be adjusted to include an amount of revenue equal to one half of the amount of revenue budgeted by the annexing entity for public safety service in the annexing entity's prior fiscal year if:

- (i) the public safety district operates on a January 1 through December 31 fiscal year;

- (ii) the public safety district approves an annexation of an entity operating on a July 1 through June 30 fiscal year; and
- (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

(7)(a) The base taxable value as defined in Section 17C-1-102 shall be reduced for any year to the extent necessary to provide a community reinvestment agency established under Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, with approximately the same amount of money the agency would have received without a reduction in the county's certified tax rate, calculated in accordance with Section 59-2-924, if:

- (i) in that year there is a decrease in the certified tax rate under Subsection (2) or [~~(3)(a)~~] (3)(a)(i);
- (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the previous year; and
- (iii) the decrease results in a reduction of the amount to be paid to the agency under Section 17C-1-403 or 17C-1-404.

(b) The base taxable value as defined in Section 17C-1-102 shall be increased in any year to the extent necessary to provide a community reinvestment agency with approximately the same amount of money as the agency would have received without an increase in the certified tax rate that year if:

- (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due to a decrease in the certified tax rate under Subsection (2) or [~~(3)(a)~~] (3)(a)(i); and
- (ii) the certified tax rate of a city, school district, special district, or special service district increases independent of the adjustment to the taxable value of the base year.

(c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the amount of money allocated and, when collected, paid each year to a community reinvestment agency established under Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, for the payment of bonds or other contract indebtedness, but not for administrative costs, may not be less than that amount would have been without a decrease in the certified tax rate under Subsection (2) or [~~(3)(a)~~] (3)(a)(i).

(8)(a) For the calendar year beginning on January 1, 2014, the calculation of a county assessing and collecting levy shall be adjusted by the amount necessary to offset:

- (i) any change in the certified tax rate that may result from amendments to Part 16,

Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3; and

(ii) the difference in the amount of revenue a taxing entity receives from or contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that may result from amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3.

(b) A taxing entity is not required to comply with the notice and public hearing requirements in Section 59-2-919 for an adjustment to the county assessing and collecting levy described in Subsection (8)(a).

(9) If a taxing entity receives decreased revenues from uniform fees on tangible personal property under Section 59-2-405 as a result of any error in applying uniform fees to motor vehicle registration in the calendar year beginning on January 1, 2023, the commission may, for the calendar year beginning on January 1, 2024, increase the taxing entity's budgeted revenue to offset the decreased revenues.

(10) Beginning January 1, 2027:

(a) if a county receives increased revenues from payment of deferred property taxes under Section 59-2a-701 or 59-2a-901, the county's certified tax rate shall be decreased by the amount necessary to offset the increased revenues; and

(b) if a county receives decreased revenues from deferral of property taxes under Section 59-2a-701 or 59-2a-901, the county's certified tax rate shall be increased by the amount necessary to offset the decreased revenues

Section 3. Section **59-2-1317** is amended to read:

59-2-1317 (Effective 01/01/27). Tax notice -- Contents of notice -- Procedures and requirements for providing notice.

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

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

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

(b) provide a notice to each taxpayer that contains the following:

(i) the kind and value of property assessed to the taxpayer;

(ii) the street address of the property, if available to the county;

(iii) that the property may be subject to a detailed review in the next year under Section 59-2-303.1;

(iv) the amount of taxes levied;

369 (v) a separate statement of the taxes levied only on a certain kind or class of property
370 for a special purpose;

371 (vi) instructions for payment of the taxes and tax notice charges applicable to the
372 property, including the taxpayer's payment options and collection procedures;

373 (vii) any tax notice charges applicable to the property, including:

374 (A) if applicable, a political subdivision lien for road damage that a railroad
375 company causes, as described in Section 10-7-30;

376 (B) if applicable, a political subdivision lien for municipal water distribution, as
377 described in Section 10-8-17, or a political subdivision lien for an increase in
378 supply from a municipal water distribution, as described in Section 10-8-19;

379 (C) if applicable, a political subdivision lien for unpaid abatement fees as
380 described in Section 10-11-4;

381 (D) if applicable, a political subdivision lien for the unpaid portion of an
382 assessment assessed in accordance with Title 11, Chapter 42, Assessment Area
383 Act, or Title 11, Chapter 42a, Commercial Property Assessed Clean Energy
384 Act, including unpaid costs, charges, and interest as of the date the local entity
385 certifies the unpaid amount to the county treasurer;

386 (E) if applicable, for a special district in accordance with Section 17B-1-902, a
387 political subdivision lien for an unpaid fee, administrative cost, or interest;

388 (F) if applicable, a political subdivision lien for an unpaid irrigation district use
389 charge as described in Section 17B-2a-506;

390 (G) if applicable, a political subdivision lien for a contract assessment under a
391 water contract, as described in Section 17B-2a-1007;

392 (H) if applicable, a property tax penalty that a public infrastructure district
393 imposes, as described in Section 17D-4-304; [and]

394 (I) if applicable, an annual payment to the Military Installation Development
395 Authority or an entity designated by the authority in accordance with Section
396 63H-1-501; and

397 (J) if applicable, the total amount of deferred taxes, deferred tax notice charges,
398 and accrued interest that is outstanding for an owner of residential property
399 granted a property tax deferral under Section 59-2a-701 or 59-2a-901;

400 (viii) if a county's tax notice includes an assessment area charge, a statement that, due
401 to potentially ongoing assessment area charges, costs, penalties, and interest,
402 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).

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.

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.

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."

Except as provided in Subsection (6), the county treasurer shall:

- mail the notice required by this section, postage prepaid; or
- 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).

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

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

476 Section 4. Section **59-2-1331** is amended to read:

477 **59-2-1331 (Effective 01/01/27). Property tax due date -- Date tax is delinquent --
478 Penalty -- Interest -- Payments -- Refund of prepayment.**

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

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

484 (i) the date of the next following day that is not a Saturday, Sunday, or holiday shall
485 be substituted in Subsection (1)(a) and Subsection 59-2-1332(1) for November 30;
486 and

487 (ii) the date of the day occurring 30 days after the date under Subsection (1)(b)(i)
488 shall be substituted in Subsection 59-2-1332(1) for December 30.

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

491 (d) A county treasurer or other public official, public entity, or public employee may not
492 require the payment of a property tax before the due date described in this Subsection
493 (1).

494 (2)(a) Except as provided in Subsections (2)(e), (f), and [(g)(i)] (g), for each parcel, all
495 delinquent taxes and tax notice charges on each separately assessed parcel are subject
496 to a penalty of 2.5% of the amount of the delinquent taxes and tax notice charges or
497 \$10, whichever is greater.

498 (b) Unless the delinquent taxes and tax notice charges, together with the penalty, are
499 paid on or before January 31, the amount of taxes and tax notice charges and penalty
500 shall bear interest on a per annum basis from the January 1 immediately following
501 the delinquency date.

502 (c) Except as provided in Subsection (2)(d), for purposes of Subsection (2)(b), the
503 interest rate is equal to the sum of:

504 (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 [(i)] (A) less than 7%; or

510 [(ii)] (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)] (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

539 are adopted, but not subsequent to the date of delinquency, either:

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

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

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

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

547 Section 5. Section **59-2-1343** is amended to read:

548 **59-2-1343 (Effective 01/01/27). Tax sale listing.**

549 (1)(a)(i) [H] Except as provided in Subsection (1)(a)(ii), if any property is not
550 redeemed by March 15 following the lapse of four years from the date when any
551 item in Subsection (1)(b) became delinquent, the county treasurer shall
552 immediately file a listing with the county auditor of all properties whose
553 redemption period is expiring in the nearest forthcoming tax sale to pay all
554 outstanding property taxes and tax notice charges.

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

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

561 (i) property tax; or

562 (ii) a tax notice charge.

563 (c) A property tax or a tax notice charge that is deferred in accordance with Section
564 59-2a-801 is delinquent only if full payment of the property tax and any tax notice
565 charges is not made before the end of the five-year deferral period.

566 (d) For a calendar year beginning on or after January 1, 2027, tax and tax notice charges
567 deferred in accordance with Section 59-2a-701 or 59-2a-901 become delinquent only
568 if full payment of the following is not made before the end of the deferral period:

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

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

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

573 Section 6. Section **59-2a-101** is amended to read:

574 **59-2a-101 (Effective 01/01/27). Definitions.**

575 As used in this chapter:

576 (1) "Active component of the United States Armed Forces" means the same as that term is
577 defined in Section 59-10-1027.

578 (2) "Active duty claimant" means a member of an active component of the United States
579 Armed Forces or a reserve component of the United States Armed Forces who:
580 (a) performed qualifying active duty military service; and
581 (b) applies for an exemption described in Part 6, Active Duty Armed Forces Exemption.

582 (3) "Adjusted property tax amount" means the amount of property taxes, from the current
583 year property tax amount, that an eligible owner is required to pay for a calendar year in
584 which the eligible owner receives a deferral under Part 7, Discretionary Deferral for
585 Eligible Owners, or Part 9, Nondiscretionary Deferral for Eligible Owners.

586 [({3})] (4) "Adjusted taxable value limit" means:

587 (a) for the calendar year that begins on January 1, 2023, \$479,504; or
588 (b) for each calendar year after the calendar year that begins on January 1, 2023, the
589 amount of the adjusted taxable value limit for the previous year plus an amount
590 calculated by multiplying the amount of the adjusted taxable value limit for the
591 previous year by the actual percent change in the [econsumer price index] Consumer
592 Price Index during the previous calendar year.

593 (5) "Base year property tax amount" means:

594 (a) for a calendar year in which an eligible owner did not receive a deferral under Part 7,
595 Discretionary Deferral for Eligible Owners, or Part 9, Nondiscretionary Deferral for
596 Eligible Owners, for the preceding calendar year, the amount of property taxes levied
597 on the eligible owner's primary residence for the preceding calendar year; and
598 (b) for a calendar year in which an eligible owner received a deferral under Part 7,
599 Discretionary Deferral for Eligible Owners, or Part 9, Nondiscretionary Deferral for
600 Eligible Owners, for the preceding calendar year, the amount of property taxes levied
601 on the eligible owner's primary residence for the calendar year immediately
602 preceding the calendar year for which the eligible owner first received the deferral.

603 [({4})] (6) "Claim" means:

604 (a) a claim for tax abatement described in Subsection [({21})(a)] (24)(a) or a credit under
605 Part 2, Renter's Credit, or Part 3, Homeowner's Credit;
606 (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:

641 (a) for Part 2, Renter's Credit, and Part 3, Homeowner's Credit, the Consumer Price
642 Index - All Urban Consumers, Housing United States Cities Average, published by
643 the Bureau of Labor Statistics of the United States Department of Labor; and
644 (b) for the other parts of this chapter, the same as that term is described in Section
645 1(f)(4), Internal Revenue Code, and defined in Section 1(f)(5), Internal Revenue
646 Code.

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

649 [(7)] (10) "Deceased veteran with a disability" means a deceased individual who was a
650 veteran with a disability at the time the individual died.

651 [(8)] (11) "Deferral" means a postponement of a tax due date or a tax notice charge granted
652 in accordance with Section 59-2a-701, 59-2a-801, or 59-2a-901.

653 [(9) "Eligible owner" means an owner of an attached or a detached single-family residence:]

654 [(a)(i) ~~who is 75 years old or older on or before December 31 of the year in which~~
655 ~~the individual applies for a deferral under Part 9, Nondiscretionary Deferral for~~
656 ~~Elderly Property Owners;~~]
657 [(ii) ~~whose household income does not exceed 200% of the maximum household~~
658 ~~income certified to a homeowner's credit described in Section 59-2a-305; and]~~
659 [(iii) ~~whose household liquid resources do not exceed 20 times the amount of~~
660 ~~property taxes levied on the owner's residence for the preceding calendar year; or~~]
661 [(b) ~~that is a trust described in Section 59-2a-109 if the grantor of the trust is an~~
662 ~~individual described in Subsection (9)(a).]~~]

663 (12) "Eligible owner" means:

664 (a) for a deferral under Part 7, Discretionary Deferral for Eligible Owners, an owner of
665 an attached or detached single-family residence:
666 (i)(A) who uses the residence as the owner's primary residence as of January 1 of
667 the calendar year for which the owner applies for the deferral;
668 (B) who owns the residence for at least one year as of January 1 of the calendar
669 year for which the owner applies for the deferral;
670 (C) whose household income does not exceed \$60,000, subject to adjustment in
671 accordance with 59-2a-701(11); and
672 (D) whose household liquid resources do not exceed 40 times the amount of
673 property taxes levied on the residence for the preceding calendar year; or
674 (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).

[+] (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.

[~~(H)~~] (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:

709 (i) an individual whose name is listed on the deed of a residence; or
710 (ii) if a residence is owned in a qualifying trust, an individual who is a grantor,
711 trustor, or settlor or holds another similar role in the trust.

712 (b) "Homeowner" does not include:

713 (i) if a residence is owned by any type of entity other than a qualifying trust, an
714 individual who holds an ownership interest in that entity; or
715 (ii) an individual who is listed on a deed of a residence along with an entity other
716 than a qualifying trust.

717 [~~(13)~~] (16) "Homeowner's credit" means a credit against a claimant's property tax liability.

718 [~~(14)~~] (17) "Household" means the association of individuals who live in the same dwelling,
719 sharing the dwelling's furnishings, facilities, accommodations, and expenses.

720 [~~(15)~~] (18)(a) "Household income" means all income received by all members of a
721 claimant's household in:

722 (i) for a claimant who owns a residence, the calendar year preceding the calendar
723 year in which property taxes are due; or
724 (ii) for a claimant who rents a residence, the year for which a claim is filed.

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

727 (i) under 18 years old; or
728 (ii) a parent or a grandparent, through blood, marriage, or adoption, of the claimant or
729 the claimant's spouse.

730 [~~(16)~~] (19) "Household liquid resources" means the following resources that are not
731 included in an individual's household income and held by one or more members of the
732 individual's household:

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

737 [~~(17)~~] (20) "Income" means the sum of:

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

740 [~~(18)~~] (21) "Indigent individual" means a poor individual as described in Utah Constitution,
741 Article XIII, Section 3, Subsection (4), who:

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

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

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

746 (B) the individual has a disability;

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

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

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

752 [~~19~~] (22) "Military entity" means:

753 (a) the United States Department of Veterans Affairs;

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

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

756 [~~20~~] (23)(a) "Nontaxable income" means amounts excluded from adjusted gross income
757 under the Internal Revenue Code, including:

758 (i) capital gains;

759 (ii) loss carry forwards claimed during the taxable year in which a claimant files for
760 relief under this chapter;

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

763 (iv) support money received;

764 (v) nontaxable strike benefits;

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

768 (vii) except for payments described in Subsection [~~20~~(b)(vi)] (23)(b)(vi), payments
769 received under the Social Security Act;

770 (viii) state unemployment insurance amounts;

771 (ix) nontaxable interest received from any source;

772 (x) workers' compensation;

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

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

775 (b) "Nontaxable income" does not include:

776 (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.

(ii) For purposes of this Subsection [(21)(f)] (24)(f), "unit" refers to the parcel of property covered by a single tax statement of which the residence is a part.

[{22}] (25) "Property taxes due" means:

- (a) for a claimant:
 - (i) the taxes due for which the county or the commission grants a tax abatement for the poor described in Subsection [(21)] (24) or a credit; and
 - (ii) for the calendar year for which the tax abatement for the poor or credit is granted;
- (b) for an indigent individual:
 - (i) the taxes due for which a county granted an abatement under Section 59-2a-401; and
 - (ii) for the calendar year for which the county grants the abatement;
- (c) for an active duty claimant:
 - (i) the taxes due for which the county or the commission grants an exemption; and
 - (ii) for the calendar year for which the exemption is granted; or
- (d) for a veteran claimant:
 - (i)(A) the taxes due for which the county or the commission grants an exemption; and
 - (B) for the calendar year for which the exemption is granted; and
 - (ii) a uniform fee on tangible personal property described in Section 59-2-405 that is:
 - (A) owned by the veteran claimant; and
 - (B) assessed for the calendar year for which the county grants an exemption.

845 whether consecutive, in any continuous 365-day period of active duty military service
846 outside the state in an active component of the United States Armed Forces or a reserve
847 component of the United States Armed Forces, if the days of active duty military service:
848 (a) were completed in the year before an individual applies for an exemption described
849 in Section 59-2a-601; and
850 (b) have not previously been counted as qualifying active duty military service for
851 purposes of qualifying for an exemption described in Section 59-2a-601 or applying
852 for the exemption as described in Section 59-2a-602.

853 [~~(26)~~] (29) "Qualifying disabled veteran claimant" means a veteran claimant who has a
854 100% service-connected disability rating by the Veterans Benefits Administration that is
855 permanent and total.

856 [~~(27)~~] (30) "Qualifying increase" means a valuation that is equal to or more than 150%
857 higher than the previous year's valuation for property that:

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

869 [~~(28)~~] (31) "Qualifying trust" means a trust holding title to real or tangible personal property
870 for which an individual:

871 (a) makes a claim under this [part] chapter;
872 (b) proves to the satisfaction of the county that title to the portion of the trust will vest
873 in the individual upon the exercise of a power:
874 (i) by:
875 (A) the individual as grantor, trustor, settlor, or in another similar role of the trust;
876 (B) a nonadverse party; or
877 (C) both the individual and a nonadverse party; and
878 (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

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

915 [(34)] (37) "Tax notice charge" means the same as that term is defined in Section
916 59-2-1301.5.

917 [(35)] (38) "Veteran claimant" means one of the following individuals who applies for an
918 exemption described in Section 59-2a-501:

919 (a) a veteran with a disability;
920 (b) the unmarried surviving spouse of:

921 (i) a deceased veteran with a disability; or
922 (ii) a veteran who was killed in action or died in the line of duty; or

923 (c) a minor orphan of:
924 (i) a deceased veteran with a disability; or
925 (ii) a veteran who was killed in action or died in the line of duty.

926 [(36)] (39) "Veteran who was killed in action or died in the line of duty" means an
927 individual who was killed in action or died in the line of duty in an active component of
928 the United States Armed Forces or a reserve component of the United States Armed
929 Forces, regardless of whether that individual had a disability at the time that individual
930 was killed in action or died in the line of duty.

931 [(37)] (40) "Veteran with a disability" means an individual with a disability who, during
932 military training or a military conflict, acquired a disability in the line of duty in an
933 active component of the United States Armed Forces or a reserve component of the
934 United States Armed Forces, as determined by a military entity.

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

936 **59-2a-102 (Effective 01/01/27). Right to file claim -- Death of claimant.**

937 (1)(a) The right to file a claim under this chapter is personal to the individual eligible to
938 file the claim.
939 (b) The right to file a claim does not survive the death of the individual eligible to file
940 the claim.
941 (c) The right to file a claim may be exercised on behalf of an individual eligible to file
942 the claim by:
943 (i) a legal guardian; or
944 (ii) an attorney-in-fact.

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

947 household as determined by the commission by rule.

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

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

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

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

961 **59-2a-108 (Effective 01/01/27). Extension of time for filing application --**

962 **Rulemaking authority -- County authority to make refunds.**

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

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

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

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

978 **59-2a-205 (Effective 01/01/27). Amount of renter's credit -- Cost-of-living**

979 **adjustment -- Prohibition on credit for rental assistance payment -- Calculation of credit
980 when rent includes utilities -- Limitation -- General Fund as source of credit -- Maximum**

981 credit.

982 (1)(a) Subject to Subsections ~~(2) and (3) and (4)~~, for a calendar year beginning on or
 983 after January 1, ~~2024~~ 2025, and before January 1, 2027, a claimant may claim a
 984 renter's credit for the previous calendar year that does not exceed the following
 985 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%

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

999 (c) For a calendar year beginning on or after January 1, 2025, and before January 1,
 1000 2027, a credit under this section may not exceed the maximum amount allowed as a
 1001 homeowner's credit for each income bracket under Section 59-2a-305.

1002 (2)(a) Subject to Subsections (3) and (4), for a calendar year beginning on or after
 1003 January 1, 2027, a claimant may claim a renter's credit for the previous calendar year
 1004 that does not exceed the following amounts:

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

1044 [§5] (6) A payment for a renter's credit allowed by this section, and authorized by Section
1045 59-2a-202, shall be paid from the General Fund.

1046 [(6) ~~A credit under this section may not exceed the maximum amount allowed as a~~
1047 ~~homeowner's credit for each income bracket under Section 59-2a-305.~~]

1048 Section 10. Section **59-2a-303** is amended to read:

1049 **59-2a-303 (Effective 01/01/27). Application for homeowner's credit -- Time for**
1050 **filing -- Obtaining payment from General Fund.**

1051 (1)(a) A claimant shall file annually an application for the credit with the county in
1052 which the residence for which the claimant is seeking a homeowner's credit is located
1053 before September 1.

1054 (b) The application under this section shall:

1055 (i) be on forms provided by the county that meet the requirements of Subsection
1056 59-2a-103(3); and
1057 (ii) include a household income statement signed by the claimant stating that:
1058 (A) the income statement is correct; and
1059 (B) the claimant qualifies for the credit.

1060 (c)(i) Subject to Subsection (1)(c)(ii), a county shall apply the credit in accordance
1061 with this section and Section 59-2a-304 for the year in which the claimant applies
1062 for a homeowner's credit if the claimant meets the criteria for obtaining a
1063 homeowner's credit as provided in this part.

1064 (ii) A homeowner's credit under this part may not exceed the claimant's property tax
1065 liability for the residence for the year in which the claimant applies for a
1066 homeowner's credit under this part.

1067 (d) A claimant may qualify for a homeowner's credit under this part regardless of
1068 whether the claimant owes delinquent property taxes.

1069 (2)(a)(i) The county shall compile a list of claimants and the homeowner's credits
1070 granted to the claimants for purposes of obtaining payment from the General Fund
1071 for the amount of credits granted.

1072 (ii) A county may not obtain payment from the General Fund for the amount
1073 described in Subsection [59-2a-101(21)] 59-2a-101(24).

1074 (b) Upon certification by the commission the payment for the credits under this
1075 Subsection (2) shall be made to the county on or before January 1 if the list of
1076 claimants and the credits granted are received by the commission on or before
1077 November 30 of the year in which the credits under this part are granted.

1078 (c) If the commission does not receive the list under this Subsection (2) on or before
 1079 November 30, payment shall be made within 30 days of receipt of the list of
 1080 claimants and credits from the county.

1081 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 [Subseetion] 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] <u>\$14,490</u>	[\$1,259] <u>\$1,312</u>
[\$13,885 -- \$18,515] <u>\$14,491 -- \$19,324</u>	[\$1,105] <u>\$1,151</u>
[\$18,516 -- \$23,141] <u>\$19,325 -- \$24,152</u>	[\$954] <u>\$993</u>
[\$23,142 -- \$27,770] <u>\$24,153 -- \$28,983</u>	[\$726] <u>\$756</u>
[\$27,771 -- \$32,401] <u>\$28,984 -- \$33,816</u>	[\$577] <u>\$600</u>
[\$32,402 -- \$36,754] <u>\$33,817 -- \$38,360</u>	[\$351] <u>\$364</u>
[\$36,755 -- \$40,840] <u>\$38,361 -- \$42,623</u>	[\$197] <u>\$204</u>

1095 (b) For [a] the calendar year beginning on[or after] January 1, [2025,] 2026:

1096 (i) the commission shall increase or decrease the household income eligibility and
 1097 credit amounts[and the credits] under Subsection (1)(a) by a percentage equal to
 1098 the percentage difference between the [consumer price index] Consumer Price
 1099 Index for the preceding calendar year and the [eonsumer priece index] Consumer
 1100 Price Index for calendar year [2023.] 2024; and
 1101 (ii) after the commission has adjusted the credit amounts in accordance with
 1102 Subsection (1)(b)(i), the commission shall increase each credit amount under
 1103 Subsection (1)(a) by \$49.

1104 (c) The household income eligibility and credit amounts under Subsection (1)(a) that
 1105 apply for the calendar year beginning on January 1, 2026, as adjusted in accordance
 1106 with Subsection (1)(b), shall apply for each calendar year beginning on or after
 1107 January 1, 2027.

1108 (2)(a) An individual may not receive the homeowner's credit under this section or the
 1109 abatement described in Subsection [59-2a-101(21)] 59-2a-101(24) on 20% of the fair

1110 market value of the residence if:

1111 (i) the individual is claimed as a personal exemption on another individual's federal
1112 income tax return during any portion of a calendar year for which the individual
1113 seeks to claim the homeowner's credit under this section;

1114 (ii) the individual is a dependent with respect to whom another individual claims a
1115 tax credit under Section 24(h)(4), Internal Revenue Code, during any portion of a
1116 calendar year for which the individual seeks to claim the homeowner's credit
1117 under this section; or

1118 (iii) the individual did not own the residence for the entire calendar year for which
1119 the individual claims the homeowner's credit.

1120 (b) For a calendar year in which a residence is sold, the amount received as a
1121 homeowner's credit under this section or as an abatement described in Subsection [
1122 59-2a-101(21)] 59-2a-101(24) on 20% of the fair market value of the residence shall
1123 be repaid to the county on or before the day on which the sale of the residence closes.

1124 (3) For a calendar year beginning on or after January 1, 2027, an individual may not receive
1125 a homeowner's credit under this section if:

1126 (a) the individual did not receive the homeowner's credit for the same residence at least
1127 once within the preceding two calendar years; or

1128 (b) the individual receives any of the following forms of property tax relief for the same
1129 residence:

1130 (i) a deferral under:

1131 (A) Part 7, Discretionary Deferral for Eligible Owners; or

1132 (B) Part 9, Nondiscretionary Deferral for Eligible Owners; or

1133 (ii) an abatement under Part 4, Abatement for Indigent Individuals.

1134 [(3)] (4) A payment for a homeowner's credit allowed by this section, and authorized by
1135 Section 59-2a-302, shall be paid from the General Fund.

1136 [(4) After the commission has adjusted the homeowner credit amount under Subsection
1137 (1)(b), the commission shall increase each homeowner credit amount under Subsection
1138 (1) by \$49.]

1139 Section 12. Section **59-2a-401** is amended to read:

1140 **59-2a-401 (Effective 01/01/27). Tax abatement for indigent individuals --**

1141 **Maximum amount.**

1142 [In accordance with this part] For a calendar year beginning on or after January 1, 2027,
1143 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

1178 (d) denial of an application would be unjust or unreasonable.

1179 (3) An applicant shall include in an application a signed statement that describes the
1180 eligibility of the applicant for abatement.

1181 (4) Both spouses shall sign an application if the application seeks an abatement on a
1182 residence:

1183 (a) in which both spouses reside; and

1184 (b) that the spouses own as joint tenants.

1185 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1186 commission may make rules to implement this section.

1187 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.

1190 (1) For a calendar year beginning on or after January 1, 2027, an eligible owner may apply
1191 to the county for a discretionary deferral under this section for postponement of a
1192 portion of the property taxes due on the eligible owner's primary residence.

1193 (2) A county may grant an application for a deferral under this section if:

1194 (a) the applicant meets the definition of an eligible owner;

1195 (b) with respect to the primary residence for which the applicant applies for the deferral:

1196 (i) the applicant discloses all outstanding mortgages on the residence;

1197 (ii) the applicant is not receiving any of the following forms of property tax relief for
1198 the same residence:

1199 (A) the homeowner's credit under Part 3, Homeowner's Credit;

1200 (B) an abatement under Part 4, Abatement for Indigent Individuals; or

1201 (C) a deferral under Part 9, Nondiscretionary Deferral for Eligible Owners; and

1202 (iii) there are no delinquent property taxes, delinquent tax notice charges, or
1203 outstanding penalties, interest, or administrative costs related to a delinquent
1204 property tax or a delinquent tax notice charge due on the residence, other than:

1205 (A) taxes and tax notice charges previously deferred under this section; and

1206 (B) interest accrued on the taxes and tax notice charges described in Subsection
1207 (2)(b)(iii)(A); and

1208 (c) the applicant complies with the other applicable provisions of this part.

1209 (3) Of the total amount of taxes and tax notice charges levied on an eligible owner's
1210 primary residence for a calendar year in which the eligible owner receives a deferral
1211 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,

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

1280 lien.

1281 (b) Each subsequent deferral relates back to the date of the initial lien filing.

1282 (7)(a) For each residential property for which the county grants a deferral under this
1283 section, the county treasurer shall maintain a record that is an itemized account of the
1284 total amount of deferred property taxes and deferred tax notice charges subject to the
1285 lien.

1286 (b) The record described in this Subsection (7) is the official record of the amount of the
1287 lien.

1288 (8) Notwithstanding Subsection 59-2-1331(2)(c), taxes and tax notice charges deferred
1289 under this section bear interest at a rate of 2%.

1290 (9) A county may not require approval from lien holders for residential property that is
1291 subject to a mortgage or trust deed to receive a deferral under this section.

1292 (10) A county that grants a deferral to an eligible owner under this section shall:

1293 (a) provide notice of the adjusted property tax amount to the holder of each mortgage or
1294 trust deed outstanding on the residential property; and

1295 (b) refund to the eligible owner any amount of property taxes paid by the eligible owner
1296 during the deferral period in excess of the adjusted property tax amount.

1297 (11) For a calendar year beginning on or after January 1, 2028, the commission shall
1298 increase or decrease the household income eligibility amount specified in Subsection
1299 59-2a-101(12)(a)(i)(C) by a percentage equal to the percentage difference between the
1300 Consumer Price Index for the preceding calendar year and the Consumer Price Index for
1301 calendar year 2026.

1302 Section 15. Section **59-2a-702** is amended to read:

1303 **59-2a-702 (Effective 01/01/27). Application -- Rulemaking authority.**

1304 (1)(a) Except as provided in Section 59-2a-108 or Subsection (2), an applicant for
1305 deferral for the current tax year shall annually file an application on or before
1306 September 1 with the county in which the applicant's property is located.

1307 (b) An indigent individual may for the same property apply and potentially qualify only
1308 for a deferral under this part, or both a deferral under this part and Part 8,
1309 Nondiscretionary Deferral for Property with Qualifying Increase[,- or Part 9,
1310 Nondiscretionary Deferral for Elderly Property Owners, an abatement, or both].

1311 (2) A county shall extend the September 1 application deadline by one additional year if:
1312 (a) the applicant had been approved for a deferral under this part in the prior year; or
1313 (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:

1382 (i) upon the eligible owner selling or otherwise disposing of the residential property;
1383 or

1384 (ii) when the residential property is no longer the eligible owner's primary residence.

1385 (d)(i) An eligible owner that receives a deferral under this section does not have to
1386 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
1387 when the residential property transfers to the eligible owner's surviving spouse as
1388 a result of the eligible owner's death.

1389 (ii) After the residential property transfers to the eligible owner's surviving spouse,
1390 the deferred taxes, deferred tax notice charges, and applicable recording fees are
1391 due:

1392 (A) upon the surviving spouse selling or otherwise disposing of the residential
1393 property; or

1394 (B) when the residential property is no longer the surviving spouse's primary
1395 residence.

1396 (e)(i) An eligible owner that receives a deferral under this section does not have to
1397 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
1398 when the residential property transfers between the eligible owner and a trust
1399 described in Section 59-2a-109 if:

1400 (A) the eligible owner is the grantor of the trust; and

1401 (B) the residential property remains the eligible owner's primary residence.

1402 (ii) After the residential property transfers between the eligible owner and a trust
1403 described in Subsection (5)(e)(i), the deferred taxes, deferred tax notice charges,
1404 and applicable recording fees are due when the residential property is no longer
1405 the eligible owner's primary residence.

1406 (f)(i) An eligible owner that receives a deferral under this section does not have to
1407 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
1408 when the residential property transfers between the eligible owner and a special
1409 needs trust as described in 42 U.S.C. Sec. 1396p(d)(4) if the beneficiary of the
1410 trust meets the definition of an eligible owner.

1411 (ii) After the residential property transfers to a special needs trust described in
1412 Subsection (5)(f)(i), the deferred taxes, deferred tax notice charges, and applicable
1413 recording fees are due:

1414 (A) upon the sale or disposal of the residential property; or

1415 (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

1450 September 1 with the county in which the applicant's property is located.

1451 (b) An indigent individual may for the same property apply and potentially qualify only
1452 for a deferral under [Part 7, Discretionary Deferral, or] this part, or both a deferral
1453 under this part and Part 8, Nondiscretionary Deferral for Property with Qualifying
1454 Increase[, an abatement, or both].

1455 (2) A county shall extend the September 1 application deadline by one additional year if:

1456 (a) the applicant had been approved for a deferral under this part in the prior year; or
1457 (b) the county determines that:

1458 (i) the applicant or a member of the applicant's immediate family had an illness or
1459 injury that prevented the applicant from filing the application on or before the
1460 September 1 application deadline;

1461 (ii) a member of the applicant's immediate family died during the calendar year of the
1462 September 1 application deadline;

1463 (iii) the failure of the applicant to file the application on or before the September 1
1464 application deadline was beyond the reasonable control of the applicant; or
1465 (iv) denial of an application would be unjust or unreasonable.

1466 (3)[(a)] An applicant shall include in an application a signed statement that describes the
1467 eligibility of the applicant for deferral.

1468 [(b) The requirements described in Subsection (3)(a) include:]

1469 [(i) proof that the applicant resides at the single-family residence for which the
1470 applicant seeks the deferral;]
1471 [(ii) proof of age; and]
1472 [(iii) proof of household income.]

1473 (4) Both spouses shall sign an application if the application seeks a deferral on a residence:

1474 (a) in which both spouses reside; and
1475 (b) that the spouses own as joint tenants.

1476 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1477 commission may make rules to implement this section.

1478 Section 18. Section **63J-1-602.2** is amended to read:

1479 **63J-1-602.2 (Effective 01/01/27) (Partially Repealed 07/01/29). List of nonlapsing**
1480 **appropriations to programs.**

1481 Appropriations made to the following programs are nonlapsing:

1482 (1) The Legislature and the Legislature's committees.
1483 (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.