

Daniel McCay proposes the following substitute bill:

Property Tax Relief Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

House Sponsor:

LONG TITLE

General Description:

This bill modifies property tax relief provisions.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ authorizes counties to provide specified forms of property tax relief to individuals within the county through county relief programs, at a county's discretion;
- ▶ establishes requirements for a county's provision of property tax relief through a county relief program, including requirements for:
 - conducting a public hearing and providing notice before approving the county relief program;
 - approving the county relief program by ordinance; and
 - imposing a county relief levy and distributing revenue collected from the levy to impacted taxing entities;
- ▶ clarifies appeal rights for individuals to whom a county denies property tax relief;
- ▶ provides for counties to obtain payment from the General Fund for the active duty armed forces exemption;
- ▶ changes the qualifications, scope, duration, and rates of interest applicable to the discretionary and nondiscretionary property tax deferral programs;
- ▶ authorizes the Multicounty Appraisal Trust to make loans from money in the Property Tax Valuation Fund to counties to pay the costs of providing deferrals;
- ▶ repeals certain existing property tax relief provisions;
- ▶ includes a coordination clause to incorporate changes to Section 59-2-1602 in S.B. 206, Tax Amendments; and
- ▶ makes technical and conforming changes.

29 **Money Appropriated in this Bill:**

30 None

31 **Other Special Clauses:**

32 This bill provides a special effective date.

33 This bill provides a coordination clause.

34 **Utah Code Sections Affected:**

35 AMENDS:

36 **59-2-919.1 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 518

37 **59-2-924 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
38 Session, Chapter 15

39 **59-2-1317 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
40 Session, Chapter 17

41 **59-2-1365 (Effective 01/01/27)**, as last amended by Laws of Utah 2018, Chapter 197

42 **59-2-1601 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 263

43 **59-2-1602 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 337,
44 484

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

47 **59-2a-601 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172

48 **59-2a-602 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
49 Chapter 172

50 **59-2a-702 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172

51 **59-2a-902 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172

52 **63J-1-602.2 (Effective 01/01/27) (Partially Repealed 07/01/29)**, as last amended by Laws
53 of Utah 2025, First Special Session, Chapter 17

54 REPEALS AND REENACTS:

55 **59-2a-102 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
56 Chapter 172

57 **59-2a-103 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
58 Chapter 172

59 **59-2a-104 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
60 Chapter 172

61 **59-2a-105 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
62 Chapter 172

63 **59-2a-701 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
64 Chapter 172

65 **59-2a-901 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
66 Chapter 172

67 REPEALS:

68 **59-2a-106 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
69 Chapter 172

70 **59-2a-107 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
71 Chapter 172

72 **59-2a-108 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
73 Chapter 172

74 **59-2a-109 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
75 Chapter 172

76 **59-2a-110 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
77 Chapter 172

78 **59-2a-201 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172

79 **59-2a-202 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
80 Chapter 172

81 **59-2a-203 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
82 Chapter 172

83 **59-2a-204 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
84 Chapter 172

85 **59-2a-205 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
86 Chapter 172

87 **59-2a-206 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
88 Chapter 172

89 **59-2a-301 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
90 Chapter 172

91 **59-2a-302 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172

92 **59-2a-303 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
93 Chapter 172

94 **59-2a-304 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
95 Chapter 172

96 **59-2a-305 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,

97 Chapter 172
 98 **59-2a-401 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
 99 Chapter 172
 100 **59-2a-402 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
 101 Chapter 172
 102 **59-2a-501 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
 103 Chapter 172
 104 **59-2a-502 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
 105 Chapter 172
 106 **59-2a-801 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 2025,
 107 Chapter 172
 108 **59-2a-802 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172
 109 **59-2a-903 (Effective 01/01/27)**, as enacted by Laws of Utah 2025, Chapter 172
 110 **Utah Code Sections affected by Coordination Clause:**
 111 **59-2-1602**, as last amended by Laws of Utah 2024, Chapter 263

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

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

115 **59-2-919.1 (Effective 01/01/27). Notice of property valuation and tax changes.**

- 116 (1) In addition to the notice requirements of Section 59-2-919, the county auditor, on or
 117 before July 22 of each year, shall notify each owner of real estate who is listed on the
 118 assessment roll.
- 119 (2) The notice described in Subsection (1) shall:
- 120 (a) except as provided in Subsection (5), be sent to all owners of real property by mail
 121 10 or more days before the day on which:
- 122 (i) the county board of equalization meets; and
 123 (ii) the taxing entity holds a public hearing on the proposed increase in the certified
 124 tax rate;
- 125 (b) be on a form that is:
- 126 (i) approved by the commission; and
 127 (ii) uniform in content in all counties in the state; and
- 128 (c) contain for each property:
- 129 (i) the assessor's determination of the value of the property;
 130 (ii) the taxable value of the property;

- 131 (iii) for property assessed by the county assessor:
- 132 (A) instructions on how the taxpayer may file an application with the county
- 133 board of equalization to appeal the valuation or equalization of the property
- 134 under Section 59-2-1004, including instructions for filing an application
- 135 through electronic means; and
- 136 (B) the deadline for the taxpayer to make an application to appeal the valuation or
- 137 equalization of the property under Section 59-2-1004;
- 138 (iv) for property assessed by the commission:
- 139 (A) instructions on how the taxpayer may file an application with the commission
- 140 for a hearing on an objection to the valuation or equalization of the property
- 141 under Section 59-2-1007;
- 142 (B) the deadline for the taxpayer to apply to the commission for a hearing on an
- 143 objection to the valuation or equalization of the property under Section
- 144 59-2-1007; and
- 145 (C) a statement that the taxpayer may not appeal the valuation or equalization of
- 146 the property to the county board of equalization;
- 147 (v) itemized tax information for all applicable taxing entities, including:
- 148 (A) the dollar amount of the taxpayer's tax liability for the property in the prior
- 149 year; and
- 150 (B) the dollar amount of the taxpayer's tax liability under the current rate;
- 151 (vi) the following, stated separately:
- 152 (A) the charter school levy described in Section 53F-2-703;
- 153 (B) the multicounty assessing and collecting levy described in Subsection
- 154 59-2-1602(2);
- 155 (C) the county assessing and collecting levy described in Subsection 59-2-1602(4);
- 156 (D) levies for debt service voted on by the public;
- 157 (E) levies imposed for special purposes under Section 10-6-133.4;
- 158 (F) the minimum basic tax rate as defined in Section 53F-2-301; and
- 159 (G) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 160 (vii) the tax impact on the property;
- 161 (viii) the date, time, and place of the required public hearing for each entity;
- 162 (ix) property tax information pertaining to:
- 163 (A) taxpayer relief; and
- 164 (B) the residential exemption described in Section 59-2-103;

- 165 (x) information specifically authorized to be included on the notice under this chapter;
166 (xi) the last property review date of the property as described in Subsection
167 59-2-303.1(1)(c);
168 (xii) instructions on how the taxpayer may obtain additional information regarding
169 the valuation of the property, including the characteristics and features of the
170 property, from:
171 (A) a website maintained by the county; or
172 (B) the statewide web portal developed and maintained by the Multicounty
173 Appraisal Trust under Subsection 59-2-1606(5)(a) for uniform access to
174 property characteristics and features; [~~and~~]
175 (xiii) if applicable, the following information in relation to any county relief levy
176 imposed under Section 59-2a-104:
177 (A) the rate of the county relief levy; and
178 (B) the total amount of property tax revenue the county relief levy will generate;
179 and
180 [~~(xiii)~~] (xiv) other information approved by the commission.
- 181 (3) If a taxing entity that is subject to the notice and hearing requirements of Subsection
182 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in
183 addition to the information required by Subsection (2):
184 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
185 (b) the difference between the dollar amount of the taxpayer's tax liability if the
186 proposed increase is approved and the dollar amount of the taxpayer's tax liability
187 under the current rate, placed in close proximity to the information described in
188 Subsection (2)(c)(viii);
189 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the
190 proposed tax rate represents as compared to the dollar amount of the taxpayer's tax
191 liability under the current tax rate; and
192 (d) for each taxing entity proposing a tax increase, the dollar amount of additional ad
193 valorem tax revenue, as defined in Section 59-2-919, that would be generated each
194 year if the proposed tax increase is approved.
- 195 (4) In addition to any other tax relief information required under Subsection (2)(c)(ix)(A), a
196 notice sent to a residential property shall:
197 (a) state, "If you are 65 years old or older, disabled, or experiencing extreme hardship,
198 and this property is your primary residence, you may be eligible to defer payment of

- 199 this property tax."; and
- 200 (b) include a telephone number, or a website address on which a telephone number is
- 201 prominently listed, that the property owner may call to obtain additional information
- 202 about applying for a deferral.
- 203 (5)(a) Subject to the other provisions of this Subsection (5), a county auditor may
- 204 provide, at the county auditor's discretion, the notice required by this section to a
- 205 taxpayer by electronic means if a taxpayer makes an election, according to
- 206 procedures determined by the county auditor, to receive the notice by electronic
- 207 means.
- 208 (b)(i) If a county auditor sends a notice required by this section by electronic means,
- 209 the county auditor shall attempt to verify whether a taxpayer receives the notice.
- 210 (ii) If the county auditor cannot verify receipt of the notice sent by electronic means
- 211 14 days or more before the county board of equalization meets and the taxing
- 212 entity holds a public hearing on a proposed increase in the certified tax rate, the
- 213 county auditor shall send the notice required by this section by mail as provided in
- 214 Subsection (2).
- 215 (c) A taxpayer may revoke an election to receive the notice required by this section by
- 216 electronic means if the taxpayer provides written notice to the county auditor on or
- 217 before April 30.
- 218 (d) An election or a revocation of an election under this Subsection (5):
- 219 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
- 220 before the due date for paying the tax; or
- 221 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
- 222 equalization of the taxpayer's real property submit the application for appeal
- 223 within the time period provided in Subsection 59-2-1004(3).
- 224 (e) A county auditor shall provide the notice required by this section as provided in
- 225 Subsection (2), until a taxpayer makes a new election in accordance with this
- 226 Subsection (5), if:
- 227 (i) the taxpayer revokes an election in accordance with Subsection (5)(c) to receive
- 228 the notice required by this section by electronic means; or
- 229 (ii) the county auditor finds that the taxpayer's electronic contact information is
- 230 invalid.
- 231 (f) A person is considered to be a taxpayer for purposes of this Subsection (5) regardless
- 232 of whether the property that is the subject of the notice required by this section is

233 exempt from taxation.

234 Section 2. Section **59-2-924** is amended to read:

235 **59-2-924 (Effective 01/01/27). Definitions -- Report of valuation of property to**
236 **county auditor and commission -- Transmittal by auditor to governing bodies --**
237 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**
238 **-- Notice provided by the commission.**

239 (1) As used in this section:

240 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with
241 this chapter minus revenue the taxing entity receives in accordance with
242 Subsection 59-2a-104(4).

243 (ii) "Ad valorem property tax revenue" does not include:

244 (A) interest;

245 (B) penalties;

246 (C) collections from redemptions; or

247 (D) revenue received by a taxing entity from personal property that is
248 semiconductor manufacturing equipment assessed by a county assessor in
249 accordance with Part 3, County Assessment.

250 (b) "Adjusted tax increment" means the same as that term is defined in Section
251 17C-1-102.

252 (c)(i) "Aggregate taxable value of all property taxed" means:

253 (A) the aggregate taxable value of all real property a county assessor assesses in
254 accordance with Part 3, County Assessment, for the current year;

255 (B) the aggregate taxable value of all real and personal property the commission
256 assesses in accordance with Part 2, Assessment of Property, for the current
257 year; and

258 (C) the aggregate year end taxable value of all personal property a county assessor
259 assesses in accordance with Part 3, County Assessment, contained on the prior
260 year's tax rolls of the taxing entity.

261 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
262 year end taxable value of personal property that is:

263 (A) semiconductor manufacturing equipment assessed by a county assessor in
264 accordance with Part 3, County Assessment; and

265 (B) contained on the prior year's tax rolls of the taxing entity.

266 (d) "Base taxable value" means:

- 267 (i) for an authority created under Section 11-58-201, the same as that term is defined
268 in Section 11-58-102;
- 269 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
270 the same as that term is defined in Section [~~11-59-207~~] 11-59-208;
- 271 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
272 11-70-201, the same as that term is defined in Section 11-70-101;
- 273 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
274 defined in Section 17C-1-102;
- 275 (v) for an authority created under Section 63H-1-201, the same as that term is defined
276 in Section 63H-1-102;
- 277 (vi) for a host local government, the same as that term is defined in Section
278 63N-2-502;
- 279 (vii) for a housing and transit reinvestment zone or convention center reinvestment
280 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
281 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 282 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
283 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
284 5, Home Ownership Promotion Zone, a property's taxable value as shown upon
285 the assessment roll last equalized during the base year, as that term is defined in
286 Section 10-21-101 or Section 17-80-101;
- 287 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
288 First Home Investment Zone Act, a property's taxable value as shown upon the
289 assessment roll last equalized during the base year, as that term is defined in
290 Section 63N-3-1601;
- 291 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,
292 Major Sporting Event Venue Zone Act, a property's taxable value as shown upon
293 the assessment roll last equalized during the property tax base year, as that term is
294 defined in Section 63N-3-1701; or
- 295 (xi) for an electrical energy development zone [~~created~~] designated under Section
296 79-6-1104, the value of the property within an electrical energy development
297 zone, as shown on the assessment roll last equalized before the [~~creation~~]
298 designation of the electrical energy development zone, as that term is defined in
299 Section 79-6-1104.
- 300 (e) "Centrally assessed benchmark value" means an amount equal to the average year

301 end taxable value of real and personal property the commission assesses in
302 accordance with Part 2, Assessment of Property, for the previous three calendar
303 years, adjusted for taxable value attributable to:
304 (i) an annexation to a taxing entity;
305 (ii) an incorrect allocation of taxable value of real or personal property the
306 commission assesses in accordance with Part 2, Assessment of Property; or
307 (iii) a change in value as a result of a change in the method of apportioning the value
308 prescribed by the Legislature, a court, or the commission in an administrative rule
309 or administrative order.

310 (f) "Centrally assessed industry" means the following industry classes the commission
311 assesses in accordance with Part 2, Assessment of Property:

- 312 (i) air carrier;
- 313 (ii) coal;
- 314 (iii) coal load out property;
- 315 (iv) electric generation;
- 316 (v) electric rural;
- 317 (vi) electric utility;
- 318 (vii) gas utility;
- 319 (viii) ground access property;
- 320 (ix) land only property;
- 321 (x) liquid pipeline;
- 322 (xi) metalliferous mining;
- 323 (xii) nonmetalliferous mining;
- 324 (xiii) oil and gas gathering;
- 325 (xiv) oil and gas production;
- 326 (xv) oil and gas water disposal;
- 327 (xvi) railroad;
- 328 (xvii) sand and gravel; and
- 329 (xviii) uranium.

330 (g)(i) "Centrally assessed new growth" means the greater of:

- 331 (A) for each centrally assessed industry, zero; or
- 332 (B) the amount calculated by subtracting the centrally assessed benchmark value
333 for each centrally assessed industry, adjusted for prior year end incremental
334 value, from the taxable value of real and personal property the commission

- 335 assesses in accordance with Part 2, Assessment of Property, for each centrally
336 assessed industry for the current year, adjusted for current year incremental
337 value.
- 338 (ii) "Centrally assessed new growth" does not include a change in value for a
339 centrally assessed industry as a result of a change in the method of apportioning
340 the value prescribed by the Legislature, a court, or the commission in an
341 administrative rule or administrative order.
- 342 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property
343 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 344 (i) "Community reinvestment agency" means the same as that term is defined in Section
345 17C-1-102.
- 346 (j) "Eligible new growth" means the greater of:
347 (i) zero; or
348 (ii) the sum of:
349 (A) locally assessed new growth;
350 (B) centrally assessed new growth; and
351 (C) project area new growth or hotel property new growth.
- 352 (k) "Host local government" means the same as that term is defined in Section
353 63N-2-502.
- 354 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 355 (m) "Hotel property new growth" means an amount equal to the incremental value that is
356 no longer provided to a host local government as incremental property tax revenue.
- 357 (n) "Incremental property tax revenue" means the same as that term is defined in Section
358 63N-2-502.
- 359 (o) "Incremental value" means:
360 (i) for an authority created under Section 11-58-201, the amount calculated by
361 multiplying:
362 (A) the difference between the taxable value and the base taxable value of the
363 property that is located within a project area and on which property tax
364 differential is collected; and
365 (B) the number that represents the percentage of the property tax differential that
366 is paid to the authority;
367 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
368 an amount calculated by multiplying:

- 369 (A) the difference between the current assessed value of the property and the base
370 taxable value; and
- 371 (B) the number that represents the percentage of the property tax augmentation, as
372 defined in Section [~~11-59-207~~] 11-59-208, that is paid to the Point of the
373 Mountain State Land Authority;
- 374 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
375 11-70-201, the amount calculated by multiplying:
- 376 (A) the difference between the taxable value for the current year and the base
377 taxable value of the property that is located within a project area; and
- 378 (B) the number that represents the percentage of enhanced property tax revenue,
379 as defined in Section 11-70-101;
- 380 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
381 multiplying:
- 382 (A) the difference between the taxable value and the base taxable value of the
383 property located within a project area and on which tax increment is collected;
384 and
- 385 (B) the number that represents the adjusted tax increment from that project area
386 that is paid to the agency;
- 387 (v) for an authority created under Section 63H-1-201, the amount calculated by
388 multiplying:
- 389 (A) the difference between the taxable value and the base taxable value of the
390 property located within a project area and on which property tax allocation is
391 collected; and
- 392 (B) the number that represents the percentage of the property tax allocation from
393 that project area that is paid to the authority;
- 394 (vi) for a housing and transit reinvestment zone or convention center reinvestment
395 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
396 Reinvestment Zone Act, an amount calculated by multiplying:
- 397 (A) the difference between the taxable value and the base taxable value of the
398 property that is located within a housing and transit reinvestment zone or
399 convention center reinvestment zone and on which tax increment is collected;
400 and
- 401 (B) the number that represents the percentage of the tax increment that is paid to
402 the housing and transit reinvestment zone or convention center reinvestment

- 403 zone;
- 404 (vii) for a host local government, an amount calculated by multiplying:
- 405 (A) the difference between the taxable value and the base taxable value of the
- 406 hotel property on which incremental property tax revenue is collected; and
- 407 (B) the number that represents the percentage of the incremental property tax
- 408 revenue from that hotel property that is paid to the host local government;
- 409 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 410 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 411 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 412 (A) the difference between the taxable value and the base taxable value of the
- 413 property that is located within a home ownership promotion zone and on which
- 414 tax increment is collected; and
- 415 (B) the number that represents the percentage of the tax increment that is paid to
- 416 the home ownership promotion zone;
- 417 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
- 418 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 419 (A) the difference between the taxable value and the base taxable value of the
- 420 property that is located within a first home investment zone and on which tax
- 421 increment is collected; and
- 422 (B) the number that represents the percentage of the tax increment that is paid to
- 423 the first home investment zone;
- 424 (x) for a major sporting event venue zone created [~~pursuant to~~] in accordance with
- 425 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
- 426 calculated by multiplying:
- 427 (A) the difference between the taxable value and the base taxable value of the
- 428 property located within a qualified development zone for a major sporting
- 429 event venue zone and upon which property tax increment is collected; and
- 430 (B) the number that represents the percentage of tax increment that is paid to the
- 431 major sporting event venue zone, as approved by a major sporting event venue
- 432 zone committee described in Section 63N-1a-1706; or
- 433 (xi) for an electrical energy development zone [~~created~~] designated under Section
- 434 79-6-1104, the amount calculated by multiplying:
- 435 (A) the difference between the taxable value and the base taxable value of the
- 436 property that is located within the electrical energy developmental zone; and

- 437 (B) the number that represents the percentage of the tax increment that is paid to a
438 community reinvestment agency and the Electrical Energy Development
439 Investment Fund created in Section 79-6-1105.
- 440 (p)(i) "Locally assessed new growth" means the greater of:
- 441 (A) zero; or
- 442 (B) the amount calculated by subtracting the year end taxable value of real
443 property the county assessor assesses in accordance with Part 3, County
444 Assessment, for the previous year, adjusted for prior year end incremental
445 value from the taxable value of real property the county assessor assesses in
446 accordance with Part 3, County Assessment, for the current year, adjusted for
447 current year incremental value.
- 448 (ii) "Locally assessed new growth" does not include a change in:
- 449 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
450 or another adjustment;
- 451 (B) assessed value based on whether a property is allowed a residential exemption
452 for a primary residence under Section 59-2-103;
- 453 (C) assessed value based on whether a property is assessed under Part 5, Farmland
454 Assessment Act; or
- 455 (D) assessed value based on whether a property is assessed under Part 17, Urban
456 Farming Assessment Act.
- 457 (q) "Project area" means:
- 458 (i) for an authority created under Section 11-58-201, the same as that term is defined
459 in Section 11-58-102;
- 460 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
461 11-70-201, the same as that term is defined in Section 11-70-101;
- 462 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
463 defined in Section 17C-1-102;
- 464 (iv) for an authority created under Section 63H-1-201, the same as that term is
465 defined in Section 63H-1-102;
- 466 (v) for a housing and transit reinvestment zone or convention center reinvestment
467 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
468 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 469 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
470 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part

471 5, Home Ownership Promotion Zone, the same as that term is defined in Section
472 10-21-101 or Section 17-80-101;

473 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
474 First Home Investment Zone Act, the same as that term is defined in Section
475 63N-3-1601; or

476 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
477 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
478 as defined in Section 63N-3-1701.

479 (r) "Project area new growth" means:

480 (i) for an authority created under Section 11-58-201, an amount equal to the
481 incremental value that is no longer provided to an authority as property tax
482 differential;

483 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
484 an amount equal to the incremental value that is no longer provided to the Point of
485 the Mountain State Land Authority as property tax augmentation, as defined in
486 Section ~~[11-59-207]~~ 11-59-208;

487 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
488 11-70-201, an amount equal to the incremental value that is no longer provided to
489 the Utah Fairpark Area Investment and Restoration District;

490 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
491 incremental value that is no longer provided to an agency as tax increment;

492 (v) for an authority created under Section 63H-1-201, an amount equal to the
493 incremental value that is no longer provided to an authority as property tax
494 allocation;

495 (vi) for a housing and transit reinvestment zone or convention center reinvestment
496 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
497 Reinvestment Zone Act, an amount equal to the incremental value that is no
498 longer provided to a housing and transit reinvestment zone or convention center
499 reinvestment zone as tax increment;

500 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
501 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
502 5, Home Ownership Promotion Zone, an amount equal to the incremental value
503 that is no longer provided to a home ownership promotion zone as tax increment;

504 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,

- 505 First Home Investment Zone Act, an amount equal to the incremental value that is
 506 no longer provided to a first home investment zone as tax increment; or
- 507 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,
 508 Major Sporting Event Venue Zone Act, an amount equal to the incremental value
 509 that is no longer provided to the creating entity of a major sporting event venue
 510 zone as property tax increment.
- 511 (s) "Project area incremental revenue" means the same as that term is defined in Section
 512 17C-1-1001.
- 513 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 514 (u) "Property tax differential" means the same as that term is defined in Sections
 515 11-58-102 and 79-6-1104.
- 516 (v) "Subtraction" means the amount of revenue the taxing entity receives in the prior
 517 year in accordance with Subsection 59-2a-104(4).
- 518 [(v)] (w) "Tax increment" means:
- 519 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
 520 in Section 17C-1-102;
- 521 (ii) for a housing and transit reinvestment zone or convention center reinvestment
 522 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 523 Reinvestment Zone Act, the same as the term "property tax increment" is defined
 524 in Section 63N-3-602;
- 525 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 526 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 527 5, Home Ownership Promotion Zone, the same as that term is defined in Section
 528 10-21-101 or Section 17-80-101;
- 529 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 530 First Home Investment Zone Act, the same as that term is defined in Section
 531 63N-3-1601; or
- 532 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,
 533 Major Sporting Event Venue Zone Act, property tax increment, as that term is
 534 defined in Section 63N-3-1701.
- 535 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
 536 the commission the following statements:
- 537 (a) a statement containing the aggregate valuation of all taxable real property a county
 538 assessor assesses in accordance with Part 3, County Assessment, for each taxing

- 539 entity; and
- 540 (b) a statement containing the taxable value of all personal property a county assessor
541 assesses in accordance with Part 3, County Assessment, from the prior year end
542 values.
- 543 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
544 taxing entity:
- 545 (a) the statements described in Subsections (2)(a) and (b);
- 546 (b) an estimate of the revenue from personal property;
- 547 (c) the certified tax rate; and
- 548 (d) all forms necessary to submit a tax levy request.
- 549 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
550 calculated by dividing the ad valorem property tax revenue that a taxing entity
551 budgeted for the prior year minus subtractions by the amount calculated under
552 Subsection (4)(b).
- 553 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
554 calculate an amount as follows:
- 555 (i) calculate for the taxing entity the difference between:
- 556 (A) the aggregate taxable value of all property taxed; and
- 557 (B) any adjustments for current year incremental value;
- 558 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
559 determined by increasing or decreasing the amount calculated under Subsection
560 (4)(b)(i) by the average of the percentage net change in the value of taxable
561 property for the equalization period for the three calendar years immediately
562 preceding the current calendar year;
- 563 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
564 product of:
- 565 (A) the amount calculated under Subsection (4)(b)(ii); and
- 566 (B) the percentage of property taxes collected for the five calendar years
567 immediately preceding the current calendar year; and
- 568 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
569 amount determined by:
- 570 (A) multiplying the percentage of property taxes collected for the five calendar
571 years immediately preceding the current calendar year by eligible new growth;
572 and

- 573 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
574 amount calculated under Subsection (4)(b)(iii).
- 575 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
576 as follows:
- 577 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
578 tax rate is zero;
- 579 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 580 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
581 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
582 to Unincorporated Areas; and
- 583 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
584 purposes and such other levies imposed solely for the municipal-type services
585 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 586 (c) for a community reinvestment agency that received all or a portion of a taxing
587 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
588 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
589 Subsection (4) except that the commission shall treat the total revenue transferred to
590 the community reinvestment agency as ad valorem property tax revenue that the
591 taxing entity budgeted for the prior year; and
- 592 (d) for debt service voted on by the public, the certified tax rate is the actual levy
593 imposed by that section, except that a certified tax rate for the following levies shall
594 be calculated in accordance with Section 59-2-913 and this section:
- 595 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
596 (ii) a levy to pay for the costs of state legislative mandates or judicial or
597 administrative orders under Section 59-2-1602.
- 598 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
599 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
600 one or more eligible judgments.
- 601 (b) The ad valorem property tax revenue generated by a judgment levy described in
602 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
603 certified tax rate.
- 604 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 605 (i) the taxable value of real property:
- 606 (A) the county assessor assesses in accordance with Part 3, County Assessment;

- 607 and
- 608 (B) contained on the assessment roll;
- 609 (ii) the year end taxable value of personal property:
- 610 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 611 (B) contained on the prior year's assessment roll; and
- 612 (iii) the taxable value of real and personal property the commission assesses in
- 613 accordance with Part 2, Assessment of Property.
- 614 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
- 615 growth.
- 616 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 617 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
- 618 the county auditor of:
- 619 (i) the taxing entity's intent to exceed the certified tax rate; and
- 620 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 621 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
- 622 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 623 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
- 624 electronic means on or before July 31, to a taxing entity and the Revenue and
- 625 Taxation Interim Committee if:
- 626 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 627 taxable value of the real and personal property the commission assesses in
- 628 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 629 for prior year end incremental value; and
- 630 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 631 end taxable value of the real and personal property of a taxpayer the commission
- 632 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 633 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
- 634 subtracting the taxable value of real and personal property the commission assesses
- 635 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 636 current year incremental value, from the year end taxable value of the real and
- 637 personal property the commission assesses in accordance with Part 2, Assessment of
- 638 Property, for the previous year, adjusted for prior year end incremental value.
- 639 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
- 640 subtracting the total taxable value of real and personal property of a taxpayer the

641 commission assesses in accordance with Part 2, Assessment of Property, for the
642 current year, from the total year end taxable value of the real and personal property of
643 a taxpayer the commission assesses in accordance with Part 2, Assessment of
644 Property, for the previous year.

645 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
646 requirement under Subsection (9)(a)(ii).

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

648 **59-2-1317 (Effective 01/01/27). Tax notice -- Contents of notice -- Procedures**
649 **and requirements for providing notice.**

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

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

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

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

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

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

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

659 (iv) the amount of taxes levied;

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

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

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

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

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

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

672 (D) if applicable, a political subdivision lien for the unpaid portion of an
673 assessment assessed in accordance with Title 11, Chapter 42, Assessment Area
674 Act, or Title 11, Chapter 42a, Commercial Property Assessed Clean Energy

- 675 Act, including unpaid costs, charges, and interest as of the date the local entity
676 certifies the unpaid amount to the county treasurer;
- 677 (E) if applicable, for a special district in accordance with Section 17B-1-902, a
678 political subdivision lien for an unpaid fee, administrative cost, or interest;
- 679 (F) if applicable, a political subdivision lien for an unpaid irrigation district use
680 charge as described in Section 17B-2a-506;
- 681 (G) if applicable, a political subdivision lien for a contract assessment under a
682 water contract, as described in Section 17B-2a-1007;
- 683 (H) if applicable, a property tax penalty that a public infrastructure district
684 imposes, as described in Section 17D-4-304; and
- 685 (I) if applicable, an annual payment to the Military Installation Development
686 Authority or an entity designated by the authority in accordance with Section
687 63H-1-501;
- 688 (viii) if a county's tax notice includes an assessment area charge, a statement that, due
689 to potentially ongoing assessment area charges, costs, penalties, and interest,
690 payment of a tax notice charge may not:
- 691 (A) pay off the full amount the property owner owes to the tax notice entity; or
692 (B) cause a release of the lien underlying the tax notice charge;
- 693 (ix) if applicable, the annual payment described in Subsection 63H-1-501(4)(a);
- 694 (x) the date the taxes and tax notice charges are due;
- 695 (xi) the street address or website at which the taxes and tax notice charges may be
696 paid;
- 697 (xii) the date on which the taxes and tax notice charges are delinquent;
- 698 (xiii) the penalty imposed on delinquent taxes and tax notice charges;
- 699 (xiv) a statement that explains the taxpayer's right to direct allocation of a partial
700 payment in accordance with Subsection (9);
- 701 (xv) other information specifically authorized to be included on the notice under this
702 chapter;
- 703 (xvi) if applicable, the following information in relation to any county relief levy
704 imposed under Section 59-2a-104:
- 705 (A) the rate of the county relief levy; and
- 706 (B) the total amount of property tax revenue the county relief levy will generate;
- 707 [~~xvi~~] (xvii) other property tax information approved by the commission; and
708 [~~xvii~~] (xviii) if sent in calendar year 2024, 2025, or 2026:

- 709 (A) notice that the taxpayer may request electronic notice as described in
710 Subsection 17-71-302(1)(m); and
- 711 (B) instructions describing how to elect to receive a notice as described in
712 Subsection 17-71-302(1)(m).
- 713 (3)(a) Unless expressly allowed under this section or another statutory provision, the
714 treasurer may not add an amount to be collected to the property tax notice.
- 715 (b) If the county treasurer adds an amount to be collected to the property tax notice
716 under this section or another statutory provision that expressly authorizes the item's
717 inclusion on the property tax notice:
- 718 (i) the amount constitutes a tax notice charge; and
719 (ii)(A) the tax notice charge has the same priority as property tax; and
720 (B) a delinquency of the tax notice charge triggers a tax sale, in accordance with
721 Section 59-2-1343.
- 722 (4) For any property for which property taxes or tax notice charges are delinquent, the
723 notice described in Subsection (2) shall state, "Prior taxes or tax notice charges are
724 delinquent on this parcel."
- 725 (5) Except as provided in Subsection (6), the county treasurer shall:
- 726 (a) mail the notice required by this section, postage prepaid; or
727 (b) leave the notice required by this section at the taxpayer's residence or usual place of
728 business, if known.
- 729 (6)(a) Subject to the other provisions of this Subsection (6), a county treasurer may, at
730 the county treasurer's discretion, provide the notice required by this section by
731 electronic mail if a taxpayer makes an election, according to procedures determined
732 by the county treasurer, to receive the notice by electronic mail.
- 733 (b) A taxpayer may revoke an election to receive the notice required by this section by
734 electronic mail if the taxpayer provides written notice to the treasurer on or before
735 October 1.
- 736 (c) A revocation of an election under this section does not relieve a taxpayer of the duty
737 to pay a tax or tax notice charge due under this chapter on or before the due date for
738 paying the tax or tax notice charge.
- 739 (d) A county treasurer shall provide the notice required by this section using a method
740 described in Subsection (5), until a taxpayer makes a new election in accordance with
741 this Subsection (6), if:
- 742 (i) the taxpayer revokes an election in accordance with Subsection (6)(b) to receive

- 743 the notice required by this section by electronic mail; or
- 744 (ii) the county treasurer finds that the taxpayer's electronic mail address is invalid.
- 745 (e) A person is considered to be a taxpayer for purposes of this Subsection (6) regardless
- 746 of whether the property that is the subject of the notice required by this section is
- 747 exempt from taxation.
- 748 (7)(a) The county treasurer shall provide the notice required by this section to a taxpayer
- 749 on or before November 1.
- 750 (b) The county treasurer shall keep on file in the county treasurer's office the information
- 751 set forth in the notice.
- 752 (c) The county treasurer is not required to mail a tax receipt acknowledging payment.
- 753 (8) This section does not apply to property taxed under Section 59-2-1302 or 59-2-1307.
- 754 (9)(a) A taxpayer who pays less than the full amount due on the taxpayer's property tax
- 755 notice may, on a form provided by the county treasurer, direct how the county
- 756 treasurer allocates the partial payment between:
- 757 (i) the total amount due for property tax;
- 758 (ii) the amount due for assessments, past due special district fees, and other tax notice
- 759 charges; and
- 760 (iii) any other amounts due on the property tax notice.
- 761 (b) The county treasurer shall comply with a direction submitted to the county treasurer
- 762 in accordance with Subsection (9)(a).
- 763 (c) The provisions of this Subsection (9) do not:
- 764 (i) affect the right or ability of a local entity to pursue any available remedy for
- 765 non-payment of any item listed on a taxpayer's property tax notice; or
- 766 (ii) toll or otherwise change any time period related to a remedy described in
- 767 Subsection (9)(c)(i).
- 768 Section 4. Section **59-2-1365** is amended to read:
- 769 **59-2-1365 (Effective 01/01/27). Payment to taxing entities by county treasurer --**
- 770 **Investment of proceeds -- Transfer and receipt of money between taxing entities.**
- 771 (1) Except as provided in Subsections (3) and (4), the county treasurer shall pay to the
- 772 treasurer of each taxing entity and each tax notice charge entity in the county on or
- 773 before the tenth day of each month:
- 774 (a) all money that the county treasurer received during the preceding month that is due
- 775 to the entity; and
- 776 (b) each entity's proportionate share of money the county treasurer received during the

- 777 preceding month for:
- 778 (i) delinquent taxes and tax notice charges;
- 779 (ii) interest;
- 780 (iii) penalties; and
- 781 (iv) costs on all tax sales and redemptions.
- 782 (2) Except as provided in Subsections (3) and (4), the county treasurer shall:
- 783 (a) adopt an appropriate procedure to account for the transfer and receipt of money
- 784 between taxing entities and tax notice charge entities;
- 785 (b) make a final annual settlement on March 31 with each taxing entity and tax notice
- 786 charge entity, including providing the entity a written statement for the most recent
- 787 calendar year of the amount of:
- 788 (i) total taxes and tax notice charges charged;
- 789 (ii) current taxes and tax notice charges collected;
- 790 (iii) treasurer's relief;
- 791 (iv) redemptions;
- 792 (v) penalties;
- 793 (vi) interest;
- 794 (vii) in lieu fee collections on motor vehicles;[-and]
- 795 (viii) the forfeited revenue amount, as defined in Section 59-2a-101; and
- 796 [~~viii~~] (ix) miscellaneous collections;
- 797 (c) invest the money it receives under Subsection (1); and
- 798 (d) pay annually to each taxing entity and tax notice charge entity in the county the
- 799 interest earned on the invested money under Subsection (2)(c):
- 800 (i) on or before March 31; and
- 801 (ii) apportioned according to the proportion that the:
- 802 (A) taxing entity's tax receipts bear to the total tax receipts received by the county
- 803 treasurer; and
- 804 (B) tax notice charge entity's tax notice charge receipts bear to the total tax notice
- 805 charge receipts that the county treasurer receives.
- 806 (3) Notwithstanding Subsections (1) and (2), a county may:
- 807 (a) negotiate with a taxing entity or tax notice charge entity a procedure other than the
- 808 procedure provided in Subsection (2)(a) to account for the transfer and receipt of
- 809 money between the county and the taxing entity or tax notice charge entity; and
- 810 (b) establish a date other than the tenth day of each month for the county treasurer to

811 make payments required under Subsection (1).

812 (4) This section does not invalidate an existing contract between a county and a taxing
813 entity or tax notice charge entity relating to the apportionment and payment of money or
814 interest.

815 Section 5. Section **59-2-1601** is amended to read:

816 **59-2-1601 (Effective 01/01/27). Definitions.**

817 As used in this part:

818 (1) "County additional property tax" means the property tax levy described in Subsection
819 59-2-1602(4).

820 (2) "Fund" means the Property Tax Valuation Fund created in Section 59-2-1602.

821 (3) "Impacted taxing entity" means the same as that term is defined in Section 59-2a-101.

822 [~~(3)~~] (4) "Multicounty Appraisal Trust" means the Multicounty Appraisal Trust created by
823 an agreement:

824 (a) entered into by all of the counties in the state; and

825 (b) authorized by Title 11, Chapter 13, Interlocal Cooperation Act.

826 [~~(4)~~] (5) "Multicounty assessing and collecting levy" means a property tax levied in
827 accordance with Subsection 59-2-1602(2).

828 [~~(5)~~] (6)(a) "Property valuation service" means any service or technology that promotes
829 uniform assessment levels for the valuation of personal property and real property in
830 accordance with Part 3, County Assessment.

831 (b) "Property valuation service" includes statewide aerial imagery, change detection,
832 sketch validation, exception analysis, commercial valuation modeling, residential
833 valuation modeling, automated valuation modeling, and equity analysis.

834 [~~(6)~~] (7) "Statewide property tax system" means a computer assisted system for mass
835 appraisal, equalization, collection, distribution, and administration related to property
836 tax, created by the Multicounty Appraisal Trust in accordance with Section 59-2-1606.

837 *The following section is affected by a coordination clause at the end of this bill.*

838 Section 6. Section **59-2-1602** is amended to read:

839 **59-2-1602 (Effective 01/01/27). Property Tax Valuation Fund -- Statewide levy --**
840 **Additional county levy.**

841 (1)(a) There is created a custodial fund known as the "Property Tax Valuation Fund."

842 (b) The fund consists of:

843 (i) deposits made and penalties received under Subsection (3);~~and~~

844 (ii) interest on money deposited into the fund~~;~~ and

- 845 (iii) appropriations from the Legislature.
- 846 (c) Deposits, penalties, and interest described in Subsection (1)(b) shall be disbursed and
847 used as provided in Section 59-2-1603 and Subsection (5).
- 848 (2)(a) Each county shall annually impose a multicounty assessing and collecting levy as
849 provided in this Subsection (2).
- 850 (b) The tax rate of the multicounty assessing and collecting levy is the certified revenue
851 levy rounded up to the sixth decimal place.
- 852 (c) The state treasurer shall allocate all revenue collected from the multicounty assessing
853 and collecting levy to the Multicounty Appraisal Trust.
- 854 (3)(a) The multicounty assessing and collecting levy imposed under Subsection (2) shall
855 be separately stated on the tax notice as a multicounty assessing and collecting levy.
- 856 (b) The multicounty assessing and collecting levy is:
- 857 (i) exempt from Sections 17C-1-403 through 17C-1-406;
- 858 (ii) in addition to and exempt from the maximum levies allowable under Section
859 59-2-908; and
- 860 (iii) exempt from the notice and public hearing requirements of Section 59-2-919.
- 861 (c)(i) Each county shall transmit quarterly to the state treasurer the revenue collected
862 from the multicounty assessing and collecting levy.
- 863 (ii) The revenue transmitted under Subsection (3)(c)(i) shall be transmitted no later
864 than the tenth day of the month following the end of the quarter in which the
865 revenue is collected.
- 866 (iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth
867 day of the month following the end of the quarter in which the revenue is
868 collected, the county shall pay an interest penalty at the rate of 10% each year
869 until the revenue is transmitted.
- 870 (d) The state treasurer shall allocate the penalties received under this Subsection (3) in
871 the same manner as revenue is allocated under Subsection (2)(c).
- 872 (4)(a) A county may levy a county additional property tax in accordance with this
873 Subsection (4).
- 874 (b) The county additional property tax:
- 875 (i) shall be separately stated on the tax notice as a county assessing and collecting
876 levy;
- 877 (ii) may not be incorporated into the rate of any other levy;
- 878 (iii) is exempt from Sections 17C-1-403 through 17C-1-406; and

879 (iv) is in addition to and exempt from the maximum levies allowable under Section
880 59-2-908.

881 (c) Revenue collected from the county additional property tax shall be used to:

882 (i) promote the accurate valuation and uniform assessment levels of property as
883 required by Section 59-2-103;

884 (ii) promote the efficient administration of the property tax system, including the
885 costs of assessment, collection, and distribution of property taxes;

886 (iii) fund state mandated actions to meet legislative mandates or judicial or
887 administrative orders that relate to promoting:

888 (A) the accurate valuation of property; and

889 (B) the establishment and maintenance of uniform assessment levels within and
890 among counties; and

891 (iv) establish reappraisal programs that:

892 (A) are adopted by a resolution or ordinance of the county legislative body; and

893 (B) conform to rules the commission makes in accordance with Title 63G,
894 Chapter 3, Utah Administrative Rulemaking Act.

895 (5)(a) The Multicounty Appraisal Trust may use money in the fund to make one-time
896 loans to counties to pay the costs of the county, and any impacted taxing entity within
897 the county, from the county's provision of deferrals under Chapter 2a, Part 7,
898 Discretionary Deferral for Eligible Owners, or Chapter 2a, Part 9, Nondiscretionary
899 Deferral for Eligible Owners.

900 (b) A county or any impacted taxing entity that receives loan proceeds under this section
901 may not increase the county's or impacted taxing entity's certified tax rate as a result
902 of receiving less property tax revenue from the county's provision of deferrals under
903 Chapter 2a, Part 7, Discretionary Deferral for Eligible Owners, or Chapter 2a, Part 9,
904 Nondiscretionary Deferral for Eligible Owners.

905 Section 7. Section **59-2a-101** is amended to read:

906 **59-2a-101 (Effective 01/01/27). Definitions.**

907 As used in this chapter:

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

910 (2) "Active duty service member" means an individual who serves outside of the state as a
911 member of an active component of the United States Armed Forces or a reserve
912 component of the United States Armed Forces for at least 200 days, regardless of

- 913 whether consecutive, in any continuous 365-day period, if the days of active duty
914 military service:
- 915 (a) were completed in the year before the individual applies for property tax relief; and
916 (b) have not been previously counted for purposes of the individual qualifying for or
917 applying to receive property tax relief.
- 918 (3) "Adjusted property tax amount" means the amount of property taxes, from the current
919 year property tax amount, that an eligible owner is required to pay for a calendar year in
920 which the eligible owner receives a deferral under Part 7, Discretionary Deferral for
921 Eligible Owners, or Part 9, Nondiscretionary Deferral for Eligible Owners.
- 922 (4) "Base year property tax amount" means:
- 923 (a) for a calendar year in which an eligible owner did not receive a deferral under Part 7,
924 Discretionary Deferral for Eligible Owners, or Part 9, Nondiscretionary Deferral for
925 Eligible Owners, for the preceding calendar year, the amount of property taxes levied
926 on the eligible owner's primary residence for the preceding calendar year; and
- 927 (b) for a calendar year in which an eligible owner received a deferral under Part 7,
928 Discretionary Deferral for Eligible Owners, or Part 9, Nondiscretionary Deferral for
929 Eligible Owners, for the preceding calendar year, the amount of property taxes levied
930 on the eligible owner's primary residence for the calendar year immediately preceding
931 the calendar year for which the eligible owner first received the deferral.
- 932 [(2)] (5) "Active duty claimant" means a member of an active component of the United
933 States Armed Forces or a reserve component of the United States Armed Forces who:
- 934 (a) performed qualifying active duty military service; and
935 (b) applies for an exemption described in Part 6, Active Duty Armed Forces Exemption.
- 936 [(3)] "Adjusted taxable value limit" means:
- 937 [(a)] for the calendar year that begins on January 1, 2023, \$479,504; or]
938 [(b)] for each calendar year after the calendar year that begins on January 1, 2023, the
939 amount of the adjusted taxable value limit for the previous year plus an amount
940 calculated by multiplying the amount of the adjusted taxable value limit for the
941 previous year by the actual percent change in the consumer price index during the
942 previous calendar year.]
- 943 [(4)] (6) "Claim" means:
- 944 [(a)] a claim for tax abatement described in Subsection (21)(a) or a credit under Part 2,
945 Renter's Credit, or Part 3, Homeowner's Credit;]
- 946 [(b)] (a) an exemption under [Part 5, Veteran Armed Forces Exemption, or] Part 6,

947 Active Duty Armed Forces Exemption; or
 948 ~~[(e)] (b) an application for[an abatement under Part 4, Abatement for Indigent~~
 949 ~~Individuals, or] a deferral under Part 7, Discretionary Deferral for Eligible Owners, [~~
 950 ~~Part 8, Nondiscretionary Deferral for Property with Qualifying Increase,]or Part 9,~~
 951 ~~Nondiscretionary Deferral for [Elderly Property] Eligible Owners.~~

952 ~~[(5)(a) "Claimant" means a homeowner or renter who:]~~
 953 ~~[(i) files a claim under Part 2, Renter's Credit, or Part 3, Homeowner's Credit, for a~~
 954 ~~residence;]~~
 955 ~~[(ii) is domiciled in this state for the entire calendar year for which a claim for relief~~
 956 ~~is filed; and]~~
 957 ~~[(iii) on or before December 31 of the year for which a claim for relief is filed, is:]~~
 958 ~~[(A) 66 years old or older if the individual was born on or before December 31,~~
 959 ~~1959; or]~~
 960 ~~[(B) 67 years old or older if the individual was born on or after January 1, 1960.]~~

961 ~~[(b) Notwithstanding Subsection (5)(a), "claimant" includes a surviving spouse:]~~
 962 ~~[(i) regardless of:]~~
 963 ~~[(A) the age of the surviving spouse; or]~~
 964 ~~[(B) the age of the deceased spouse at the time of death;]~~
 965 ~~[(ii) if the surviving spouse meets:]~~
 966 ~~[(A) the requirements described in Subsections (5)(a)(i) and (5)(a)(ii); and]~~
 967 ~~[(B) the income requirements described in Part 2, Renter's Credit, if the surviving~~
 968 ~~spouse is filing a claim for a renter's credit, or Part 3, Homeowner's Credit, if~~
 969 ~~the surviving spouse is filing a claim for a homeowner's credit;]~~
 970 ~~[(iii) if the surviving spouse is part of the same household of the deceased spouse at~~
 971 ~~the time of death of the deceased spouse; and]~~
 972 ~~[(iv) if the surviving spouse is unmarried at the time the surviving spouse files the~~
 973 ~~claim.]~~

974 ~~[(e) If two or more individuals of a household are able to meet the qualifications for a~~
 975 ~~claimant, the individuals may determine among them as to who the claimant shall be,~~
 976 ~~but if the individuals are unable to agree, the matter shall be referred to the county~~
 977 ~~legislative body for a determination of the claimant of an owned residence and to the~~
 978 ~~commission for a determination of the claimant of a rented residence.]~~

979 ~~[(6)] (7) "Consumer price index" means[:]~~
 980 ~~[(a) for Part 2, Renter's Credit, and Part 3, Homeowner's Credit,] the Consumer Price~~

981 Index - All Urban Consumers, Housing United States Cities Average, published by
 982 the Bureau of Labor Statistics of the United States Department of Labor[; and] .
 983 [~~(b) for the other parts of this chapter, the same as that term is described in Section~~
 984 ~~1(f)(4), Internal Revenue Code, and defined in Section 1(f)(5), Internal Revenue~~
 985 ~~Code.]~~

986 (8) "County relief levy" means a property tax levied in accordance with Section 59-2a-104.
 987 (9) "County relief program" means a county program, implemented at the county's
 988 discretion, that provides a form of property tax relief to a specific demographic within
 989 the county, as authorized under Utah Constitution, Article XIII, Section 3.

990 [(7)] (10) "Deceased veteran with a disability" means a deceased individual who was a
 991 veteran with a disability at the time the individual died.

992 [(8)] (11) "Deferral" means a postponement of a tax due date or a tax notice charge granted
 993 in accordance with Section 59-2a-701[, 59-2a-801,] or 59-2a-901.

994 [(9) "Eligible owner" means an owner of an attached or a detached single-family residence:]
 995 [(a)(i) who is 75 years old or older on or before December 31 of the year in which
 996 the individual applies for a deferral under Part 9, Nondiscretionary Deferral for
 997 Elderly Property Owners;]
 998 [(ii) whose household income does not exceed 200% of the maximum household
 999 income certified to a homeowner's credit described in Section 59-2a-305; and]
 1000 [(iii) whose household liquid resources do not exceed 20 times the amount of
 1001 property taxes levied on the owner's residence for the preceding calendar year; or]
 1002 [(b) that is a trust described in Section 59-2a-109 if the grantor of the trust is an
 1003 individual described in Subsection (9)(a).]

1004 [(10) "Eligible property" means property owned by a veteran claimant that is:]
 1005 [(a) the veteran claimant's primary residence, including a residence that the veteran
 1006 claimant does not reside in because the veteran claimant is admitted as an inpatient at
 1007 a health care facility as defined in Section 26B-4-501; or]
 1008 [(b) tangible personal property that:]
 1009 [(i) is held exclusively for personal use; and]
 1010 [(ii) is not used in a trade or business.]

1011 [(11)(a) "Gross rent" means rent actually paid in cash or the cash equivalent solely for
 1012 the right of occupancy, at arm's length, of a residence, exclusive of charges for any
 1013 utilities, services, furniture, furnishings, or personal appliances furnished by the
 1014 landlord as a part of the rental agreement.]

1015 ~~[(b) If a claimant occupies two or more residences in the year, "gross rent" means the~~
 1016 ~~total rent paid for the residences during the one-year period for which the renter files~~
 1017 ~~a claim under this part.]~~

1018 [(12)(a) "Homeowner" means:]

1019 [(i) an individual whose name is listed on the deed of a residence; or]

1020 [(ii) if a residence is owned in a qualifying trust, an individual who is a grantor,
 1021 trustor, or settlor or holds another similar role in the trust.]

1022 [(b) "Homeowner" does not include:]

1023 [(i) if a residence is owned by any type of entity other than a qualifying trust, an
 1024 individual who holds an ownership interest in that entity; or]

1025 [(ii) an individual who is listed on a deed of a residence along with an entity other
 1026 than a qualifying trust.]

1027 [(13) "Homeowner's credit" means a credit against a claimant's property tax liability.]

1028 (12) "Eligible owner" means:

1029 (a) for a deferral under Part 7, Discretionary Deferral for Eligible Owners, an owner of
 1030 an attached or detached single-family residence:

1031 (i)(A) who uses the residence as the owner's primary residence as of January 1 of
 1032 the calendar year for which the owner applies for the deferral;

1033 (B) whose household income does not exceed \$60,000, subject to adjustment in
 1034 accordance with Subsection 59-2a-701(11); and

1035 (C) whose household liquid resources do not exceed 40 times the amount of
 1036 property taxes levied on the residence for the preceding calendar year; or

1037 (ii) that is a trust described in Section 59-2a-109 if the grantor of the trust is an
 1038 individual described in Subsection (12)(a)(i); and

1039 (b) for a deferral under Part 9, Nondiscretionary Deferral for Eligible Owners, an owner
 1040 of an attached or detached single-family residence:

1041 (i)(A) who uses the residence as the owner's primary residence as of January 1 of
 1042 the calendar year for which the owner applies for the deferral;

1043 (B) who is 65 years old or older on or before December 31 of the calendar year for
 1044 which the owner applies for the deferral;

1045 (C) whose household income does not exceed \$75,000, subject to adjustment in
 1046 accordance with Subsection 59-2a-901(11); and

1047 (D) whose household liquid resources do not exceed 40 times the amount of
 1048 property taxes levied on the residence for the preceding calendar year; or

- 1049 (ii) that is a trust described in Section 59-2a-109 if the grantor of the trust is an
1050 individual described in Subsection (12)(b)(i).
- 1051 (13) "Forfeited revenue amount" means the total amount of the decrease in budgeted
1052 property tax revenue in a calendar year for all impacted taxing entities within a county
1053 as a result of the county's implementation of a county relief program.
- 1054 (14) "Household" means the association of individuals who live in the same dwelling,
1055 sharing the dwelling's furnishings, facilities, accommodations, and expenses.
- 1056 (15)(a) "Household income" means all income received by all members of a claimant's
1057 household in:
- 1058 (i) for a claimant who owns a residence, the calendar year preceding the calendar
1059 year in which property taxes are due; or
- 1060 (ii) for a claimant who rents a residence, the year for which a claim is filed.
- 1061 (b) "Household income" does not include income received by a member of a claimant's
1062 household who is:
- 1063 (i) under 18 years old; or
- 1064 (ii) a parent or a grandparent, through blood, marriage, or adoption, of the claimant or
1065 the claimant's spouse.
- 1066 (16) "Household liquid resources" means the following resources that are not included in an
1067 individual's household income and held by one or more members of the individual's
1068 household:
- 1069 (a) cash on hand;
- 1070 (b) money in a checking or savings account;
- 1071 (c) savings certificates; and
- 1072 (d) stocks or bonds.
- 1073 (17) "Income" means the sum of:
- 1074 (a) federal adjusted gross income as defined in Section 62, Internal Revenue Code; and
- 1075 (b) nontaxable income.
- 1076 [~~(18) "Indigent individual" means a poor individual as described in Utah Constitution,~~
1077 ~~Article XIII, Section 3, Subsection (4), who:]~~
- 1078 ~~[(a)(i) is 65 years old or older; or]~~
- 1079 ~~[(ii) is less than 65 years old and:]~~
- 1080 ~~[(A) the county finds that extreme hardship would prevail on the individual if the~~
1081 ~~county does not defer or abate the individual's taxes; or]~~
- 1082 ~~[(B) the individual has a disability;]~~

- 1083 ~~[(b) has a total household income of less than the maximum household income certified~~
 1084 ~~to a homeowner's credit described in Section 59-2a-305;]~~
- 1085 ~~[(e) resides for at least 10 months of the year in the residence that would be subject to~~
 1086 ~~the requested abatement; and]~~
- 1087 ~~[(d) cannot pay the tax assessed on the individual's residence when the tax becomes due.]~~
- 1088 (18) "Impacted taxing entity" means any taxing entity within a county that receives a
 1089 decrease in budgeted property tax revenue in a calendar year as a result of the county's
 1090 provision of property tax relief.
- 1091 (19) "Military entity" means:
- 1092 (a) the United States Department of Veterans Affairs;
- 1093 (b) an active component of the United States Armed Forces; or
- 1094 (c) a reserve component of the United States Armed Forces.
- 1095 (20)(a) "Nontaxable income" means amounts excluded from adjusted gross income
 1096 under the Internal Revenue Code, including:
- 1097 (i) capital gains;
- 1098 (ii) loss carry forwards claimed during the taxable year in which a claimant files for
 1099 relief under this chapter;
- 1100 (iii) depreciation claimed ~~[pursuant to]~~ in accordance with the Internal Revenue Code
 1101 by a claimant on the residence for which the claimant files for relief under this
 1102 chapter;
- 1103 (iv) support money received;
- 1104 (v) nontaxable strike benefits;
- 1105 (vi) the gross amount of a pension or annuity, including benefits under the Railroad
 1106 Retirement Act of 1974, 45 U.S.C. Sec. 231 et seq., and veterans disability
 1107 pensions;
- 1108 (vii) except for payments described in Subsection (20)(b)(vi), payments received
 1109 under the Social Security Act;
- 1110 (viii) state unemployment insurance amounts;
- 1111 (ix) nontaxable interest received from any source;
- 1112 (x) workers' compensation;
- 1113 (xi) the gross amount of "loss of time" insurance; and
- 1114 (xii) voluntary contributions to a tax-deferred retirement plan.
- 1115 (b) "Nontaxable income" does not include:
- 1116 (i) public assistance;

- 1117 (ii) aid, assistance, or contributions from a tax-exempt nongovernmental source;
- 1118 (iii) surplus foods;
- 1119 (iv) relief in kind supplied by a public or private agency;
- 1120 (v) relief provided under this chapter;
- 1121 (vi) Social Security Disability Income payments received under the Social Security
- 1122 Act;
- 1123 (vii) federal tax refunds;
- 1124 (viii) federal child tax credits received under 26 U.S.C. Sec. 24;
- 1125 (ix) federal earned income tax credits received under 26 U.S.C. Sec. 32;
- 1126 (x) payments received under a reverse mortgage;
- 1127 (xi) payments or reimbursements to senior program volunteers under 42 U.S.C. Sec.
- 1128 5058; or
- 1129 (xii) gifts or bequests.

- 1130 [~~(21)(a) "Property taxes accrued" means property taxes, exclusive of special~~
- 1131 ~~assessments, delinquent interest, and charges for service, levied on 35% of the fair~~
- 1132 ~~market value, as reflected on the assessment roll, of a claimant's residence in this~~
- 1133 ~~state.]~~
- 1134 [~~(b) For a mobile home, "property taxes accrued" includes taxes imposed on both the~~
- 1135 ~~land upon which the home is situated and on the structure of the home itself, whether~~
- 1136 ~~classified as real property or personal property taxes.]~~
- 1137 [~~(c) The relief described in Subsection (21)(a) constitutes:]~~
- 1138 [~~(i) a tax abatement for the poor in accordance with Utah Constitution, Article XIII,~~
- 1139 ~~Section 3; and]~~
- 1140 [~~(ii) the residential exemption provided for in Section 59-2-103.]~~
- 1141 [~~(d) For purposes of this Subsection (21), property taxes accrued are levied on the lien~~
- 1142 ~~date.]~~
- 1143 [~~(e) When a household owns and occupies two or more different residences in this state~~
- 1144 ~~in the same calendar year, and neither residence is acquired or sold during the~~
- 1145 ~~calendar year for which relief is claimed under this part, property taxes accrued shall~~
- 1146 ~~relate only to the residence occupied on the lien date by the household as the~~
- 1147 ~~household's principal place of residence.]~~
- 1148 [~~(f)(i) If a residence is an integral part of a large unit such as a farm or a~~
- 1149 ~~multipurpose or multidwelling building, property taxes accrued shall be calculated~~
- 1150 ~~on the percentage that the value of the residence is of the total value of the unit.]~~

- 1151 [(ii) For purposes of this Subsection (21)(f), "unit" refers to the parcel of property
1152 covered by a single tax statement of which the residence is a part.]
- 1153 [~~(22) "Property taxes due" means:~~]
- 1154 [(a) for a claimant:]
- 1155 [(i) the taxes due for which the county or the commission grants a tax abatement for
1156 the poor described in Subsection (21) or a credit; and]
- 1157 [(ii) for the calendar year for which the tax abatement for the poor or credit is granted;]
- 1158 [(b) for an indigent individual:]
- 1159 [(i) the taxes due for which a county granted an abatement under Section 59-2a-401;
1160 and]
- 1161 [(ii) for the calendar year for which the county grants the abatement;]
- 1162 [(e) for an active duty claimant:]
- 1163 [(i) the taxes due for which the county or the commission grants an exemption; and]
- 1164 [(ii) for the calendar year for which the exemption is granted; or]
- 1165 [(d) for a veteran claimant:]
- 1166 [(i)(A) the taxes due for which the county or the commission grants an
1167 exemption; and]
- 1168 [(B) for the calendar year for which the exemption is granted; and]
- 1169 [(ii) a uniform fee on tangible personal property described in Section 59-2-405 that is:]
- 1170 [(A) owned by the veteran claimant; and]
- 1171 [(B) assessed for the calendar year for which the county grants an exemption.]
- 1172 [~~(23) "Property taxes paid" means an amount equal to the sum of:~~]
- 1173 [(a) the amount of property taxes, and for a veteran claimant, uniform fee, paid for the
1174 taxable year for which the individual applied for relief described in this chapter; and]
- 1175 [(b) the amount of the relief the county grants under this chapter.]
- 1176 [~~(24) "Public assistance" means:~~]
- 1177 [(a) medical assistance provided under Title 26B, Chapter 3, Health Care -
1178 Administration and Assistance;]
- 1179 [(b) SNAP benefits as defined in Section 35A-1-102;]
- 1180 [(c) services or benefits provided under Title 35A, Chapter 3, Employment Support Act;
1181 and]
- 1182 [(d) foster care maintenance payments provided from the General Fund or under Title
1183 IV-E of the Social Security Act.]
- 1184 [~~(25)~~ (21) "Qualifying active duty military service" means at least 200 days, regardless of

1185 whether consecutive, in any continuous 365-day period of active duty military service
1186 outside the state in an active component of the United States Armed Forces or a reserve
1187 component of the United States Armed Forces, if the days of active duty military service:
1188 (a) were completed in the year before an individual applies for an exemption described
1189 in Section 59-2a-601; and
1190 (b) have not previously been counted as qualifying active duty military service for
1191 purposes of qualifying for an exemption described in Section 59-2a-601 or applying
1192 for the exemption as described in Section 59-2a-602.

1193 [~~(26) "Qualifying disabled veteran claimant" means a veteran claimant who has a 100%
1194 service-connected disability rating by the Veterans Benefits Administration that is
1195 permanent and total.~~]

1196 [~~(27) "Qualifying increase" means a valuation that is equal to or more than 150% higher
1197 than the previous year's valuation for property that:~~]

1198 [~~(a) is county assessed; and]~~

1199 [~~(b) on or after January 1 of the previous year and before January 1 of the current year
1200 has not had:~~]

1201 [~~(i) a physical improvement if the fair market value of the physical improvement
1202 increases enough to result in the valuation increase solely as a result of the
1203 physical improvement;~~]

1204 [~~(ii) a zoning change if the fair market value of the real property increases enough to
1205 result in the valuation increase solely as a result of the zoning change; or]~~

1206 [~~(iii) a change in the legal description of the real property, if the fair market value of
1207 the real property increases enough to result in the valuation increase solely as a
1208 result of the change in the legal description of the real property.~~]

1209 [~~(28) "Qualifying trust" means a trust holding title to real or tangible personal property for
1210 which an individual:~~]

1211 [~~(a) makes a claim under this part;~~]

1212 [~~(b) proves to the satisfaction of the county that title to the portion of the trust will revert
1213 in the individual upon the exercise of a power:~~]

1214 [~~(i) by:~~]

1215 [~~(A) the individual as grantor, trustor, settlor, or in another similar role of the trust;~~]

1216 [~~(B) a nonadverse party; or]~~

1217 [~~(C) both the individual and a nonadverse party; and]~~

1218 [~~(ii) regardless of whether the power is a power.~~]

- 1219 ~~[(A) to revoke;]~~
- 1220 ~~[(B) to terminate;]~~
- 1221 ~~[(C) to alter;]~~
- 1222 ~~[(D) to amend; or]~~
- 1223 ~~[(E) to appoint; and]~~
- 1224 ~~[(e) is obligated to pay the taxes on that portion of the trust property beginning January 1~~
- 1225 ~~of the year the individual makes the claim.]~~
- 1226 ~~[(29) "Relative" means a spouse, child, parent, grandparent, grandchild, brother, sister,~~
- 1227 ~~parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, first cousin, or a~~
- 1228 ~~spouse of any of these individuals.]~~
- 1229 ~~[(30) "Rental assistance payment" means any payment that:]~~
- 1230 ~~[(a) is made by a:]~~
- 1231 ~~[(i) governmental entity;]~~
- 1232 ~~[(ii) charitable organization; or]~~
- 1233 ~~[(iii) religious organization; and]~~
- 1234 ~~[(b) is specifically designated for the payment of rent of a claimant:]~~
- 1235 ~~[(i) for the calendar year for which the claimant seeks a renter's credit under this part;~~
- 1236 ~~and]~~
- 1237 ~~[(ii) regardless of whether the payment is made to the claimant or the landlord.]~~
- 1238 ~~[(31)] (22) "Reserve component of the United States Armed Forces" means the same as that~~
- 1239 ~~term is defined in Section 59-10-1027.~~
- 1240 ~~[(32)(a)(i) "Residence" means a dwelling in this state, whether owned or rented, and~~
- 1241 ~~so much of the land surrounding the dwelling, not exceeding one acre, as is~~
- 1242 ~~reasonably necessary for use of the dwelling as a home.]~~
- 1243 ~~[(ii) "Residence" includes a dwelling that is:]~~
- 1244 ~~[(A) a part of a multidwelling or multipurpose building and a part of the land upon~~
- 1245 ~~which the multidwelling or multipurpose building is built; and]~~
- 1246 ~~[(B) a mobile home, manufactured home, or houseboat.]~~
- 1247 ~~[(b) "Residence" does not include personal property such as furniture, furnishings, or~~
- 1248 ~~appliances.]~~
- 1249 ~~[(e) For purposes of this Subsection (32), "owned" includes a vendee in possession~~
- 1250 ~~under a land contract or one or more joint tenants or tenants in common.]~~
- 1251 ~~[(33) "Statement of disability" means a document:]~~
- 1252 ~~[(a) issued by a military entity; and]~~

1253 ~~[(b) that lists the percentage of disability for the veteran with a disability or deceased~~
 1254 ~~veteran with a disability.]~~

1255 ~~[(34) "Tax notice charge" means the same as that term is defined in Section 59-2-1301.5.]~~

1256 ~~[(35) "Veteran claimant" means one of the following individuals who applies for an~~
 1257 ~~exemption described in Section 59-2a-501:]~~

1258 ~~[(a) a veteran with a disability;]~~

1259 ~~[(b) the unmarried surviving spouse of:]~~

1260 ~~[(i) a deceased veteran with a disability; or]~~

1261 ~~[(ii) a veteran who was killed in action or died in the line of duty; or]~~

1262 ~~[(c) a minor orphan of:]~~

1263 ~~[(i) a deceased veteran with a disability; or]~~

1264 ~~[(ii) a veteran who was killed in action or died in the line of duty.]~~

1265 (23) "Surviving relative" means the unmarried surviving spouse or minor orphan of:

1266 (a) a deceased veteran with a disability; or

1267 (b) a veteran who was killed in action or died in the line of duty.

1268 ~~[(36)]~~ (24) "Veteran who was killed in action or died in the line of duty" means an
 1269 individual who was killed in action or died in the line of duty in an active component of
 1270 the United States Armed Forces or a reserve component of the United States Armed
 1271 Forces, regardless of whether that individual had a disability at the time that individual
 1272 was killed in action or died in the line of duty.

1273 ~~[(37)]~~ (25) "Veteran with a disability" means an individual with a disability who, during
 1274 military training or a military conflict, acquired a disability in the line of duty in an
 1275 active component of the United States Armed Forces or a reserve component of the
 1276 United States Armed Forces, as determined by a military entity.

1277 Section 8. Section **59-2a-102** is repealed and reenacted to read:

1278 **59-2a-102 (Effective 01/01/27). County authority to establish county relief**
 1279 **program -- Requirements.**

1280 (1) For a calendar year beginning on or after January 1, 2027, a county may, at the county's
 1281 discretion, implement a county relief program to provide property tax relief to
 1282 individuals within the county if:

1283 (a) the county relief program provides one of the following forms of property tax relief:

1284 (i) as authorized under Utah Constitution, Article XIII, Section 3, Subsection (3), and
 1285 subject to Subsection (2), relief in the form of a property tax exemption for real
 1286 property owned by veterans with a disability or surviving relatives; or

- 1287 (ii) as authorized under Utah Constitution, Article XIII , Section 3, Subsection (4),
 1288 and subject to Subsection (3), relief in the form of a tax abatement for the poor;
 1289 (b) in the calendar year immediately preceding the calendar year in which the county
 1290 first implements the county relief program, the county, in accordance with Section
 1291 59-2a-103:
 1292 (i) advertises the county's intention to consider the county relief program;
 1293 (ii) conducts a public hearing to consider the county relief program; and
 1294 (iii) approves the county relief program by ordinance;
 1295 (c) for each calendar year after the calendar year in which the county first implements
 1296 the county relief program, the county, in accordance with Section 59-2a-104:
 1297 (i) imposes a county relief levy; and
 1298 (ii) proportionately distributes the revenue collected from the county relief levy to
 1299 impacted taxing entities; and
 1300 (d) the county complies with all other requirements under this chapter.
 1301 (2) The relief provided under Subsection (1)(a)(i) may only be provided:
 1302 (a) in relation to a claimant's primary residence; and
 1303 (b) for residential property not exceeding one acre of land.
 1304 (3)(a) The relief provided under Subsection (1)(a)(ii) may only be provided:
 1305 (i) subject to Subsection (3)(b), to an individual whose total household income is
 1306 equal to or less than \$45,000;
 1307 (ii) in relation to a claimant's primary residence;
 1308 (iii) for residential property not exceeding one acre of land;
 1309 (iv) to an individual whose household liquid resources do not exceed 40 times the
 1310 amount of property taxes levied on the residence for the preceding calendar year;
 1311 and
 1312 (v) for not more than 50% of the total tax levied for the individual for the current year.
 1313 (b) For a calendar year beginning on or after January 1, 2028, the commission shall
 1314 increase or decrease the household income eligibility amount under Subsection
 1315 (3)(a)(i) by a percentage equal to the percentage difference between the consumer
 1316 price index for the preceding calendar year and the consumer price index for calendar
 1317 year 2026.
 1318 (4) A county may establish more than one county relief program in accordance with this
 1319 chapter, provided that:
 1320 (a) each county relief program the county establishes provides no more than one form of

1321 relief described in Subsection (1)(a); and
1322 (b) the county complies with Subsections (1)(b) through (d) for each county relief
1323 program the county establishes, including a separate county relief levy under Section
1324 59-2a-104.

1325 (5) The requirements of this section, Section 59-2a-103, and Section 59-2a-104 do not
1326 apply to:

1327 (a) an exemption under Part 6, Active Duty Armed Forces Exemption;

1328 (b) a deferral under Part 7, Discretionary Deferral for Eligible Owners; or

1329 (c) a deferral under Part 9, Nondiscretionary Deferral for Eligible Owners.

1330 (6) The authority granted to counties under this chapter is an extension of the Legislature's
1331 exercise of authority under Utah Constitution, Article XIII, Section 3, to provide for
1332 property tax relief by statute.

1333 Section 9. Section **59-2a-103** is repealed and reenacted to read:

1334 **59-2a-103 (Effective 01/01/27). Public hearing and notice for approval of county**
1335 **relief program -- Ordinance.**

1336 (1) A county may not provide property tax relief through a county relief program under this
1337 chapter unless the county first advertises the county's intention to do so, holds a public
1338 hearing for purposes of considering the county relief program, and approves the county
1339 relief program by ordinance as provided in this section.

1340 (2) The advertisement required by this section:

1341 (a) shall be published:

1342 (i) electronically in accordance with Section 45-1-101;

1343 (ii) as a class A notice under Section 63G-30-102; and

1344 (iii) for at least 14 days before the day on which the taxing entity conducts the public
1345 hearing required under this section; and

1346 (b) shall contain:

1347 (i) the date, time, and location of the public hearing at which the county considers the
1348 county relief program; and

1349 (ii) the estimated tax impact on an average residential and business property within
1350 the county that results from the county relief program.

1351 (3) The requirements of Subsections 59-2-919(8)(b)(i) and (c) through (f) apply to the
1352 public hearing required by this section.

1353 (4) At or following the public hearing required by this section, the county shall approve the
1354 county relief program by ordinance.

- 1355 (5) The ordinance described in Subsection (4) shall:
- 1356 (a) describe the purpose of the county relief program and include information regarding
- 1357 the county relief levy required by Section 59-2a-104;
- 1358 (b) establish the qualifications, procedures, and requirements for individuals within the
- 1359 county to apply for and receive property tax relief in accordance with the county
- 1360 relief program;
- 1361 (c) explain a property tax relief applicant's right to appeal the county's denial of property
- 1362 tax relief to the county board of equalization in accordance with Section 59-2a-105;
- 1363 and
- 1364 (d) include any other information the county requires to administer the county relief
- 1365 program.
- 1366 (6) Upon approval of the ordinance described in Subsection (4), the county may provide
- 1367 property tax relief through the county relief program beginning no sooner than the
- 1368 calendar year after adoption of the ordinance.

1369 Section 10. Section **59-2a-104** is repealed and reenacted to read:

1370 **59-2a-104 (Effective 01/01/27). Imposition of county relief levy for each county**

1371 **relief program -- Rate -- Notice and public hearing requirements -- Distribution of**

1372 **revenue.**

- 1373 (1) A county that provides property tax relief within the county through a county relief
- 1374 program shall impose a county relief levy as provided in this section:
- 1375 (a) beginning in the calendar year immediately following the calendar year in which the
- 1376 county first provides property tax relief through the county relief program; and
- 1377 (b) in each calendar year after the calendar year described in Subsection (1)(a) in which
- 1378 the county provides property tax relief through the county relief program.
- 1379 (2) A county shall impose a separate county relief levy for each county relief program the
- 1380 county approves in accordance with Section 59-2a-103.
- 1381 (3) The county relief levy:
- 1382 (a) shall be imposed at a rate that is sufficient to generate only the forfeited revenue
- 1383 amount from the prior calendar year; and
- 1384 (b) is subject to the notice and public hearing requirements of Section 59-2-919, for each
- 1385 calendar year after the first calendar year in which the county relief levy is first
- 1386 imposed.
- 1387 (4) A county that imposes a county relief levy shall separately state the following on the
- 1388 notices described in Sections 59-2-919.1 and 59-2-1317:

- 1389 (a) the rate of the county relief levy; and
1390 (b) the total amount of revenue the county relief levy will generate.
1391 (5) A county shall distribute the revenue the county collects from the county relief levy to
1392 each impacted taxing entity within the county, based on the impacted taxing entity's
1393 proportionate share of forfeited revenue in the prior calendar year.

1394 Section 11. Section **59-2a-105** is repealed and reenacted to read:

1395 **59-2a-105 (Effective 01/01/27). Denial of property tax relief by county -- Appeal.**

- 1396 (1) An individual who is aggrieved by a denial in whole or in part of property tax relief
1397 claimed in accordance with a county relief program under this chapter may appeal the
1398 denial to the county board of equalization.
1399 (2) If an individual is dissatisfied with the county board of equalization's decision in an
1400 appeal under this section, the individual may appeal to the commission.

1401 Section 12. Section **59-2a-601** is amended to read:

1402 **59-2a-601 (Effective 01/01/27). Active duty armed forces exemption amount --**
1403 **County authority to make refunds -- Payment from General Fund.**

- 1404 (1) The total taxable value of an active duty claimant's primary residence is exempt from
1405 taxation for the calendar year after the year in which the active duty claimant completed
1406 qualifying military service.
1407 (2) An active duty claimant may claim an exemption in accordance with this section if the
1408 active duty claimant owns the property eligible for the exemption at any time during the
1409 calendar year for which the active duty claimant claims the exemption.
1410 (3) A county granting an exemption under this part shall refund to the recipient of the
1411 exemption an amount equal to the amount by which the property taxes paid exceed the
1412 property taxes due, if that amount is \$1 or more.
1413 (4) A payment for an exemption under this part shall be paid from the General Fund.

1414 Section 13. Section **59-2a-602** is amended to read:

1415 **59-2a-602 (Effective 01/01/27). Application -- Rulemaking authority -- Obtaining**
1416 **payment from General Fund.**

- 1417 (1) An active duty claimant shall:
1418 (a) file an application as described in Subsection (2) in the year after the year during
1419 which the active duty claimant completes the qualifying active duty military service;
1420 and
1421 (b) if the active duty claimant meets the requirements of this section, claim one
1422 exemption only in the year the active duty claimant files the application.

- 1423 (2)(a) Except as provided in Section 59-2a-108 or Subsection (3), an active duty
1424 claimant shall, on or before September 1 of the calendar year for which the active
1425 duty claimant is applying for the exemption, file an application for an exemption with
1426 the county in which the active duty claimant resides on September 1 of that calendar
1427 year.
- 1428 (b) An application described in Subsection (2)(a) shall include:
- 1429 (i) a completed travel voucher or other satisfactory evidence of eligible military
1430 service; and
- 1431 (ii) a statement that lists the dates on which the 200 days of qualifying active duty
1432 military service began and ended.
- 1433 (c) A county that receives an application described in Subsection (2)(a) shall, within 30
1434 days after the day on which the county received the application, provide the active
1435 duty claimant with a receipt that states that the county received the active duty
1436 claimant's application.
- 1437 (3) A county shall extend the September 1 application deadline by one additional year if the
1438 county legislative body determines that:
- 1439 (a) the active duty claimant or a member of the active duty claimant's immediate family
1440 had an illness or injury that prevented the active duty claimant from filing the
1441 application on or before the September 1 application deadline;
- 1442 (b) a member of the active duty claimant's immediate family died during the calendar
1443 year of the September 1 application deadline;
- 1444 (c) the active duty claimant was not physically present in the state for a time period of at
1445 least six consecutive months during the calendar year of the September 1 application
1446 deadline; or
- 1447 (d) the failure of the active duty claimant to file the application on or before the
1448 September 1 application deadline:
- 1449 (i) would be against equity or good conscience; and
1450 (ii) was beyond the reasonable control of the active duty claimant.
- 1451 (4) After issuing the receipt described in Subsection (2)(c), a county may not require an
1452 active duty claimant to file another application under Subsection (2)(a), except under the
1453 following circumstances:
- 1454 (a) a change in the active duty claimant's ownership of the active duty claimant's
1455 primary residence; or
1456 (b) a change in the active duty claimant's occupancy of the primary residence for which

- 1457 the active duty claimant claims an exemption under this section.
- 1458 (5) A county may verify that real property for which an active duty claimant applies for an
 1459 exemption is the active duty claimant's primary residence.
- 1460 (6)(a) The county shall compile a list of active duty claimants and the exemption amount
 1461 claimed by each active duty claimant for purposes of obtaining payment from the
 1462 General Fund for the amount of exemptions claimed.
- 1463 (b) Upon certification by the commission, the payment for the exemptions under this
 1464 Subsection (6) shall be made to the county on or before January 1 if the list of active
 1465 duty claimants and the exemptions claimed are received by the commission on or
 1466 before November 30 of the year in which the exemptions under this part are claimed.
- 1467 (c) If the commission does not receive from the county the list described in Subsection
 1468 (6)(a) on or before November 30, payment shall be made within 30 days of receipt
 1469 from the county of the list described in Subsection (6)(a).
- 1470 [~~6~~] (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 1471 commission may by rule:
- 1472 (a) establish procedures and requirements for amending an application described in
 1473 Subsection (2);
- 1474 (b) for purposes of Subsection (3), define the terms:
- 1475 (i) "immediate family"; or
 1476 (ii) "physically present"; or
- 1477 (c) for purposes of Subsection (3)(d), prescribe the circumstances under which the
 1478 failure of an active duty claimant to file an application on or before the September 1
 1479 application deadline:
- 1480 (i) would be against equity or good conscience; and
 1481 (ii) is beyond the reasonable control of an active duty claimant.
- 1482 Section 14. Section **59-2a-701** is repealed and reenacted to read:
- 1483 **Part 7. Discretionary Deferral for Eligible Owners**
- 1484 **59-2a-701 (Effective 01/01/27). Discretionary deferral for eligible owners.**
- 1485 (1) For a calendar year beginning on or after January 1, 2027, an eligible owner may apply
 1486 to the county for a discretionary deferral under this section for postponement of a
 1487 portion of the property taxes due on the eligible owner's primary residence.
- 1488 (2) A county may grant an application for a deferral under this section if:
- 1489 (a) the applicant meets the definition of an eligible owner;
 1490 (b) with respect to the primary residence for which the applicant applies for the deferral:

- 1491 (i) the applicant discloses all outstanding mortgages on the residence;
1492 (ii) the applicant is not receiving any of the following forms of property tax relief for
1493 the same residence:
1494 (A) the homeowner's credit under Part 3, Homeowner's Credit;
1495 (B) an abatement under Part 4, Abatement for Indigent Individuals; or
1496 (C) a deferral under Part 9, Nondiscretionary Deferral for Eligible Owners; and
1497 (iii) there are no delinquent property taxes, delinquent tax notice charges, or
1498 outstanding penalties, interest, or administrative costs related to a delinquent
1499 property tax or a delinquent tax notice charge due on the residence, other than:
1500 (A) taxes and tax notice charges previously deferred under this section; and
1501 (B) interest accrued on the taxes and tax notice charges described in Subsection
1502 (2)(b)(iii)(A); and
1503 (c) the applicant complies with the other applicable provisions of this part.
1504 (3) Of the total amount of taxes and tax notice charges levied on an eligible owner's
1505 primary residence for a calendar year in which the eligible owner receives a deferral
1506 under this section:
1507 (a) the adjusted property tax amount is 50% of the lesser of:
1508 (i) the base year property tax amount; and
1509 (ii) the current year property tax amount; and
1510 (b) the amount deferred is the amount of property taxes exceeding the adjusted property
1511 tax amount.
1512 (4)(a) Except as provided in Subsection (4)(b), the deferral period under this section is
1513 one year.
1514 (b) The county may extend the deferral period for one or more subsequent one-year
1515 periods if, for each subsequent calendar year in which the eligible owner seeks to
1516 extend the deferral period:
1517 (i) the eligible owner applies for an extension of the deferral; and
1518 (ii) the application meets the requirements of Subsection (2).
1519 (c) For purposes of Subsections 59-2-1331(2)(g)(ii) and 59-2-1343(1)(d), the deferral
1520 period ends on the last day of:
1521 (i) the initial one-year deferral period, if the county does not extend the deferral
1522 period under Subsection (4)(b); or
1523 (ii) the final one-year deferral period subsequently granted, if the county extends the
1524 deferral period under Subsection (4)(b).

- 1525 (5)(a) Taxes and tax notice charges deferred under this section accumulate with interest
1526 and applicable recording fees as a lien against the residential property.
- 1527 (b) A lien described in this Subsection (5):
- 1528 (i) has the same legal status as a lien described in Section 59-2-1325; and
1529 (ii) is subordinate to any mortgage on the property.
- 1530 (c) To release the lien described in this Subsection (5), except as provided in
1531 Subsections (5)(d) through (f), an eligible owner shall pay the total amount subject to
1532 the lien:
- 1533 (i) upon the eligible owner selling or otherwise disposing of the residential property;
1534 or
1535 (ii) when the residential property is no longer the eligible owner's primary residence.
- 1536 (d)(i) An eligible owner that receives a deferral under this section does not have to
1537 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
1538 when the residential property transfers to the eligible owner's surviving spouse as
1539 a result of the eligible owner's death.
- 1540 (ii) After the residential property transfers to the eligible owner's surviving spouse,
1541 the deferred taxes, deferred tax notice charges, and applicable recording fees are
1542 due:
- 1543 (A) upon the surviving spouse selling or otherwise disposing of the residential
1544 property; or
1545 (B) when the residential property is no longer the surviving spouse's primary
1546 residence.
- 1547 (e)(i) An eligible owner that receives a deferral under this section does not have to
1548 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
1549 when the residential property transfers between the eligible owner and a trust
1550 described in Section 59-2a-109 if:
- 1551 (A) the eligible owner is the grantor of the trust; and
1552 (B) the residential property remains the eligible owner's primary residence.
- 1553 (ii) After the residential property transfers between the eligible owner and a trust
1554 described in Subsection (5)(e)(i), the deferred taxes, deferred tax notice charges,
1555 and applicable recording fees are due when the residential property is no longer
1556 the eligible owner's primary residence.
- 1557 (f)(i) An eligible owner that receives a deferral under this section does not have to
1558 pay the deferred taxes, deferred tax notice charges, or applicable recording fees

- 1559 when the residential property transfers between the eligible owner and a special
1560 needs trust as described in 42 U.S.C. Sec. 1396p(d)(4) if the beneficiary of the
1561 trust meets the definition of an eligible owner.
- 1562 (ii) After the residential property transfers to a special needs trust described in
1563 Subsection (5)(f)(i), the deferred taxes, deferred tax notice charges, and applicable
1564 recording fees are due:
- 1565 (A) upon the sale or disposal of the residential property; or
1566 (B) when the residential property is no longer the primary residence of the
1567 beneficiary of the trust described in Subsection (5)(f)(i).
- 1568 (g) When the deferral period ends:
- 1569 (i) the lien becomes due and subject to the collection procedures described in Section
1570 59-2-1331; and
- 1571 (ii) the date of levy is the date that the deferral period ends.
- 1572 (6)(a) If a county grants an eligible owner more than one deferral under this section for
1573 the same residential property, including an extension of the deferral period under
1574 Subsection (4)(b), the county is not required to submit for recording more than one
1575 lien.
- 1576 (b) Each subsequent deferral relates back to the date of the initial lien filing.
- 1577 (7)(a) For each residential property for which the county grants a deferral under this
1578 section, the county treasurer shall maintain a record that is an itemized account of the
1579 total amount of deferred property taxes and deferred tax notice charges subject to the
1580 lien.
- 1581 (b) The record described in this Subsection (7) is the official record of the amount of the
1582 lien.
- 1583 (8) Notwithstanding Subsection 59-2-1331(2)(c), taxes and tax notice charges deferred
1584 under this section bear interest at a rate of 3%.
- 1585 (9) A county may not require approval from lien holders for residential property that is
1586 subject to a mortgage or trust deed to receive a deferral under this section.
- 1587 (10) A county that grants a deferral to an eligible owner under this section shall:
- 1588 (a) provide notice of the adjusted property tax amount to the holder of each mortgage or
1589 trust deed outstanding on the residential property; and
- 1590 (b) refund to the eligible owner any amount of property taxes paid by the eligible owner
1591 during the deferral period in excess of the adjusted property tax amount.
- 1592 (11) For a calendar year beginning on or after January 1, 2028, the commission shall

1593 increase or decrease the household income eligibility amount specified in Subsection
 1594 59-2a-101(12)(a)(i)(C) by a percentage equal to the percentage difference between the
 1595 consumer price index for the preceding calendar year and the consumer price index for
 1596 calendar year 2026.

1597 Section 15. Section **59-2a-702** is amended to read:

1598 **59-2a-702 (Effective 01/01/27). Application -- Rulemaking authority.**

1599 (1)(a) Except as provided in Section 59-2a-108 or Subsection (2), an applicant for
 1600 deferral for the current tax year shall annually file an application on or before
 1601 September 1 with the county in which the applicant's property is located.

1602 (b) An indigent individual may, for the same property, apply and potentially qualify only
 1603 for a deferral under this part[, ~~Part 8, Nondiscretionary Deferral for Property with~~
 1604 ~~Qualifying Increase,~~] or Part 9, Nondiscretionary Deferral for [~~Elderly Property~~
 1605 ~~Owners, an abatement, or both~~] Eligible Owners.

1606 (2) A county shall extend the September 1 application deadline by one additional year if:

1607 (a) the applicant had been approved for a deferral under this part in the prior year; or

1608 (b) the county determines that:

1609 (i) the applicant or a member of the applicant's immediate family had an illness or
 1610 injury that prevented the applicant from filing the application on or before the
 1611 September 1 application deadline;

1612 (ii) a member of the applicant's immediate family died during the calendar year of the
 1613 September 1 application deadline;

1614 (iii) the failure of the applicant to file the application on or before the September 1
 1615 application deadline was beyond the reasonable control of the applicant; or

1616 (iv) denial of an application would be unjust or unreasonable.

1617 (3) An applicant shall include in an application a signed statement that describes the
 1618 eligibility of the applicant for deferral.

1619 (4) Both spouses shall sign an application if the application seeks a deferral or abatement on
 1620 a residence:

1621 (a) in which both spouses reside; and

1622 (b) that the spouses own as joint tenants.

1623 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 1624 commission may make rules to implement this section.

1625 Section 16. Section **59-2a-901** is repealed and reenacted to read:

1626 **Part 9. Nondiscretionary Deferral for Eligible Owners**

- 1627 **59-2a-901 (Effective 01/01/27). Nondiscretionary deferral for eligible owners.**
- 1628 (1) For a calendar year beginning on or after January 1, 2027, an eligible owner may apply
- 1629 to the county for a nondiscretionary deferral under this section for postponement of a
- 1630 portion of the property taxes due on the eligible owner's primary residence.
- 1631 (2) A county shall grant an application for a deferral under this section if:
- 1632 (a) the applicant meets the definition of an eligible owner;
- 1633 (b) with respect to the primary residence for which the applicant applies for the deferral:
- 1634 (i) the eligible owner discloses all outstanding mortgages on the residence, none of
- 1635 which are a reverse mortgage;
- 1636 (ii) the eligible owner is not receiving an abatement under Part 4, Abatement for
- 1637 Indigent Individuals, or a deferral under Part 7, Discretionary Deferral for Eligible
- 1638 Owners, for the same residence;
- 1639 (iii) the assessed value of the residence, as listed on the valuation notice sent in
- 1640 accordance with Section 59-2-919.1, is greater than the amount of any outstanding
- 1641 mortgage on the residence by 5% or more; and
- 1642 (iv) there are no delinquent property taxes, delinquent tax notice charges, or
- 1643 outstanding penalties, interest, or administrative costs related to a delinquent
- 1644 property tax or a delinquent tax notice charge due on the residence, other than:
- 1645 (A) taxes and tax notice charges previously deferred under this section; and
- 1646 (B) accrued interest on the taxes and tax notice charges described in Subsection
- 1647 (2)(b)(iv)(A); and
- 1648 (c) the applicant complies with the other applicable provisions of this part.
- 1649 (3) Of the total amount of taxes and tax notice charges levied on an eligible owner's
- 1650 primary residence for a calendar year in which the eligible owner receives a deferral
- 1651 under this section:
- 1652 (a) the adjusted property tax amount is 100% of the lesser of:
- 1653 (i) the base year property tax amount; and
- 1654 (ii) the current year property tax amount; and
- 1655 (b) the amount deferred is the amount of property taxes exceeding the adjusted property
- 1656 tax amount.
- 1657 (4)(a) Except as provided in Subsection (4)(b), the deferral period under this section is
- 1658 one year.
- 1659 (b) The county shall extend the deferral period for one or more subsequent one-year
- 1660 periods if, for each subsequent calendar year in which the eligible owner seeks to

- 1661 extend the deferral period:
- 1662 (i) the eligible owner applies for an extension of the deferral; and
- 1663 (ii) the application meets the requirements of Subsection (2).
- 1664 (c) For purposes of Subsections 59-2-1331(2)(g)(ii) and 59-2-1343(1)(d), the deferral
- 1665 period ends on the last day of:
- 1666 (i) the initial one-year deferral period, if the county does not extend the deferral
- 1667 period under Subsection (4)(b); or
- 1668 (ii) the final one-year deferral period subsequently granted, if the county extends the
- 1669 deferral period under Subsection (4)(b).
- 1670 (5)(a) Taxes and tax notice charges deferred under this section accumulate with interest
- 1671 and applicable recording fees as a lien against the residential property.
- 1672 (b) A lien described in this Subsection (5) has the same legal status as a lien described in
- 1673 Section 59-2-1325.
- 1674 (c) To release the lien described in this Subsection (5), except as provided in
- 1675 Subsections (5)(d) through (f), an eligible owner shall pay the total amount subject to
- 1676 the lien:
- 1677 (i) upon the eligible owner selling or otherwise disposing of the residential property;
- 1678 or
- 1679 (ii) when the residential property is no longer the eligible owner's primary residence.
- 1680 (d)(i) An eligible owner that receives a deferral under this section does not have to
- 1681 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
- 1682 when the residential property transfers to the eligible owner's surviving spouse as
- 1683 a result of the eligible owner's death.
- 1684 (ii) After the residential property transfers to the eligible owner's surviving spouse,
- 1685 the deferred taxes, deferred tax notice charges, and applicable recording fees are
- 1686 due:
- 1687 (A) upon the surviving spouse selling or otherwise disposing of the residential
- 1688 property; or
- 1689 (B) when the residential property is no longer the surviving spouse's primary
- 1690 residence.
- 1691 (e)(i) An eligible owner that receives a deferral under this section does not have to
- 1692 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
- 1693 when the residential property transfers between the eligible owner and a trust
- 1694 described in Section 59-2a-109 if:

- 1695 (A) the eligible owner is the grantor of the trust; and
- 1696 (B) the residential property remains the eligible owner's primary residence.
- 1697 (ii) After the residential property transfers between the eligible owner and a trust
- 1698 described in Subsection (5)(e)(i), the deferred taxes, deferred tax notice charges,
- 1699 and applicable recording fees are due when the residential property is no longer
- 1700 the eligible owner's primary residence.
- 1701 (f)(i) An eligible owner that receives a deferral under this section does not have to
- 1702 pay the deferred taxes, deferred tax notice charges, or applicable recording fees
- 1703 when the residential property transfers between the eligible owner and a special
- 1704 needs trust as described in 42 U.S.C. Sec. 1396p(d)(4) if the beneficiary of the
- 1705 trust meets the definition of an eligible owner.
- 1706 (ii) After the residential property transfers to a special needs trust described in
- 1707 Subsection (5)(f)(i), the deferred taxes, deferred tax notice charges, and applicable
- 1708 recording fees are due:
- 1709 (A) upon the sale or disposal of the residential property; or
- 1710 (B) when the residential property is no longer the primary residence of the
- 1711 beneficiary of the trust described in Subsection (5)(f)(i).
- 1712 (g) When the deferral period ends:
- 1713 (i) the lien becomes due and subject to the collection procedures described in Section
- 1714 59-2-1331; and
- 1715 (ii) the date of levy is the date that the deferral period ends.
- 1716 (6)(a) If a county grants an eligible owner more than one deferral under this section for
- 1717 the same residential property, including an extension of the deferral period under
- 1718 Subsection (4)(b), the county is not required to submit for recording more than one
- 1719 lien.
- 1720 (b) Each subsequent deferral relates back to the date of the initial lien filing.
- 1721 (7)(a) For each residential property for which the county grants a deferral under this
- 1722 section, the county treasurer shall maintain a record that is an itemized account of the
- 1723 total amount of deferred property taxes and deferred tax notice charges subject to the
- 1724 lien.
- 1725 (b) The record described in this Subsection (7) is the official record of the amount of the
- 1726 lien.
- 1727 (8) Notwithstanding Subsection 59-2-1331(2)(c), taxes and tax notice charges deferred
- 1728 under this section bear interest at a rate of 3%.

- 1729 (9) A county may not require approval from lien holders for residential property that is
 1730 subject to a mortgage or trust deed to receive a deferral under this section.
- 1731 (10) A county that grants a deferral to an eligible owner under this section shall:
 1732 (a) provide notice of the adjusted property tax amount to the holder of each mortgage or
 1733 trust deed outstanding on the residential property; and
 1734 (b) refund to the eligible owner any amount of property taxes paid by the eligible owner
 1735 during the deferral period in excess of the adjusted property tax amount.
- 1736 (11) For a calendar year beginning on or after January 1, 2028, the commission shall
 1737 increase or decrease the household income eligibility amount specified in Subsection
 1738 59-2a-101(12)(b)(i)(D) by a percentage equal to the percentage difference between the
 1739 consumer price index for the preceding calendar year and the consumer price index for
 1740 calendar year 2026.

1741 Section 17. Section **59-2a-902** is amended to read:

1742 **59-2a-902 (Effective 01/01/27). Application -- Rulemaking authority.**

- 1743 (1)(a) Except as provided in Section 59-2a-108 or Subsection (2), an applicant for
 1744 deferral for the current tax year shall annually file an application on or before
 1745 September 1 with the county in which the applicant's property is located.
- 1746 (b) An indigent individual may, for the same property, apply and potentially qualify only
 1747 for a deferral under this part or Part 7, Discretionary Deferral~~[, or Part 8,~~
 1748 ~~Nondiscretionary Deferral for Property with Qualifying Increase, an abatement, or~~
 1749 ~~both]~~ for Eligible Owners.
- 1750 (2) A county shall extend the September 1 application deadline by one additional year if:
 1751 (a) the applicant had been approved for a deferral under this part in the prior year; or
 1752 (b) the county determines that:
 1753 (i) the applicant or a member of the applicant's immediate family had an illness or
 1754 injury that prevented the applicant from filing the application on or before the
 1755 September 1 application deadline;
 1756 (ii) a member of the applicant's immediate family died during the calendar year of the
 1757 September 1 application deadline;
 1758 (iii) the failure of the applicant to file the application on or before the September 1
 1759 application deadline was beyond the reasonable control of the applicant; or
 1760 (iv) denial of an application would be unjust or unreasonable.
- 1761 (3)~~(a)~~ An applicant shall include in an application a signed statement that describes the
 1762 eligibility of the applicant for deferral.

- 1763 [(b) The requirements described in Subsection (3)(a) include:]
- 1764 [(i) proof that the applicant resides at the single-family residence for which the
- 1765 applicant seeks the deferral;]
- 1766 [(ii) proof of age; and]
- 1767 [(iii) proof of household income.]
- 1768 (4) Both spouses shall sign an application if the application seeks a deferral on a residence:
- 1769 (a) in which both spouses reside; and
- 1770 (b) that the spouses own as joint tenants.
- 1771 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1772 commission may make rules to implement this section.
- 1773 Section 18. Section **63J-1-602.2** is amended to read:
- 1774 **63J-1-602.2 (Effective 01/01/27) (Partially Repealed 07/01/29). List of nonlapsing**
- 1775 **appropriations to programs.**
- 1776 Appropriations made to the following programs are nonlapsing:
- 1777 (1) The Legislature and the Legislature's committees.
- 1778 (2) The State Board of Education, including all appropriations to agencies, line items, and
- 1779 programs under the jurisdiction of the State Board of Education, in accordance with
- 1780 Section 53F-9-103.
- 1781 (3) The Rangeland Improvement Act created in Section 4-20-101.
- 1782 (4) The Percent-for-Art Program created in Section 9-6-404.
- 1783 (5) The LeRay McAllister Working Farm and Ranch Fund Program created in Title 4,
- 1784 Chapter 46, Part 3, LeRay McAllister Working Farm and Ranch Fund.
- 1785 (6) The Utah Lake Authority created in Section 11-65-201.
- 1786 (7) Dedicated credits accrued to the Utah Marriage Commission as provided under
- 1787 Subsection 17-66-303(2)(d)(ii).
- 1788 (8) The Wildlife Land and Water Acquisition Program created in Section 23A-6-205.
- 1789 (9) Sanctions collected as dedicated credits from Medicaid providers under Subsection
- 1790 26B-3-108(7).
- 1791 (10) The primary care grant program created in Section 26B-4-310.
- 1792 (11) The Opiate Overdose Outreach Pilot Program created in Section 26B-4-512.
- 1793 (12) The Utah Health Care Workforce Financial Assistance Program created in Section
- 1794 26B-4-702.
- 1795 (13) The Rural Physician Loan Repayment Program created in Section 26B-4-703.
- 1796 (14) The Utah Medical Education Council for the:

- 1797 (a) administration of the Utah Medical Education Program created in Section 26B-4-707;
1798 (b) provision of medical residency grants described in Section 26B-4-711; and
1799 (c) provision of the forensic psychiatric fellowship grant described in Section 26B-4-712.
- 1800 (15) The Division of Services for People with Disabilities, as provided in Section 26B-6-402.
1801 (16) The Communication Habits to reduce Adolescent Threats (CHAT) Pilot Program
1802 created in Section 26B-7-122.
- 1803 (17) Funds that the Department of Alcoholic Beverage Services retains in accordance with
1804 Subsection 32B-2-301(8)(a) or (b).
- 1805 (18) The General Assistance program administered by the Department of Workforce
1806 Services, as provided in Section 35A-3-401.
- 1807 (19) The Utah National Guard, created in Title 39A, National Guard and Militia Act.
1808 (20) The Search and Rescue Financial Assistance Program, as provided in Section
1809 53-2a-1102.
- 1810 (21) The Emergency Medical Services Grant Program, as provided in Section 53-2d-207.
1811 (22) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
1812 (23) The Utah Board of Higher Education for teacher preparation programs, as provided in
1813 Section 53H-5-402.
- 1814 (24) Innovation grants under Section 53G-10-608, except as provided in Subsection
1815 53G-10-608(3).
- 1816 (25) The Division of Fleet Operations for the purpose of upgrading underground storage
1817 tanks under Section 63A-9-401.
- 1818 (26) The Division of Technology Services for technology innovation as provided under
1819 Section 63A-16-903.
- 1820 (27) The State Capitol Preservation Board created by Section 63O-2-201.
1821 (28) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.
1822 (29) The Colorado River Authority of Utah, created in Title 63M, Chapter 14, Colorado
1823 River Authority of Utah Act.
- 1824 (30) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act, as
1825 provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 1826 (31) The Governor's Office of Economic Opportunity's Rural Employment Expansion
1827 Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion
1828 Program.
- 1829 (32) County correctional facility contracting program for state inmates as described in
1830 Section 64-13e-103.

- 1831 (33) County correctional facility reimbursement program for state probationary inmates and
 1832 state parole inmates as described in Section 64-13e-104.
- 1833 (34) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.
- 1834 (35) The Division of Human Resource Management user training program, as provided in
 1835 Section 63A-17-106.
- 1836 (36) A public safety answering point's emergency telecommunications service fund, as
 1837 provided in Section 69-2-301.
- 1838 (37) The Traffic Noise Abatement Program created in Section 72-6-112.
- 1839 (38) The money appropriated from the Navajo Water Rights Negotiation Account to the
 1840 Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a
 1841 settlement of federal reserved water right claims.
- 1842 (39) The Judicial Council for compensation for special prosecutors, as provided in Section
 1843 77-10a-19.
- 1844 (40) A state rehabilitative employment program, as provided in Section 78A-6-210.
- 1845 (41) The Utah Geological Survey, as provided in Section 79-3-401.
- 1846 (42) The Bonneville Shoreline Trail Program created under Section 79-5-503.
- 1847 (43) Adoption document access as provided in Sections 81-13-103, 81-13-504, and
 1848 81-13-505.
- 1849 (44) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense
 1850 Commission.
- 1851 (45) The program established by the Division of Facilities Construction and Management
 1852 under Section 63A-5b-703 under which state agencies receive an appropriation and pay
 1853 lease payments for the use and occupancy of buildings owned by the Division of
 1854 Facilities Construction and Management.
- 1855 [~~(46) The State Tax Commission for reimbursing counties for deferrals in accordance with~~
 1856 ~~Section 59-2-1802.5.]~~
- 1857 [(47)] (46) The Veterinarian Education Loan Repayment Program created in Section 4-2-902.
 1858 Section 19. **Repealer.**
 1859 This bill repeals:
 1860 Section **59-2a-106, Denial of relief -- Appeal.**
 1861 Section **59-2a-107, Claim disallowed if residence obtained for purpose of receiving**
 1862 **benefits.**
 1863 Section **59-2a-108, Extension of time for filing application -- Rulemaking authority --**
 1864 **County authority to make refunds.**

- 1865 Section **59-2a-109, Treatment of trusts.**
- 1866 Section **59-2a-110, County legislative body authority to adopt rules or ordinances.**
- 1867 Section **59-2a-201, Purpose.**
- 1868 Section **59-2a-202, Renter's credit authorized -- No interest allowed.**
- 1869 Section **59-2a-203, Time for filing claim for renter's credit -- One claimant per household**
- 1870 **per year.**
- 1871 Section **59-2a-204, Statement required of renter claimant.**
- 1872 Section **59-2a-205, Amount of renter's credit -- Cost-of-living adjustment -- Prohibition**
- 1873 **on credit for rental assistance payment -- Calculation of credit when rent includes utilities --**
- 1874 **Limitation -- General Fund as source of credit -- Maximum credit.**
- 1875 Section **59-2a-206, Determination of rent when not arm's-length transaction.**
- 1876 Section **59-2a-301, Purpose of part.**
- 1877 Section **59-2a-302, Homeowner's credit authorized -- No interest allowed.**
- 1878 Section **59-2a-303, Application for homeowner's credit -- Time for filing -- Obtaining**
- 1879 **payment from General Fund.**
- 1880 Section **59-2a-304, Claim applied against tax liability -- One claimant per household per**
- 1881 **year.**
- 1882 Section **59-2a-305, Amount of homeowner's credit -- Cost-of-living adjustment --**
- 1883 **Limitation -- General Fund as source of credit.**
- 1884 Section **59-2a-401, Tax abatement for indigent individuals -- Maximum amount.**
- 1885 Section **59-2a-402, Application -- Rulemaking.**
- 1886 Section **59-2a-501, Veteran armed forces exemption amount.**
- 1887 Section **59-2a-502, Application -- Rulemaking authority.**
- 1888 Section **59-2a-801, Nondiscretionary property tax and tax notice charge deferral for**
- 1889 **property with qualifying increase.**
- 1890 Section **59-2a-802, Application -- Rulemaking authority.**
- 1891 Section **59-2a-903, Reimbursement to counties.**
- 1892 Section 20. **Effective Date.**
- 1893 This bill takes effect on January 1, 2027.
- 1894 Section 21. **Coordinating S.B. 78 with S.B. 206.**
- 1895 If S.B. 78, Property Tax Relief Amendments, and S.B. 206, Tax Amendments, both pass
- 1896 and become law, the Legislature intends that, on January 1, 2027:
- 1897 (1) the amendments to Subsection 59-2-1602(1)(b) in S.B. 78 not be made;
- 1898 (2) Subsection 59-2-1602(1)(e), enacted in S.B. 206, be amended to read:

1899 "(e) Except as provided in Subsection (6), the program manager may spend money
1900 the Division of Finance allocates to the program manager only for STATS."; and
1901 (3) Subsection 59-2-1602(5), enacted in S.B. 78, be renumbered and amended to read:
1902 "(6) (a) The program manager may use money in the fund to make one-time loans to
1903 counties to pay the costs of the county, and any impacted taxing entity within the
1904 county, from the county's provision of deferrals under Chapter 2a, Part 7, Discretionary
1905 Deferral for Eligible Owners, or Chapter 2a, Part 9, Nondiscretionary Deferral for
1906 Eligible Owners.
1907 (b) A county or any impacted taxing entity that receives loan proceeds under this
1908 section may not increase the county's or impacted taxing entity's certified tax rate as a
1909 result of receiving less property tax revenue from the county's provision of deferrals
1910 under Chapter 2a, Part 7, Discretionary Deferral for Eligible Owners, or Chapter 2a, Part
1911 9, Nondiscretionary Deferral for Eligible Owners."