

**Property Tax Exemption Process Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Keith Grover**

House Sponsor:

---

**LONG TITLE****General Description:**

This bill modifies provisions related to the property tax exemption process.

**Highlighted Provisions:**

This bill:

- defines terms;
- establishes filing deadlines for application to the county board of equalization for a property tax exemption;
- authorizes a county board of equalization to request additional information from an applicant for a property tax exemption, in addition to or in lieu of a hearing on the application;
- establishes deadlines for a county board of equalization to render a written decision on a property tax exemption application;
- authorizes an applicant for a property tax exemption to appeal to the State Tax Commission on the basis of dissatisfaction with the decision of the county board of equalization or the county board of equalization's failure to timely render a written decision on the application;
- provides for a county board of equalization to revoke a property tax exemption if property no longer qualifies for an exemption;
- requires a county board of equalization to include notice of a property owner's appeal rights in certain written decisions; and
- makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

51 **59-2-1102**, as last amended by Laws of Utah 2024, Chapter 254

52 

---

---

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

54 Section 1. Section **59-2-1102** is amended to read:

55 **59-2-1102 . Application for exemption to county board of equalization -- Request**  
56 **for additional information or hearing -- Appeal -- Exceptions -- Annual statement --**  
57 **Revocation.**

58 ~~[(1)(a) For property assessed under Part 3, County Assessment, the county board of~~  
59 ~~equalization may, after giving notice in a manner prescribed by rule, determine~~  
60 ~~whether certain property within the county is exempt from taxation.]~~

61 ~~[(b) The decision of the county board of equalization described in Subsection (1)(a) shall:]~~

62 ~~[(i) be in writing; and]~~

63 ~~[(ii) include:]~~

64 ~~[(A) a statement of facts; and]~~

~~[(B) the statutory basis for its decision.]~~

66 ~~[(c) Except as provided in Subsection (10)(a), a copy of the decision described in~~  
67 ~~Subsection (1)(a) shall be sent on or before May 15 to the person applying for the~~  
68 ~~exemption.]~~

69 (1) As used in this section, "exclusive use exemption" means the same as that term is  
70 defined in Section 59-2-1101.

71 (2) Except as provided in Subsection ~~[(7) and subject to Subsection (8)]~~ (5) or (7)(a), a  
72 county board of equalization may not grant an exemption under this part unless the  
73 person affected or the person's agent:

74 (a) submits a written application to the county board of equalization on or before March  
75 1 of the year for which the exemption is sought; and

76 (b) verifies the application by signed statement.

77 (3)(a) The county board of equalization may require a person making an application for  
78 exemption to provide additional information regarding the application, appear before  
79 the county board of equalization ~~[and]~~ in a hearing to be examined under oath, or both.

80 (b) If the county board of equalization requires a person making an application for  
81 exemption to provide additional information, appear before the county board of  
82 equalization in a hearing, or both, the county board of equalization may not grant an  
83 exemption unless the person affected or the person's agent appears and answers all  
84 questions pertinent to the inquiry, as requested.

65       ~~[(4)] (c) [For the]~~ If the county board of equalization requests a hearing on the  
66           application, the county board of equalization may subpoena any witnesses, and hear  
67           and take any evidence in relation to the pending application.

68       ~~[(5)] (4)(a)~~ Except as provided in Subsection ~~[(10)(b)] (7)(b)~~, if a person files an  
69           application in accordance with this section for an exemption under this part, the  
70           county board of equalization shall ~~[hold hearings and]~~ render to the applicant a  
71           written decision ~~[to determine any exemption on or before May 1 in each year]~~ on the  
72           application on or before May 1 of the year in which the application is filed.

73       ~~[(6)] (b) [Any person that made an exemption application and is dissatisfied with the~~  
74           decision of the county board of equalization regarding any exemption] An applicant  
75           for an exemption under this part may appeal to the commission ~~[under]~~ in accordance  
76           with Section 59-2-1006[.] if:

77           (i) the applicant is dissatisfied with the county board of equalization's decision on the  
78           application; or

79           (ii) the county board of equalization fails to render to the applicant a written decision  
80           on the application on or before May 1 of the year in which the application is filed.

81       ~~[(7)] (5)(a)~~ A county board of equalization may not require an owner of property to file  
82           an application in accordance with this section to claim an exemption for the property  
83           under the following:

84           (i) Subsection 59-2-1101(3)(a)(i);

85           (ii) Subsection 59-2-1101(3)(a)(vi) or (viii);

86           (iii) Section 59-2-1110;

87           (iv) Section 59-2-1111;

88           (v) Section 59-2-1112;

89           (vi) Section 59-2-1113; or

90           (vii) Section 59-2-1114.

91       (b) A county board of equalization may not require an owner of property to file an  
92           application in accordance with this section to claim an exemption for the property  
93           described in Subsection 59-2-1101(3)(a)(ii) or (iii) unless the property is property  
94           described in Subsection 59-2-1101(1)(j)(ii).

95       ~~[(8)]~~

96       ~~[(a) Except as provided in Subsection (8)(b), for property described in Subsection~~  
97           59-2-1101(3)(a)(iv) or (v), a county board of equalization shall, consistent with  
98           Subsection (9), require an owner of that property to file an application in accordance

with this section to claim an exemption for that property.]

~~[(b)]~~ (c) A county board of equalization may not require an owner of property described in Subsection 59-2-1101(3)(a)(iv) or (v) to file an application ~~[under Subsection (8)(a)]~~ in accordance with this section to claim an exemption for that property if:

(i) the owner filed an application ~~[under Subsection (8)(a)]~~ for an exemption in accordance with this section;

(ii) the county board of equalization determines that the owner may claim an exemption for that property; and

(iii) the exemption described in Subsection ~~[(8)(b)(ii)]~~ (5)(c)(ii) is in effect.

~~[(e)]~~ ~~(6)(i)]~~ (a) For the time period that an owner is granted an exemption in accordance with this section for property described in Subsection 59-2-1101(3)(a)(iv) or (v), a county board of equalization shall require the owner to file an annual statement on or before March 1 on a form prescribed by the commission establishing that the property continues to be eligible for the exemption.

~~[(ii)]~~ ~~(b)(i)~~ In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules providing:

(A) the form for the annual statement required by Subsection ~~[(8)(e)(i)]~~ (6)(a);

(B) the contents of the form for the annual statement required by Subsection ~~[(8)(e)(i)]~~ (6)(a); and

(C) procedures and requirements for making the annual statement required by Subsection ~~[(8)(e)(i)]~~ (6)(a).

~~[(iii)]~~ (ii) The commission shall make the form described in Subsection ~~[(8)(e)(ii)(A)]~~ (6)(b)(i)(A) available to counties.

~~[(d)]~~ (c) ~~[On or before April 1, a]~~ If an owner of exempt property described in Subsection 59-2-1101(3)(a)(iv) or (v) fails to timely file the annual statement required by Subsection (6)(a), the county board of equalization shall~~[notify each property owner that fails to timely file an annual statement in accordance with Subsection (8)(e) of the county board of equalization's intent to revoke the exemption.]~~ :

(i) revoke the exemption for that property; and

(ii) notify the property owner of the revocation on or before April 1 of the year in which the property owner fails to timely file the annual statement.

~~[(e)]~~ (d) An owner of exempt property described in Subsection 59-2-1101(3)(a)(iv) or (v) may file the annual statement ~~[described in Subsection (8)(e)]~~ required by Subsection (6)(a) after March 1 if the property owner:

- (i) files the annual statement on or before March 31; and
- (ii) includes a statement of facts establishing that the property owner was unable to file the annual statement on or before March 1 due to one of the following conditions and no other responsible party was capable of filing the annual statement:
  - (A) a medical emergency of the property owner, an immediate family member of the property owner, or the property owner's agent;
  - (B) the death of the property owner, an immediate family member of the property owner, or the property owner's agent; or
  - (C) other extraordinary and unanticipated circumstances.

~~[(9)] (7)~~ ~~[(a) For purposes of this Subsection (9), "exclusive use exemption" means the same as that term is defined in Section 59-2-1101.]~~

~~[(b)]~~ (a) For purposes of Subsection ~~[(1)(a)]~~ (2), when a person acquires property on or after January 1 that qualifies for an exclusive use exemption, that person may apply for the exclusive use exemption on or before the later of:

- (i) ~~[the day set by rule as the deadline for filing a property tax exemption application]~~ June 1 of the year in which the property is acquired; or
- (ii) 120 days after the day on which the property is acquired.

~~[(10)]~~

~~[(a)]~~ (b) Notwithstanding Subsection ~~[(1)(e)]~~ (4), if a person files an application for an exclusive use exemption under this Subsection [(9), a] (7), the county board of equalization shall [send a copy of the decision described in Subsection (1)(e) to the person applying for the exemption] render to the applicant a written decision on the application on or before the later of:

- (i) May 15; or
- (ii) ~~[45]~~ 90 days after the day on which the application for the exemption is filed.

(c) An applicant for an exclusive use exemption under this Subsection (7) may appeal to the commission in accordance with Section 59-2-1006 if:

- (i) the applicant is dissatisfied with the county board of equalization's decision on the application; or
- (ii) the county board of equalization fails to render to the applicant a written decision on the application within the time period required by Subsection (7)(b).

~~[(b) Notwithstanding Subsection (5), if an application for an exemption is filed under Subsection (9), a county board of equalization shall hold the hearing and render the~~

167 ~~decision described in Subsection (5) on or before the later of:]~~

168 ~~[(i) May 1; or]~~

169 ~~[(ii) 30 days after the day on which the application for the exemption is filed.]~~

170 (8)(a) If a county board of equalization has reason to believe that property granted an  
171 exemption under this part may no longer qualify for an exemption, the county board  
172 of equalization may, after giving notice to the property owner in a manner prescribed  
173 by rule:

174 (i) determine whether the property continues to qualify for an exemption under this  
175 part; and

176 (ii) render to the applicant a written decision revoking the exemption for that property  
177 if the county board of equalization determines that the property no longer qualifies  
178 for an exemption under this part.

179 (b) An owner of property for which a county board of equalization revokes an  
180 exemption under this Subsection (8) may appeal the revocation to the commission in  
181 accordance with Section 59-2-1006.

182 (9) A county board of equalization shall include a notice informing a property owner of the  
183 option to file an appeal under Section 59-2-1006 if the property owner is dissatisfied  
184 with the county board of equalization's decision in:

185 (a) a written decision on an application under Subsection (4)(a) or (7)(b); or

186 (b) a written decision to revoke an exemption for property under Subsection (8).

187 **Section 2. Effective Date.**

188 This bill takes effect on January 1, 2027.