

Keith Grover proposes the following substitute bill:

**Property Tax Exemption Process Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Keith Grover**

House Sponsor:

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

▶ defines terms;

▶ establishes deadlines for:

• a property owner to file an application with the county board of equalization for a property tax exemption; and

• the county board of equalization to render a written decision on an application for a property tax exemption;

▶ authorizes the county board of equalization to request additional information from an applicant for a property tax exemption, in addition to or in lieu of holding a hearing on the application;

▶ provides for the county board of equalization to revoke a property tax exemption if property no longer qualifies for an exemption;

▶ requires the county board of equalization to include notice of a property owner's appeal rights in a written decision regarding a property tax exemption; and

▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

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

29  
30 *Be it enacted by the Legislature of the state of Utah:*

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

32       **59-2-1102 . Application for exemption to county board of equalization -- Request**  
33       **for additional information or hearing -- Appeal -- Exceptions -- Annual statement --**  
34       **Revocation.**

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

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

39           [(i) be in writing; and]

40           [(ii) include:]

41              [(A) a statement of facts; and]

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

43       [(e) Except as provided in Subsection (10)(a), a copy of the decision described in  
44       Subsection (1)(a) shall be sent on or before May 15 to the person applying for the  
45       exemption.]

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

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

51           (a) submits a written application to the county board of equalization on or before March  
52           1 of the year for which the exemption is sought; and

53           (b) verifies the application by signed statement.

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

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

62       [(4)] (c) [For the] If the county board of equalization requests a hearing on the

63 application, the county board of equalization may subpoena any witnesses, and hear  
64 and take any evidence in relation to the pending application.

65 [(5)] (4)(a) Except as provided in Subsection [(10)(b)] (7)(b), if a person files an  
66 application in accordance with this section for an exemption under this part, the  
67 county board of equalization shall [hold hearings and] render to the applicant a  
68 written decision [to determine any exemption on or before May 1 in each year] on the  
69 application on or before the date on which the county assessor is required to complete  
70 and deliver the assessment book, as specified in Section 59-2-311, for the year in  
71 which the application is filed.

72 (b) The county board of equalization's written decision on an application under this  
73 Subsection (4) shall include a notice informing the property owner of the right to file  
74 an appeal with the commission under Section 59-2-1006 if the property owner is  
75 dissatisfied with the written decision.

76 [(6)] (c) [Any person that made an exemption application and is dissatisfied with the  
77 decision of the county board of equalization regarding any exemption] An applicant  
78 for an exemption may appeal to the commission [under] in accordance with Section  
79 59-2-1006 if the applicant is dissatisfied with the county board of equalization's  
80 written decision on the application under this Subsection (4).

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

100     [(b)] (c) A county board of equalization may not require an owner of property described  
101       in Subsection 59-2-1101(3)(a)(iv) or (v) to file an application [under Subsection (8)(a)]  
102       in accordance with this section to claim an exemption for that property if:  
103       (i) the owner filed an application [under Subsection (8)(a)] for an exemption in  
104       accordance with this section;  
105       (ii) the county board of equalization determines that the owner may claim an  
106       exemption for that property; and  
107       (iii) the exemption described in Subsection [(8)(b)(ii)] (5)(c)(ii) is in effect.

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

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

115       (A) the form for the annual statement required by Subsection [(8)(e)(i)] (6)(a);  
116       (B) the contents of the form for the annual statement required by Subsection [(8)(e)(i)] (6)(a); and  
117       (C) procedures and requirements for making the annual statement required by  
118       Subsection [(8)(e)(i)] (6)(a).

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

121     [(d)] (c) [On or before April 1, a] If an owner of exempt property described in Subsection  
122       59-2-1101(3)(a)(iv) or (v) fails to timely file the annual statement required by  
123       Subsection (6)(a), the county board of equalization shall[ notify each property owner  
124       that fails to timely file an annual statement in accordance with Subsection (8)(e) of  
125       the county board of equalization's intent to revoke the exemption.] :

126       (i) revoke the exemption for that property; and  
127       (ii) notify the property owner of the revocation on or before April 1 of the year in  
128       which the property owner fails to timely file the annual statement.

129     [(e)] (d) An owner of exempt property described in Subsection 59-2-1101(3)(a)(iv) or (v)

131 may file the annual statement [described in Subsection (8)(e)] required by Subsection  
132 (6)(a) after March 1 if the property owner:  
133 (i) files the annual statement on or before March 31; and  
134 (ii) includes a statement of facts establishing that the property owner was unable to  
135 file the annual statement on or before March 1 due to one of the following  
136 conditions and no other responsible party was capable of filing the annual  
137 statement:  
138 (A) a medical emergency of the property owner, an immediate family member of  
139 the property owner, or the property owner's agent;  
140 (B) the death of the property owner, an immediate family member of the property  
141 owner, or the property owner's agent; or  
142 (C) other extraordinary and unanticipated circumstances.

143 [§(9)] (7)(a) For purposes of this Subsection (9), "exclusive use exemption" means the  
144 same as that term is defined in Section 59-2-1101.]

145 [(b)] (a) For purposes of Subsection [(1)(a)] (2), when a person acquires property on or  
146 after January 1 that qualifies for an exclusive use exemption, that person may apply  
147 for the exclusive use exemption on or before the later of:  
148 (i) [the day set by rule as the deadline for filing a property tax exemption application]  
149 June 1 of the year in which the property is acquired; or  
150 (ii) 120 days after the day on which the property is acquired.  
151 [(10)]

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

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

159 (c) The county board of equalization's written decision on an application under this  
160 Subsection (7) shall include a notice informing the property owner of the right to file  
161 an appeal with the commission under Section 59-2-1006 if the property owner is  
162 dissatisfied with the county board of equalization's written decision.

163 (d) An applicant for an exclusive use exemption may appeal to the commission in  
164 accordance with Section 59-2-1006 if the applicant is dissatisfied with the county

165 board of equalization's written decision on the application under this Subsection (7).

166 [**(b)** Notwithstanding Subsection (5), if an application for an exemption is filed under  
167 Subsection (9), a county board of equalization shall hold the hearing and render the  
168 decision described in Subsection (5) on or before the later of:]

169 [**(i)** May 1; or]

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

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

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

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

180 (b) The county board of equalization's written decision to revoke an exemption under  
181 this Subsection (8) shall include a notice informing the property owner of the right to  
182 file an appeal with the commission under Section 59-2-1006 if the property owner is  
183 dissatisfied with the written decision.

184 (c) An owner of property for which the county board of equalization renders a written  
185 decision to revoke an exemption under this Subsection (8) may appeal to the  
186 commission in accordance with Section 59-2-1006 if the property owner is  
187 dissatisfied with the county board of equalization's written decision.

188 **Section 2. Effective Date.**

189 This bill takes effect on January 1, 2027.