

**PROPERTY TAX DEFERRAL AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

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

This bill provides for the deferral of tax notice charges.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ provides authority for a county to defer charges that are listed on a property tax notice (tax notice charges);
- ▶ provides authority and circumstances for a county to receive reimbursement from the State Tax Commission for deferred tax notice charges; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides retrospective operation.

**Utah Code Sections Affected:**

AMENDS:

**59-2-1801**, as last amended by Laws of Utah 2023, Chapter 354

**59-2-1802**, as last amended by Laws of Utah 2023, Chapter 354

**59-2-1802.5**, as enacted by Laws of Utah 2023, Chapter 354

**63I-2-263**, as last amended by Laws of Utah 2023, Chapters 33, 139, 212, 354, and 530

**63J-1-602.2 (Superseded 07/01/24)**, as last amended by Laws of Utah 2023, Chapters 33, 34, 134, 139, 180, 212, 246, 330, 345, 354, and 534

**63J-1-602.2 (Effective 07/01/24)**, as last amended by Laws of Utah 2023, Chapters 33, 34, 134, 139, 180, 212, 246, 310, 330, 345, 354, and 534

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

Section 1. Section **59-2-1801** is amended to read:

33 **59-2-1801. Definitions.**

34 As used in this part:

35 (1) "Abatement" means a tax abatement described in Section 59-2-1803.

36 (2) "Deferral" means a postponement of a tax due date or a tax notice charge granted in  
37 accordance with Section 59-2-1802 or 59-2-1802.5.38 (3) "Eligible owner" means an owner of an attached or a detached single-family  
39 residence:40 (a) (i) who is 75 years old or older on or before December 31 of the year in which the  
41 individual applies for a deferral under this part;42 (ii) whose household income does not exceed 200% of the maximum household  
43 income certified to a homeowner's credit described in Section 59-2-1208; and44 (iii) whose household liquid resources do not exceed 20 times the amount of property  
45 taxes levied on the owner's residence for the preceding calendar year; or46 (b) that is a trust described in Section 59-2-1805 if the grantor of the trust is an  
47 individual described in Subsection (3)(a).

48 (4) "Household" means the same as that term is defined in Section 59-2-1202.

49 (5) "Household income" means the same as that term is defined in Section 59-2-1202.

50 (6) "Household liquid resources" means the following resources that are not included  
51 in an individual's household income and held by one or more members of the individual's  
52 household:

53 (a) cash on hand;

54 (b) money in a checking or savings account;

55 (c) savings certificates; and

56 (d) stocks or bonds.

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

59 (a) (i) is at least 65 years old; or

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

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

63 (B) the individual has a disability;

64 (b) has a total household income, as defined in Section 59-2-1202, of less than the  
65 maximum household income certified to a homeowner's credit described in Section 59-2-1208;

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

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

69 (8) "Property taxes due" means the taxes due on an indigent individual's property:

70 (a) for which a county granted an abatement under Section 59-2-1803; and

71 (b) for the calendar year for which the county grants the abatement.

72 (9) "Property taxes paid" means an amount equal to the sum of:

73 (a) the amount of property taxes the indigent individual paid for the taxable year for  
74 which the indigent individual applied for the abatement; and

75 (b) the amount of the abatement the county grants under Section 59-2-1803.

76 (10) "Relative" means a spouse, child, parent, grandparent, grandchild, brother, sister,  
77 parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, first cousin, or a spouse  
78 of any of these individuals.

79 (11) "Residence" means real property where an individual resides, including:

80 (a) a mobile home, as defined in Section 41-1a-102; or

81 (b) a manufactured home, as defined in Section 41-1a-102.

82 (12) "Tax notice charge" means the same as that term is defined in Section  
83 59-2-1301.5.

84 Section 2. Section **59-2-1802** is amended to read:

85 **59-2-1802. Tax and tax notice charge deferral -- County discretion to grant**  
86 **deferral -- Creation of lien and due date.**

87 (1) (a) In accordance with this part and after receiving an application and giving notice  
88 to the taxpayer, a county may grant a deferral [~~of a tax~~] on residential property.

89 (b) In determining whether to grant an application for a deferral under this section, a  
90 county shall consider an asset transferred to a relative by an applicant for deferral, if the  
91 transfer took place during the three years before the day on which the applicant applied for  
92 deferral.

93 (2) A county may grant a deferral described in Subsection (1) at any time:

94 (a) after the holder of each mortgage or trust deed outstanding on the property gives

95 written approval of the application; and

96 (b) if the applicant is not the owner of income-producing assets that could be liquidated  
97 to pay the tax.

98 (3) (a) Taxes and tax notice charges deferred under this part accumulate with interest  
99 and applicable recording fees as a lien against the residential property.

100 (b) A lien described in this Subsection (3) has the same legal status as a lien described  
101 in Section 59-2-1325.

102 (c) To release the lien described in this Subsection (3), an owner shall pay the total  
103 amount subject to the lien:

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

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

106 (d) (i) Notwithstanding Subsection (3)(c), an owner that receives a deferral does not  
107 have to pay the deferred taxes [~~and~~], deferred tax notice charges, or applicable recording fees  
108 when the residential property transfers:

109 (A) to the owner's surviving spouse as a result of the owner's death; or

110 (B) between the owner and a trust described in Section 59-2-1805 for which the owner  
111 is the grantor.

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

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

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

117 (e) When the deferral period ends:

118 (i) the lien becomes due [~~as a property tax~~] and subject to the collection procedures  
119 described in Section 59-2-1331; and

120 (ii) the date of levy is the date that the deferral period ends.

121 (4) (a) If a county grants an owner more than one deferral for the same single-family  
122 residence, the county is not required to submit for recording more than one lien.

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

124 (5) (a) For each residential property for which the county grants a deferral, the treasurer  
125 shall maintain a record that is an itemized account of the total amount of deferred property

126 taxes and deferred tax notice charges subject to the lien [~~for deferred property taxes~~].

127 (b) The record described in this Subsection (5) is the official record of the amount of  
128 the lien.

129 (6) Taxes and tax notice charges deferred under this part bear interest at a rate equal to  
130 50% of the rate described in Subsections 59-2-1331(2)(c) and (d).

131 Section 3. Section **59-2-1802.5** is amended to read:

132 **59-2-1802.5. Nondiscretionary tax and tax notice charge deferral for elderly**  
133 **property owners.**

134 (1) An eligible owner may apply for a deferral under this section if:

135 (a) the eligible owner uses the single-family residence as the eligible owner's primary  
136 residence as of January 1 of the year for which the eligible owner applies for the deferral;

137 (b) with respect to the single-family residence, there are no:

138 (i) delinquent property taxes;

139 (ii) delinquent tax notice charges; or

140 (iii) outstanding penalties, interest, or administrative costs related to a delinquent  
141 property tax or a delinquent tax notice charge;

142 (c) (i) the value of the single-family residence for which the eligible owner applies for  
143 the deferral is no greater than the median property value of:

144 (A) attached single-family residences within the county, if the single-family residence  
145 is an attached single-family residence; or

146 (B) detached single-family residences within the county, if the single-family residence  
147 is a detached single-family residence; or

148 (ii) the eligible owner has owned the single-family residence for a continuous 20-year  
149 period as of January 1 of the year for which the eligible owner applies for the deferral; and

150 (d) the holder of each mortgage or trust deed outstanding on the single-family  
151 residence gives written approval of the deferral.

152 (2) If the conditions in Subsection (1) are satisfied and the applicant complies with the  
153 other applicable provisions of this part[?],

154 [~~(a)~~] a county shall defer the property tax and tax notice charges on an attached  
155 single-family residence or a detached single-family residence for an application of deferral  
156 made on or after January 1, 2024[;and].

157 ~~[(b) a county may defer the property tax on an attached single-family residence or a~~  
158 ~~detached single-family residence for an application of deferral made before January 1, 2024.]~~

159 (3) The values described in Subsection (1)(c) are based on the county assessment roll  
160 for the county in which the single-family residence is located.

161 (4) For purposes of Subsection (1)(c)(ii), ownership is considered continuous  
162 regardless of whether the single-family residence is transferred between an eligible owner who  
163 is an individual and an eligible owner that is a trust.

164 (5) (a) Upon application from a county in a form prescribed by the commission, the  
165 commission shall reimburse the county for the amount of any tax or tax notice charge that the  
166 county defers in accordance with this section.

167 (b) The commission may not reimburse a county:

168 (i) before the county approves the deferral; or

169 (ii) for a tax or tax notice charge assessed after December 31, 2026.

170 (c) A county that receives money in accordance with this Subsection (5) shall:

171 (i) distribute the money to the taxing entities in the same proportion the county would  
172 have distributed the revenue from the deferred tax and deferred tax notice charge; and

173 (ii) repay the money no later than 30 days after the day on which the deferral lien is  
174 satisfied.

175 (d) The commission shall deposit money received under Subsection (5)(c)(ii) into the  
176 General Fund.

177 Section 4. Section **63I-2-263** is amended to read:

178 **63I-2-263. Repeal dates: Title 63A to Title 63N.**

179 (1) Title 63A, Chapter 2, Part 5, Educational Interpretation and Translation Services  
180 Procurement Advisory Council is repealed July 1, 2025.

181 (2) Section 63A-17-303 is repealed July 1, 2023.

182 (3) Section 63A-17-806 is repealed June 30, 2026.

183 (4) Title 63C, Chapter 22, Digital Wellness, Citizenship, and Safe Technology  
184 Commission is repealed July 1, 2023.

185 (5) Section 63H-7a-303 is repealed July 1, 2024.

186 (6) Subsection 63H-7a-403(2)(b), regarding the charge to maintain the public safety  
187 communications network, is repealed July 1, 2033.

188 (7) Subsection 63J-1-602.2(45), which lists appropriations to the State Tax  
189 Commission for [~~property tax~~] deferral reimbursements, is repealed July 1, 2027.

190 (8) Subsection 63N-2-213(12)(a), relating to claiming a tax credit in the same taxable  
191 year as the targeted business income tax credit, is repealed December 31, 2024.

192 (9) Title 63N, Chapter 2, Part 3, Targeted Business Income Tax Credit in an Enterprise  
193 Zone, is repealed December 31, 2024.

194 Section 5. Section **63J-1-602.2 (Superseded 07/01/24)** is amended to read:

195 **63J-1-602.2 (Superseded 07/01/24). List of nonlapsing appropriations to**  
196 **programs.**

197 Appropriations made to the following programs are nonlapsing:

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

199 (2) The State Board of Education, including all appropriations to agencies, line items,  
200 and programs under the jurisdiction of the State Board of Education, in accordance with  
201 Section 53F-9-103.

202 (3) The Rangeland Improvement Act created in Section 4-20-101.

203 (4) The Percent-for-Art Program created in Section 9-6-404.

204 (5) The LeRay McAllister Working Farm and Ranch Fund created in Section 4-46-301.

205 (6) The Utah Lake Authority created in Section 11-65-201.

206 (7) Dedicated credits accrued to the Utah Marriage Commission as provided under  
207 Subsection 17-16-21(2)(d)(ii).

208 (8) The Wildlife Land and Water Acquisition Program created in Section 23A-6-205.

209 (9) Sanctions collected as dedicated credits from Medicaid providers under Subsection  
210 26B-3-108(7).

211 (10) The Emergency Medical Services Grant Program in Section 26B-4-107.

212 (11) The primary care grant program created in Section 26B-4-310.

213 (12) The Opiate Overdose Outreach Pilot Program created in Section 26B-4-512.

214 (13) The Utah Health Care Workforce Financial Assistance Program created in Section  
215 26B-4-702.

216 (14) The Rural Physician Loan Repayment Program created in Section 26B-4-703.

217 (15) The Utah Medical Education Council for the:

218 (a) administration of the Utah Medical Education Program created in Section

- 219 26B-4-707;
- 220 (b) provision of medical residency grants described in Section 26B-4-711; and
- 221 (c) provision of the forensic psychiatric fellowship grant described in Section
- 222 26B-4-712.
- 223 (16) The Division of Services for People with Disabilities, as provided in Section
- 224 26B-6-402.
- 225 (17) Funds that the Department of Alcoholic Beverage Services retains in accordance
- 226 with Subsection 32B-2-301(8)(a) or (b).
- 227 (18) The General Assistance program administered by the Department of Workforce
- 228 Services, as provided in Section 35A-3-401.
- 229 (19) The Utah National Guard, created in Title 39A, National Guard and Militia Act.
- 230 (20) The Search and Rescue Financial Assistance Program, as provided in Section
- 231 53-2a-1102.
- 232 (21) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- 233 (22) The Utah Board of Higher Education for teacher preparation programs, as
- 234 provided in Section 53B-6-104.
- 235 (23) Innovation grants under Section 53G-10-608, except as provided in Subsection
- 236 53G-10-608(6).
- 237 (24) The Division of Fleet Operations for the purpose of upgrading underground
- 238 storage tanks under Section 63A-9-401.
- 239 (25) The Utah Seismic Safety Commission, as provided in Section 63C-6-104.
- 240 (26) The Division of Technology Services for technology innovation as provided under
- 241 Section 63A-16-903.
- 242 (27) The State Capitol Preservation Board created by Section 63C-9-201.
- 243 (28) The Office of Administrative Rules for publishing, as provided in Section
- 244 63G-3-402.
- 245 (29) The Colorado River Authority of Utah, created in Title 63M, Chapter 14,
- 246 Colorado River Authority of Utah Act.
- 247 (30) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act,
- 248 as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 249 (31) The Governor's Office of Economic Opportunity's Rural Employment Expansion



- 250 Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program.
- 251 (32) County correctional facility contracting program for state inmates as described in  
252 Section 64-13e-103.
- 253 (33) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.
- 254 (34) The Division of Human Resource Management user training program, as provided  
255 in Section 63A-17-106.
- 256 (35) A public safety answering point's emergency telecommunications service fund, as  
257 provided in Section 69-2-301.
- 258 (36) The Traffic Noise Abatement Program created in Section 72-6-112.
- 259 (37) The money appropriated from the Navajo Water Rights Negotiation Account to  
260 the Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a  
261 settlement of federal reserved water right claims.
- 262 (38) The Judicial Council for compensation for special prosecutors, as provided in  
263 Section 77-10a-19.
- 264 (39) A state rehabilitative employment program, as provided in Section 78A-6-210.
- 265 (40) The Utah Geological Survey, as provided in Section 79-3-401.
- 266 (41) The Bonneville Shoreline Trail Program created under Section 79-5-503.
- 267 (42) Adoption document access as provided in Sections 78B-6-141, 78B-6-144, and  
268 78B-6-144.5.
- 269 (43) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent  
270 Defense Commission.
- 271 (44) The program established by the Division of Facilities Construction and  
272 Management under Section 63A-5b-703 under which state agencies receive an appropriation  
273 and pay lease payments for the use and occupancy of buildings owned by the Division of  
274 Facilities Construction and Management.
- 275 (45) The State Tax Commission for reimbursing counties for [~~deferred property taxes~~]  
276 deferrals in accordance with Section 59-2-1802.5.
- 277 (46) The Veterinarian Education Loan Repayment Program created in Section 4-2-902.  
278 Section 6. Section **63J-1-602.2 (Effective 07/01/24)** is amended to read:  
279 **63J-1-602.2 (Effective 07/01/24). List of nonlapsing appropriations to programs.**  
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283 and programs under the jurisdiction of the State Board of Education, in accordance with  
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- 298 (13) The Rural Physician Loan Repayment Program created in Section 26B-4-703.
- 299 (14) The Utah Medical Education Council for the:
- 300 (a) administration of the Utah Medical Education Program created in Section  
301 26B-4-707;
- 302 (b) provision of medical residency grants described in Section 26B-4-711; and
- 303 (c) provision of the forensic psychiatric fellowship grant described in Section  
304 26B-4-712.
- 305 (15) The Division of Services for People with Disabilities, as provided in Section  
306 26B-6-402.
- 307 (16) Funds that the Department of Alcoholic Beverage Services retains in accordance  
308 with Subsection 32B-2-301(8)(a) or (b).
- 309 (17) The General Assistance program administered by the Department of Workforce  
310 Services, as provided in Section 35A-3-401.
- 311 (18) The Utah National Guard, created in Title 39A, National Guard and Militia Act.

- 312 (19) The Search and Rescue Financial Assistance Program, as provided in Section  
313 53-2a-1102.
- 314 (20) The Emergency Medical Services Grant Program in Section 53-2d-207.
- 315 (21) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- 316 (22) The Utah Board of Higher Education for teacher preparation programs, as  
317 provided in Section 53B-6-104.
- 318 (23) Innovation grants under Section 53G-10-608, except as provided in Subsection  
319 53G-10-608(6).
- 320 (24) The Division of Fleet Operations for the purpose of upgrading underground  
321 storage tanks under Section 63A-9-401.
- 322 (25) The Utah Seismic Safety Commission, as provided in Section 63C-6-104.
- 323 (26) The Division of Technology Services for technology innovation as provided under  
324 Section 63A-16-903.
- 325 (27) The State Capitol Preservation Board created by Section 63C-9-201.
- 326 (28) The Office of Administrative Rules for publishing, as provided in Section  
327 63G-3-402.
- 328 (29) The Colorado River Authority of Utah, created in Title 63M, Chapter 14,  
329 Colorado River Authority of Utah Act.
- 330 (30) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act,  
331 as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 332 (31) The Governor's Office of Economic Opportunity's Rural Employment Expansion  
333 Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program.
- 334 (32) County correctional facility contracting program for state inmates as described in  
335 Section 64-13e-103.
- 336 (33) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.
- 337 (34) The Division of Human Resource Management user training program, as provided  
338 in Section 63A-17-106.
- 339 (35) A public safety answering point's emergency telecommunications service fund, as  
340 provided in Section 69-2-301.
- 341 (36) The Traffic Noise Abatement Program created in Section 72-6-112.
- 342 (37) The money appropriated from the Navajo Water Rights Negotiation Account to

343 the Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a  
344 settlement of federal reserved water right claims.

345 (38) The Judicial Council for compensation for special prosecutors, as provided in  
346 Section 77-10a-19.

347 (39) A state rehabilitative employment program, as provided in Section 78A-6-210.

348 (40) The Utah Geological Survey, as provided in Section 79-3-401.

349 (41) The Bonneville Shoreline Trail Program created under Section 79-5-503.

350 (42) Adoption document access as provided in Sections 78B-6-141, 78B-6-144, and  
351 78B-6-144.5.

352 (43) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent  
353 Defense Commission.

354 (44) The program established by the Division of Facilities Construction and  
355 Management under Section 63A-5b-703 under which state agencies receive an appropriation  
356 and pay lease payments for the use and occupancy of buildings owned by the Division of  
357 Facilities Construction and Management.

358 (45) The State Tax Commission for reimbursing counties for [~~deferred property taxes~~]  
359 deferrals in accordance with Section 59-2-1802.5.

360 (46) The Veterinarian Education Loan Repayment Program created in Section 4-2-902.  
361 Section 7. **Effective date.**

362 This bill takes effect on May 1, 2024.

363 Section 8. **Retrospective operation.**

364 The following sections have retrospective operation to January 1, 2024:

365 (1) Section 59-2-1801;

366 (2) Section 59-2-1802; and

367 (3) Section 59-2-1802.5.