



UTAH
ASSOCIATION OF
COUNTIES

100 Years of County Advocacy

*Revenue and Taxation Interim Committee
County Utilization of Circuit Breaker and Property Tax Deferrals
September 18, 2024*

About UAC

The Utah Association of Counties (UAC) is a voluntary nonprofit whose members are the 29 counties. UAC was formed in 1924 to help counties provide effective county government to the people of Utah.

29

**MEMBER
COUNTIES**

314

**ELECTED
OFFICIALS**

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**UNIFIED
COUNTY
VOICE**

Overview of Property Tax Relief Programs

- **Types of relief:** Exemptions, credits, and deferrals
- **Purpose:** To alleviate the property tax burden on eligible homeowners
- **Administering entities:** County governments and the state

Homeowner's Tax Credit (Circuit Breaker)

- **Type:** Mandatory
- **Eligibility:** Homeowners 66+ years or surviving spouses; income <\$40,840
- **Relief Amount:** Credit up to \$1,259
- **Funding:** State General Fund
- **Current Usage:** 9,478 recipients in 2023

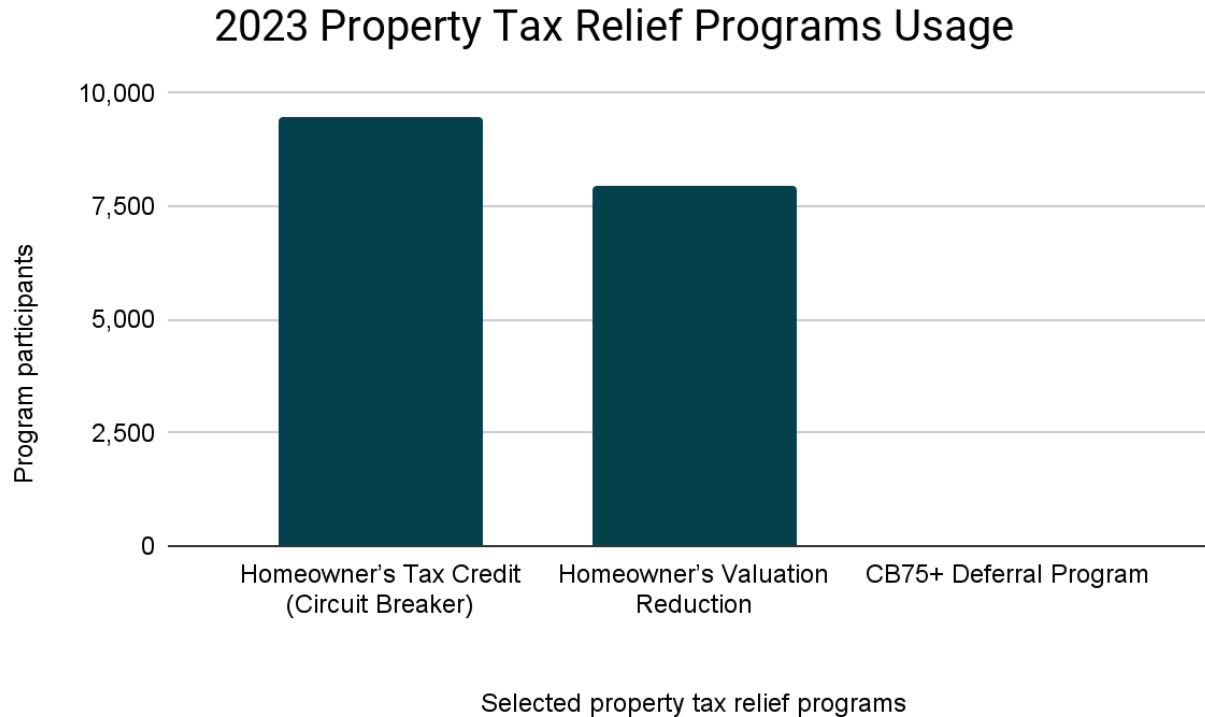
Homeowner's Valuation Reduction

- **Type:** Mandatory
- **Eligibility:** Homeowners 66+ years or surviving spouses; income <\$40,840
- **Relief Amount:** Tax on 20% of fair market value
- **Funding:** County
- **Current Usage:** 7,976 recipients in 2023

CB75+ Deferral Program

- **Type:** Discretionary
- **Eligibility:** Homeowners 75+ years; income <\$81,680; limited liquid resources
- **Relief Amount:** Deferral of all or part of the tax
- **Funding:** State General Fund
- **Current Usage:** 2 recipients in 2023

Property Tax Relief Programs Usage



Challenges with CB75+ Deferral Utilization

- **Estate Planning Concerns:** Older homeowners are hesitant to pass on tax obligations to their estates
- **Reverse Mortgages:** Financial institutions holding liens are often unwilling to approve deferrals
- **Awareness and Understanding:** Potential beneficiaries may lack awareness of or understanding of the program.

Impact on Counties

- **County Revenue:** Deferred taxes impact revenue
- **Administration:** Complexity in managing applications and approvals
- **Balancing Act:** Providing relief while maintaining fiscal health

Moving Forward

- **Policy Considerations:** Explore ways to encourage CB75+ Deferral use
- **Outreach and Education:** Increase awareness of all available programs
- **Collaboration:** Work with financial institutions to address reverse mortgage issues

Conclusion

- **Summary:** Property tax relief programs provide essential support
- **Challenges and Opportunities:**
- **Awareness and Understanding:** Potential beneficiaries may lack awareness of or understanding of programs

UAC presents "Hi Brandy!"



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