

## Part 8 Apportionment

***Effective until 1/1/2025***

**59-2-801 Apportionment of property assessed by commission.**

(1) As used in this section:

(a)

(i) Except as provided in Subsection (1)(a)(ii), "designated tax area" means a tax area created by the overlapping boundaries of only the following taxing entities:

(A) a county; and

(B) a school district.

(ii) "Designated tax area" includes a tax area created by the overlapping boundaries of the taxing entities described in Subsection (1)(a)(i); and:

(A) a city or town if the boundaries of the school district under Subsection (1)(a)(i) and the boundaries of the city or town are identical; or

(B) a special service district if the boundaries of the school district under Subsection (1)(a)(i) are located entirely within the special service district.

(b) "Ground hours" means the total number of hours during the calendar year immediately preceding the January 1 described in Section 59-2-103 that aircraft owned or operated by the following are on the ground:

(i) an air charter service;

(ii) an air contract service; or

(iii) an airline.

(2) Before May 25 of each year, the commission shall apportion to each tax area the total assessment of all of the property the commission assesses as provided in Subsections (2)(a) through (f).

(a)

(i) The commission shall apportion the assessments of the property described in Subsection (2)

(a)(ii):

(A) to each tax area through which the public utility or company described in Subsection (2)(a) (ii) operates; and

(B) in proportion to the property's value in each tax area.

(ii) Subsection (2)(a)(i) applies to property owned by:

(A) a public utility, except for the rolling stock of a public utility;

(B) a pipeline company;

(C) a power company;

(D) a canal company; or

(E) an irrigation company.

(b) The commission shall apportion the assessments of the rolling stock of a railroad:

(i) to the tax areas through which railroads operate; and

(ii) in the proportion that the length of the main tracks, sidetracks, passing tracks, switches, and tramways of the railroads in each tax area bears to the total length of the main tracks, sidetracks, passing tracks, switches, and tramways in the state.

(c) The commission shall apportion the assessments of the property of a car company to:

(i) each tax area in which a railroad is operated; and

- (ii) in the proportion that the length of the main tracks, passing tracks, sidetracks, switches, and tramways of all of the railroads in each tax area bears to the total length of the main tracks, passing tracks, sidetracks, switches, and tramways of all of the railroads in the state.
  - (d)
    - (i) The commission shall apportion the assessments of the property described in Subsection (2) (d)(ii) to each tax area in which the property is located.
    - (ii) Subsection (2)(d)(i) applies to the following property:
      - (A) mines;
      - (B) mining claims; or
      - (C) mining property.
  - (e)
    - (i) The commission shall apportion the assessments of the property described in Subsection (2) (e)(ii) to:
      - (A) each designated tax area; and
      - (B) in the proportion that the ground hours in each designated tax area bear to the total ground hours in the state.
    - (ii) Subsection (2)(e)(i) applies to the mobile flight equipment owned by an:
      - (A) air charter service;
      - (B) air contract service; or
      - (C) airline.
  - (f)
    - (i) The commission shall apportion the assessments of the property described in Subsection (2) (f)(ii) to each tax area in which the property is located as of January 1 of each year.
    - (ii) Subsection (2)(f)(i) applies to the real and tangible personal property, other than mobile flight equipment, owned by an:
      - (A) air charter service;
      - (B) air contract service; or
      - (C) airline.
- (3)
- (a)
    - (i)
      - (A) State-assessed commercial vehicles that weigh 12,001 pounds or more shall be taxed at a statewide average rate which is calculated from the overall county average tax rates from the preceding year, exclusive of the property subject to the statewide uniform fee, weighted by lane miles of principal routes in each county.
      - (B) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall adopt rules to define "principal routes."
    - (ii) State-assessed commercial vehicles that weigh 12,000 pounds or less are subject to the uniform fee provided in Section 59-2-405.1.
  - (b) The combined revenue from all state-assessed commercial vehicles shall be apportioned to the counties based on:
    - (i) 40% by the percentage of lane miles of principal routes within each county as determined by the commission; and
    - (ii) 60% by the percentage of total state-assessed vehicles having business situs in each county.
  - (c) At least quarterly, the commission shall apportion the total taxes paid on state-assessed commercial vehicles to the counties.

- (d) Each county shall apportion its share of the revenues under this Subsection (3) to the taxing entities within its boundaries in the same proportion as the assessments of other:
  - (i) real property;
  - (ii) tangible personal property; and
  - (iii) property assessed by the commission.

Amended by Chapter 38, 2020 General Session

**Effective 1/1/2025**

**59-2-801 Apportionment of property assessed by commission.**

(1) As used in this section:

- (a)
  - (i) Except as provided in Subsection (1)(a)(ii), "designated tax area" means a tax area created by the overlapping boundaries of only the following taxing entities:
    - (A) a county; and
    - (B) a school district.
  - (ii) "Designated tax area" includes a tax area created by the overlapping boundaries of the taxing entities described in Subsection (1)(a)(i) and:
    - (A) a city or town if the boundaries of the school district under Subsection (1)(a)(i) and the boundaries of the city or town are identical; or
    - (B) a special service district if the boundaries of the school district under Subsection (1)(a)(i) are located entirely within the special service district.
- (b) "Ground hours" means the total number of hours during the calendar year immediately preceding the January 1 described in Section 59-2-103 that aircraft owned or operated by the following are on the ground:
  - (i) an air charter service;
  - (ii) an air contract service; or
  - (iii) an airline.

(2) Before May 25 of each year, the commission shall apportion to each tax area the total assessment of all of the property the commission assesses as provided in Subsections (2)(a) through (e).

- (a)
  - (i) The commission shall apportion the assessments of the property described in Subsection (2)(a)(ii):
    - (A) to each tax area through which the public utility or company described in Subsection (2)(a)(ii) operates; and
    - (B) in proportion to the property's value in each tax area.
  - (ii) Subsection (2)(a)(i) applies to property owned by:
    - (A) a public utility, except for the rolling stock of a public utility;
    - (B) a pipeline company;
    - (C) a power company;
    - (D) a canal company; or
    - (E) an irrigation company.
- (b) The commission shall apportion the assessments of the rolling stock of a railroad:
  - (i) to the tax areas through which railroads operate; and
  - (ii) in the proportion that the length of the main tracks, sidetracks, passing tracks, switches, and tramways of the railroads in each tax area bears to the total length of the main tracks, sidetracks, passing tracks, switches, and tramways in the state.

- (c) The commission shall apportion the assessments of the property of a car company to:
  - (i) each tax area in which a railroad is operated; and
  - (ii) in the proportion that the length of the main tracks, passing tracks, sidetracks, switches, and tramways of all of the railroads in each tax area bears to the total length of the main tracks, passing tracks, sidetracks, switches, and tramways of all of the railroads in the state.
- (d)
  - (i) The commission shall apportion the assessments of the property described in Subsection (2)(d)(ii) to each tax area in which the property is located.
  - (ii) Subsection (2)(d)(i) applies to the following property:
    - (A) mines;
    - (B) mining claims; or
    - (C) mining property.
- (e)
  - (i) The commission shall apportion the assessments of the property described in Subsection (2)(e)(ii) to:
    - (A) each designated tax area; and
    - (B) in the proportion that the ground hours in each designated tax area bear to the total ground hours in the state.
  - (ii) Subsection (2)(e)(i) applies to the mobile flight equipment owned or operated by an:
    - (A) air charter service;
    - (B) air contract service; or
    - (C) airline.
- (3)
  - (a)
    - (i)
      - (A) State-assessed commercial vehicles that weigh 12,001 pounds or more shall be taxed at a statewide average rate which is calculated from the overall county average tax rates from the preceding year, exclusive of the property subject to the statewide uniform fee, weighted by lane miles of principal routes in each county.
      - (B) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall adopt rules to define "principal routes."
    - (ii) State-assessed commercial vehicles that weigh 12,000 pounds or less are subject to the uniform fee provided in Section 59-2-405.1.
  - (b) The combined revenue from all state-assessed commercial vehicles shall be apportioned to the counties based on:
    - (i) 40% by the percentage of lane miles of principal routes within each county as determined by the commission; and
    - (ii) 60% by the percentage of total state-assessed vehicles having business situs in each county.
  - (c) At least quarterly, the commission shall apportion the total taxes paid on state-assessed commercial vehicles to the counties.
  - (d) Each county shall apportion its share of the revenues under this Subsection (3) to the taxing entities within its boundaries in the same proportion as the assessments of other:
    - (i) real property;
    - (ii) tangible personal property; and
    - (iii) property assessed by the commission.

**59-2-802 Statement of commission transmitted to county auditors -- Contents of statement -- Duties of auditors -- Change of assessment prohibited.**

- (1) The commission shall, before June 8, annually transmit to the county auditor of each county to which an apportionment has been made a statement showing:
  - (a) the property assessed;
  - (b) the value of the property, as fixed and apportioned to the tax areas; and
  - (c) the aggregate amount of taxable value placed in dispute in accordance with Section 59-2-1007.
- (2) The county auditor shall enter the:
  - (a) statement on the county assessment roll or book; and
  - (b) amount of the assessment apportioned to the county in the column of the assessment book or roll which shows for the county the total taxable value of all property.
- (3) A county board of equalization may not change any assessment fixed by the commission.

Amended by Chapter 139, 2015 General Session

**59-2-803 Statement transmitted by county auditors to governing bodies -- Contents of statement.**

- (1) The county auditor shall transmit to the governing bodies of taxing entities in which the property is located, or to which any of the value is apportioned, a statement of the valuation of all property as fixed and apportioned by the commission and reported under Section 59-2-802.
- (2) The statement under Subsection (1) shall contain the aggregate amount of taxable value placed in dispute in accordance with Section 59-2-1007.
- (3) The statement shall be transmitted at the same time and in the same manner as the statement is transmitted under Section 59-2-924.

Amended by Chapter 139, 2015 General Session

**59-2-804 Interstate allocation of mobile flight equipment.**

- (1) As used in this section:
  - (a) "Aircraft type" means a particular model of aircraft as designated by the manufacturer of the aircraft.
  - (b) "Airline ground hours calculation" means an amount equal to the product of:
    - (i) the total number of hours aircraft owned or operated by an airline are on the ground, calculated by aircraft type; and
    - (ii) the cost percentage.
  - (c) "Airline revenue ton miles" means, for an airline, the total revenue ton miles during the calendar year that immediately precedes the January 1 described in Section 59-2-103.
  - (d) "Cost percentage" means a fraction, calculated by aircraft type, the numerator of which is the airline's average cost of the aircraft type and the denominator of which is the airline's average cost of the aircraft type:
    - (i) owned or operated by the airline; and
    - (ii) that has the lowest average cost.
  - (e) "Ground hours factor" means the product of:
    - (i) a fraction, the numerator of which is the Utah ground hours calculation and the denominator of which is the airline ground hours calculation; and
    - (ii) .50.

- (f)
  - (i) Except as provided in Subsection (1)(f)(ii), "mobile flight equipment" is as defined in Section 59-2-102.
  - (ii) "Mobile flight equipment" does not include tangible personal property described in Subsection 59-2-102(25) owned by an:
    - (A) air charter service; or
    - (B) air contract service.
- (g) "Mobile flight equipment allocation factor" means the sum of:
  - (i) the ground hours factor; and
  - (ii) the revenue ton miles factor.
- (h) "Revenue ton miles" is determined in accordance with 14 C.F.R. Part 241.
- (i) "Revenue ton miles factor" means the product of:
  - (i) a fraction, the numerator of which is the Utah revenue ton miles and the denominator of which is the airline revenue ton miles; and
  - (ii) .50.
- (j) "Utah ground hours calculation" means an amount equal to the product of:
  - (i) the total number of hours aircraft owned or operated by an airline are on the ground in this state, calculated by aircraft type; and
  - (ii) the cost percentage.
- (k) "Utah revenue ton miles" means, for an airline, the total revenue ton miles within the borders of this state:
  - (i) during the calendar year that immediately precedes the January 1 described in Section 59-2-103; and
  - (ii) from flight stages that originate or terminate in this state.
- (2) For purposes of the assessment of an airline's mobile flight equipment by the commission, a portion of the value of the airline's mobile flight equipment shall be allocated to the state by calculating the product of:
  - (a) the total value of the mobile flight equipment; and
  - (b) the mobile flight equipment allocation factor.

Amended by Chapter 38, 2020 General Session