

**Effective 5/14/2019**

**78B-5-503 Homestead exemption -- Definitions -- Excepted obligations -- Water rights and interests -- Conveyance -- Sale and disposition -- Property right for federal tax purposes.**

(1) For purposes of this section:

- (a) "Household" means a group of persons related by blood or marriage living together in the same dwelling as an economic unit, sharing furnishings, facilities, accommodations, and expenses.
- (b) "Mobile home" means the same as that term is defined in Section 57-16-3.
- (c) "Primary personal residence" means a dwelling or mobile home, and the land surrounding it, not exceeding one acre, as is reasonably necessary for the use of the dwelling or mobile home, in which the individual and the individual's household reside.
- (d) "Property" means:
  - (i) a primary personal residence;
  - (ii) real property; or
  - (iii) an equitable interest in real property awarded to a person in a divorce decree by a court.

(2)

- (a) An individual is entitled to a homestead exemption consisting of property in this state in an amount not exceeding:
  - (i) \$5,000 in value if the property consists in whole or in part of property that is not the primary personal residence of the individual; or
  - (ii) \$42,000 in value if the property claimed is the primary personal residence of the individual.
- (b) If the property claimed as exempt is jointly owned, each joint owner is entitled to a homestead exemption, except that:
  - (i) for property exempt under Subsection (2)(a)(i), the maximum exemption may not exceed \$10,000 per household; or
  - (ii) for property exempt under Subsection (2)(a)(ii), the maximum exemption may not exceed \$84,000 per household.
- (c) A person may claim a homestead exemption in either or both of the following:
  - (i) one or more parcels of real property together with appurtenances and improvements; or
  - (ii) a mobile home in which the claimant resides.
- (d) A person may not claim a homestead exemption for property that the person acquired as a result of criminal activity.

(e)

- (i) As used in this Subsection (2)(e):
  - (A) "Average index number" means the average of the 12 most recent Consumer Price Index numbers that are available in December in the year previous to the calendar year that is calculated in Subsection (2)(e)(iii).
  - (B) "Consumer Price Index number" means a monthly number for the unadjusted Consumer Price Index for All Urban Consumers for all items as published each month by the Bureau of Labor Statistics of the United States Department of Labor.
- (ii) The dollar amounts in Subsections (2)(a) and (b) are for May 14, 2019, through December 31, 2019.
- (iii) For the calendar year 2020 and a calendar year after the calendar year 2020, the state auditor shall:
  - (A) calculate new dollar amounts for each dollar amount in Subsection (2)(a) and (b) by multiplying the dollar amount in Subsections (2)(a) and (b) by the average index number, dividing the result by 251, and rounding to the nearest 100 dollars; and

- (B) publish on the Office of the State Auditor website the new dollar amounts calculated under Subsection (2)(e)(iii) no later than January 1 of the applicable calendar year.
- (3) A homestead is exempt from judicial lien and from levy, execution, or forced sale except for:
- (a) statutory liens for property taxes and assessments on the property;
  - (b) security interests in the property and judicial liens for debts created for the purchase price of the property;
  - (c) judicial liens obtained on debts created by failure to provide support or maintenance for dependent children; and
  - (d) consensual liens obtained on debts created by mutual contract.
- (4)
- (a) Except as provided in Subsection (4)(b), water rights and interests, either in the form of corporate stock or otherwise, owned by the homestead claimant are exempt from execution to the extent that those rights and interests are necessarily employed in supplying water to the homestead for domestic and irrigating purposes.
  - (b) Those water rights and interests are not exempt from calls or assessments and sale by the corporations issuing the stock.
- (5)
- (a) When a homestead is conveyed by the owner of the property, the conveyance may not subject the property to any lien to which the property would not be subject in the hands of the owner.
  - (b) The proceeds of any sale, to the amount of the exemption existing at the time of sale, is exempt from levy, execution, or other process for one year after the receipt of the proceeds by the person entitled to the exemption.
- (6) The sale and disposition of one homestead does not prevent the selection or purchase of another.
- (7) For purposes of any claim or action for taxes brought by the United States Internal Revenue Service, a homestead exemption claimed on real property in this state is considered to be a property right.

Amended by Chapter 298, 2019 General Session