

PROPERTY TAX - CIRCUIT BREAKER**AMENDMENTS**

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Wayne A. Harper

Raymond W. Short

John L. Valentine

AN ACT RELATING TO THE PROPERTY TAX ACT; EXPANDING THE CIRCUIT BREAKER ELIGIBILITY PROVISIONS TO ALLOW A PERSON OWING DELINQUENT PROPERTY TAXES TO QUALIFY FOR A HOMEOWNER'S CREDIT; CLARIFYING THAT A HOMEOWNER'S CREDIT MAY NOT EXCEED A CLAIMANT'S PROPERTY TAX LIABILITY FOR THE YEAR IN WHICH THE CLAIMANT APPLIES FOR THE HOMEOWNER'S CREDIT; CLARIFYING THE EXTENT TO WHICH A HOMEOWNER'S CREDIT MAY BE APPLIED AGAINST A PROPERTY TAX DELINQUENCY; MAKING TECHNICAL CHANGES; AND PROVIDING FOR RETROSPECTIVE OPERATION.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:**59-2-1206**, as last amended by Chapter 87, Laws of Utah 1996**59-2-1207**, as last amended by Chapter 227, Laws of Utah 1993**59-2-1220**, as last amended by Chapter 227, Laws of Utah 1993**REPEALS:****59-2-1212**, as last amended by Chapter 227, Laws of Utah 1993*Be it enacted by the Legislature of the state of Utah:*Section 1. Section **59-2-1206** is amended to read:

59-2-1206. Application for homeowner's credit -- Time for filing -- Payment from General Fund.

(1) [Every] (a) Except as provided in Subsection (1)(d), a claimant applying for a

homeowner's credit shall annually file an application for the credit with the county legislative body before September 1 [~~in each year~~].

(b) The application under this section shall:

(i) be on forms provided by the commission; and [~~shall~~]

(ii) include a household income statement signed by the claimant stating that:

(A) the income statement is correct; and [~~that~~]

(B) the claimant qualifies for the credit. [~~The liability of the claimant for property taxes accrued shall be reduced for that year by the full amount of the homeowner's credit allowable and the claimant shall pay only the difference, if any. Any~~]

(c) (i) Subject to the provisions of Subsections (1)(c)(ii) and (1)(c)(iii), a county or the commission shall reduce a claimant's property tax liability for the year in which the claimant applies for a homeowner's credit if the claimant meets the criteria for obtaining a homeowner's credit as provided in this part.

(ii) A homeowner's credit under this part may not exceed the claimant's property tax liability for the year in which the claimant applies for a homeowner's credit under this part.

(iii) Except as provided in Section 59-2-1220, a county or the commission may not apply a homeowner's credit under this part against a property tax liability that is more than 90 days delinquent.

(d) An eligible claimant who fails to submit an application before the September 1 deadline may request reimbursement for allowable credit by filing the application form directly with the commission [~~by~~] on or before December 31.

(e) A claimant may qualify for a homeowner's credit under this part regardless of whether the claimant owes delinquent property taxes.

(2) (a) The county legislative body shall compile a list of claimants and the homeowner's credits granted to [~~them~~] the claimants for purposes of obtaining payment from the General Fund for [~~that portion of the claimant's liability for property taxes accrued represented by~~] the amount of credits granted.

(b) Upon certification by the commission the payment for the credits under this Subsection (2) shall be made to the county on or before January 1 if the list of claimants and the credits granted are received by the commission on or before [~~the preceding~~] November 30 of the year in which the credits under this part are granted. [~~Otherwise~~]

1 (c) If the commission does not receive the list under this Subsection (2) on or before
2 November 30, payment shall be made within 30 days of receipt of the list of claimants and credits
3 from the county.

4 Section 2. Section **59-2-1207** is amended to read:

5 **59-2-1207. Claim applied against tax liability -- One claimant per household per**
6 **year.**

7 (1) The commission or a county may apply as provided in Subsection 59-2-1206(1)(c) the
8 amount of [any claim otherwise payable] a credit under this part [may be applied by the
9 commission] against [any];

10 (a) a claimant's property tax liability [outstanding on the books of the commission against
11 the claimant,]; or

12 (b) against the property tax liability of a spouse who was a member of the claimant's
13 household in the year [to] in which the [claim relates] claimant applies for a homeowner's credit
14 under this part.

15 (2) Only one claimant per household per year is entitled to payment under this part.

16 ~~[(3) The amount of any homeowner's credit otherwise allowable under this part may be~~
17 ~~applied by the county against any property tax liability outstanding on the books of the county~~
18 ~~against the claimant, or against a spouse who was a member of the claimant's household in the year~~
19 ~~to which the claim relates.]~~

20 Section 3. Section **59-2-1220** is amended to read:

21 **59-2-1220. Extension of time for filing claim.**

22 (1) In case of sickness, absence, or other disability, or if, in its judgment, good cause
23 exists, the commission or a county legislative body may extend the time for filing a claim for a
24 period not to exceed six months.

25 (2) Notwithstanding Subsection 59-2-1206(1)(c)(iii), if the commission or a county
26 legislative body extends the time for filing a claim under Subsection (1), the commission or the
27 county legislative body may apply a homeowner's credit under this part against a property tax
28 liability that is more than 90 days delinquent.

29 Section 4. **Repealer.**

30 This act repeals:

31 Section **59-2-1212, Statement required of property owner claimant.**

- 1 Section 5. **Retrospective operation.**
- 2 This act has retrospective operation to January 1, 1998.

Legislative Review Note
as of 12-1-97 10:00 AM

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Committee Note

The Revenue and Taxation Interim Committee recommended this bill.