

PROPERTY TAX RELIEF

2001 GENERAL SESSION

STATE OF UTAH

Sponsor: A. Lamont Tyler

This act modifies the Property Tax Act to address property tax exemptions, abatements, and other tax relief. This act gives to the county legislative body the authority to determine who performs functions given to the county. This act addresses extensions of filing deadlines.

This act addresses tax relief claimed for disabled veterans or related persons, tax relief claimed by blind persons or related persons, and tax relief for indigent persons. This act clarifies the relationship between different property tax relief. This act addresses the process of applying for the homeowner's credit.

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

AMENDS:

59-2-1101, as last amended by Chapter 86, Laws of Utah 2000

59-2-1104, as last amended by Chapter 354, Laws of Utah 1999

59-2-1105, as last amended by Chapter 354, Laws of Utah 1999

59-2-1106, as last amended by Chapter 87, Laws of Utah 1996

59-2-1107, as last amended by Chapter 195, Laws of Utah 1998

59-2-1108, as last amended by Chapter 227, Laws of Utah 1993

59-2-1109, as last amended by Chapter 86, Laws of Utah 2000

59-2-1202, as last amended by Chapter 309, Laws of Utah 1998

59-2-1203, as renumbered and amended by Chapter 4, Laws of Utah 1987

59-2-1206, as last amended by Chapters 20 and 309, Laws of Utah 1998

59-2-1207, as last amended by Chapter 20, Laws of Utah 1998

59-2-1211, as renumbered and amended by Chapter 4, Laws of Utah 1987

59-2-1214, as last amended by Chapter 227, Laws of Utah 1993

59-2-1215, as last amended by Chapter 227, Laws of Utah 1993



28 **59-2-1219**, as last amended by Chapter 227, Laws of Utah 1993

29 **59-2-1220**, as last amended by Chapter 20, Laws of Utah 1998

30 REPEALS:

31 **59-2-1210**, as renumbered and amended by Chapter 4, Laws of Utah 1987

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

33 Section 1. Section **59-2-1101** is amended to read:

34 **59-2-1101. Exemption of property devoted to public, religious, or charitable uses --**
35 **Proportional payments for government-owned property -- Intangibles exempt -- Signed**
36 **statement required.**

37 (1) The exemptions, deferrals, and abatements authorized by this part may be allowed only
38 if the claimant is the owner of the property as of January 1 of the year the exemption is claimed,
39 unless the claimant is a federal, state, or political subdivision entity under Subsection (2)(a), (b),
40 or (c), in which case the entity shall collect and pay a proportional tax based upon the length of
41 time that the property was not owned by the entity.

42 (2) The following property is exempt from taxation:

43 (a) property exempt under the laws of the United States;

44 (b) property of the state, school districts, and public libraries;

45 (c) property of counties, cities, towns, special districts, and all other political subdivisions
46 of the state, except as provided in Title 11, Chapter 13, ~~[the]~~ Interlocal Cooperation Act;

47 (d) property owned by a nonprofit entity which is used exclusively for religious, charitable,
48 or educational purposes;

49 (e) places of burial not held or used for private or corporate benefit;

50 (f) farm equipment and machinery; and

51 (g) intangible property.

52 (3) (a) The owner who receives exempt status for property, if required by the commission,
53 shall file a signed statement, on or before March 1 each year, certifying the use to which the
54 property has been placed during the past year. The signed statement shall contain the following
55 information in summary form:

56 (i) identity of the individual who signed the statement;

57 (ii) the basis of the signer's knowledge of the use of the property;

58 (iii) authority to make the signed statement on behalf of the owner;

59 (iv) county where property is located; and

60 (v) nature of use of the property.

61 (b) If the signed statement is not filed within the time limits prescribed by the county

62 [~~board of equalization~~], the exempt status may, after notice and hearing, be revoked and the

63 property then placed on the tax rolls.

64 (4) The county legislative body may adopt rules or ordinances to:

65 (a) effectuate the exemptions, deferrals, abatements, or other relief from taxation provided

66 in this part[-]; and

67 (b) designate one or more persons to perform the functions given the county under this

68 part.

69 Section 2. Section **59-2-1104** is amended to read:

70 **59-2-1104. Exemption of property owned by disabled veterans or their unmarried**

71 **surviving spouses and minor orphans -- Amount of exemption.**

72 (1) As used in this section, "residence" is as defined in Section 59-2-1202, except that a

73 rented dwelling is not considered to be a residence.

74 (2) (a) Subject to Section 59-2-1105, including the reduction provided for in Subsection

75 59-2-1105(5)(b), the first \$82,500 of taxable value of the property described in Subsection (2)(b)

76 is exempt from taxation if the residence is owned by:

77 (i) a person who:

78 (A) is less than 100% disabled; and

79 (B) was disabled in the line of duty during any war, international conflict, or military

80 training in the military service of the United States or of this state; or

81 (ii) the [~~unremarried~~] unmarried surviving spouse and minor orphans of any person

82 described in Subsection (2)(a)(i), or of a person who, during any war, international conflict, or

83 military training in the military service of the United States or of this state, was killed in action or

84 died in the line of duty as a result of the military service.

85 (b) Subsection (2)(a) applies to the following property:

86 (i) a residence;

87 (ii) tangible personal property; or

88 (iii) a combination of Subsections (2)(b)(i) and (ii).

89 (3) (a) Subject to Section 59-2-1105, the first \$82,500 of the total taxable value of property

90 described in Subsection (3)(b) is exempt from taxation if the property is owned by:

91 (i) a person who:

92 (A) is 100% disabled; and

93 (B) was disabled in the line of duty during any war, international conflict, or military
94 training in the military service of the United States or of this state; or

95 (ii) the [~~unremarried~~] unmarried surviving spouse and minor orphans of any person
96 described in Subsection (3)(a)(i), or of a person who, during any war, international conflict, or
97 military training in the military service of the United States or of this state, was killed in action or
98 died in the line of duty as a result of the military service.

99 (b) Subsection (3)(a) applies to the following property:

100 (i) real property, including a residence;

101 (ii) tangible personal property; or

102 (iii) a combination of Subsections (3)(b)(i) and (ii).

103 Section 3. Section **59-2-1105** is amended to read:

104 **59-2-1105. Application for disabled veteran's exemption -- Proof requirements --**
105 **Limitations on exemption.**

106 (1) (a) The exemptions authorized by Section 59-2-1104 may be allowed only if the
107 interest of the claimant is on record on January 1 of the year the exemption is claimed.

108 (b) If the claimant has an interest in real property under a contract, the exemption under
109 Section 59-2-1104 may be allowed if it is proved to the satisfaction of the county [~~legislative body~~]
110 that the claimant is:

111 (i) the purchaser under the contract; and [is]

112 (ii) obligated to pay the taxes on the property beginning January 1 of [that] the year the
113 exemption is claimed.

114 (c) If the claimant is the grantor of a trust holding title to real or tangible personal property
115 on which an exemption is claimed, the claimant may claim the portion of the exemption under
116 Section 59-2-1104 and be treated as the owner of that portion of the property held in trust for
117 which the claimant proves to the satisfaction of the county that:

118 (i) title to the portion of the trust will revert in the claimant upon the exercise of a power:

119 (A) by:

120 (I) the claimant as grantor of the trust;

- 121 (II) a nonadverse party; or
 122 (III) both the claimant and a nonadverse party; and
 123 (B) regardless of whether the power is a power:
 124 (I) to revoke;
 125 (II) to terminate;
 126 (III) to alter;
 127 (IV) to amend; or
 128 (V) to appoint;
 129 (ii) the claimant is obligated to pay the taxes on that portion of the trust property beginning
 130 January 1 of the year the claimant claims the exemption; and
 131 (iii) the claimant meets the requirements under this part for the exemption.
 132 (2) (a) On or before September 1 each year, any person applying for a veteran's exemption
 133 shall file an application with the county [~~legislative body of the county~~] in which that person
 134 resides.
 135 (b) A county may extend the deadline for filing under Subsection (2)(a) until December
 136 31 if the county finds that good cause exists to extend the deadline.
 137 [~~(b) A~~] (c) The following shall accompany the initial application for exemption:
 138 (i) a copy of the veteran's certificate of discharge from the military service of:
 139 (A) the United States; or [of]
 140 (B) this state[-]; or
 141 (ii) other satisfactory evidence of eligible military service[~~, shall accompany the initial~~
 142 application for exemption].
 143 (3) If the application is made by a veteran who served in the military of the United States
 144 or of this state prior to January 1, 1921, or by the [~~unremarried~~] unmarried surviving spouse or
 145 minor orphan of that veteran, a certificate from the Department of Veterans Affairs, or from any
 146 other source required by the county [~~legislative body~~], showing the percentage of disability of the
 147 veteran shall accompany the application.
 148 (4) Any application made by a veteran who served in the military service of the United
 149 States or of this state on or after January 1, 1921, or by the [~~unremarried~~] unmarried surviving
 150 spouse or minor orphan of that veteran, shall be accompanied by a certificate from the Department
 151 of Veterans Affairs, or from any other source required by the county [~~legislative body~~], showing

152 the percentage of disability incurred or aggravated in the line of duty during any war, international
153 conflict, or military training in the military service of the United States or of this state.

154 (5) (a) If the veteran is 100% disabled, the veteran's property tax exemption is as provided
155 in Subsection 59-2-1104(3).

156 (b) If the certificate under this section shows a lesser percentage of disability, the
157 exemption allowed under Subsection 59-2-1104(2) is that percentage of \$82,500, except that [no]
158 an exemption [is] may not be allowed for any disability below 10%.

159 (6) The [~~unremarried~~] unmarried surviving spouse and minor orphans of a deceased
160 veteran are entitled to the greater of:

161 (a) the full exemption if the veteran's disability was 10% or more and the veteran served
162 prior to January 1, 1921; or

163 (b) the same exemption to which the disabled veteran would have been entitled, if the
164 veteran served on or after January 1, 1921.

165 [~~(7) The county legislative body may adopt rules to effectuate the exemptions from~~
166 ~~taxation under Section 59-2-1104.~~]

167 Section 4. Section **59-2-1106** is amended to read:

168 **59-2-1106. Exemption of property owned by blind persons or their unmarried**
169 **surviving spouses or minor orphans -- Amount -- Application.**

170 (1) [~~The~~] (a) Subject to Subsections (2) and (3), the first \$11,500 of taxable value of real
171 and tangible personal property in this state owned by the following is exempt from taxation:

172 (i) a blind [persons, their unremarried] person;

173 (ii) the unmarried surviving [spouses,] spouse of a blind person; or [their]

174 (iii) a minor [orphans is exempt from taxation, subject to Subsections (2) and (3)] orphan
175 of a blind person.

176 (b) If the claimant is the grantor of a trust holding title to real or tangible personal property
177 on which an exemption is claimed, the claimant may claim the portion of the exemption under this
178 section and be treated as the owner of that portion of the property held in trust for which the
179 claimant proves to the satisfaction of the county that:

180 (i) title to the portion of the trust will revert in the claimant upon the exercise of a power:

181 (A) by:

182 (I) the claimant as grantor of the trust;

183 (II) a nonadverse party; or
 184 (III) both the claimant and a nonadverse party; and
 185 (B) regardless of whether the power is a power:
 186 (I) to revoke;
 187 (II) to terminate;
 188 (III) to alter;
 189 (IV) to amend; or
 190 (V) to appoint;
 191 (ii) the claimant is obligated to pay the taxes on that portion of the trust property beginning
 192 January 1 of the year the claimant claims the exemption; and
 193 (iii) the claimant meets the requirements under this part for the exemption.
 194 (2) (a) Every person [~~applying for~~] claiming the exemption [~~for the blind~~] under
 195 Subsection (1) shall[, on or before September 1 in each year,] file an application:
 196 (i) on or before September 1 in each year; and
 197 (ii) with the county [~~executive of the county~~] in which the person resides.
 198 (b) A county may extend the deadline for filing under Subsection (2)(a) until December
 199 31 if the county finds that good cause exists to extend the deadline.
 200 (3) The first year's application shall be accompanied by a statement signed by a licensed
 201 ophthalmologist verifying that the person:
 202 (a) has no more than 20/200 visual acuity in the better eye when corrected; or
 203 (b) has, in the case of better than 20/200 central vision, a restriction of the field of vision
 204 in the better eye which subtends an angle of vision no greater than 20 degrees.
 205 Section 5. Section **59-2-1107** is amended to read:
 206 **59-2-1107. Indigent persons -- Amount of abatement.**
 207 The county [~~executive~~] may remit or abate the taxes of any poor person meeting the
 208 requirements of Section 59-2-1109 in an amount not exceeding the lesser of:
 209 (1) the amount provided as a homeowner's credit for the lowest household income bracket
 210 under Section 59-2-1208; or
 211 (2) 50% of the total tax [~~assessed~~] levied for the current year.
 212 Section 6. Section **59-2-1108** is amended to read:
 213 **59-2-1108. Indigent persons -- Deferral of taxes -- Treatment of deferred taxes.**

214 (1) (a) The county [~~board of equalization~~] may, after giving notice, defer any tax levied
215 on residential property, subject to the conditions of Section 59-2-1109.

216 (b) If the owner of [~~that~~] the property described in Subsection (1)(a) is poor, the property
217 may not be subjected to a tax sale during the period of deferment.

218 (2) (a) Taxes deferred by the [~~board of equalization~~] county accumulate with interest as
219 a lien against the property until the property is sold or otherwise disposed of.

220 (b) Deferred taxes bear interest at the rate of 6% per year and have the same status as a lien
221 under Sections 59-2-1301 and 59-2-1325.

222 (3) Deferral may be granted by the county [~~legislative body~~] at any time if:

223 (a) the holder of any mortgage or trust deed outstanding on the property gives written
224 approval of the application; and

225 (b) the applicant is not the owner of income producing assets [~~which~~] that could be
226 liquidated to pay the tax.

227 (4) Any assets transferred to relatives in the prior three-year period shall be considered by
228 the county [~~legislative body~~] in making [~~its~~] the county's determination.

229 Section 7. Section **59-2-1109** is amended to read:

230 **59-2-1109. Indigent persons -- Deferral or abatement -- Application.**

231 (1) [~~No~~] A person under the age of 65 years is not eligible for [~~tax relief,~~] a deferral[;] or
232 abatement provided for poor people under Sections 59-2-1107 and 59-2-1108 unless:

233 (a) the county [~~legislative body~~] finds that extreme hardship would prevail if the grants
234 were not made; or

235 (b) the person is disabled.

236 (2) (a) An application for the [~~exemption~~] deferral or abatement shall be filed on or before
237 September 1 with the county [~~legislative body of the county~~] in which the property is located. [~~The~~
238 ~~application shall set forth adequate facts to support the person's eligibility to receive the~~
239 ~~exemption.~~]

240 [~~(a)~~] (b) The application shall include a signed statement setting forth the eligibility of the
241 applicant for the [~~exemption~~] deferral or abatement.

242 [~~(b)~~] (c) Both husband and wife shall sign the application if [~~they~~] the husband and wife
243 seek [~~an exemption~~] a deferral or abatement on a residence:

244 (i) in which they both reside; and

245 (ii) which they own as joint tenants.

246 (d) A county may extend the deadline for filing under Subsection (2)(a) until December
247 31 if the county finds that good cause exists to extend the deadline.

248 (3) For purposes of this section:

249 (a) ~~[A]~~ a poor person is any person:

250 (i) whose total household income as defined in Section 59-2-1202 is less than the
251 maximum household income certified to a homeowner's credit under Subsection 59-2-1208(1);

252 (ii) who resides for not less than ten months of each year in the residence for which the tax
253 relief, deferral, or abatement is requested; and

254 (iii) who is unable to meet the tax assessed on the person's residential property as the tax
255 becomes due[-]; and

256 (b) ~~["Residence"]~~ "residence" includes a mobile home as defined under Section 59-2-601.

257 (4) If the claimant is the grantor of a trust holding title to real or tangible personal property
258 on which an abatement or deferral is claimed, the claimant may claim the portion of the abatement
259 or deferral under Section 59-2-1107 or 59-2-1108 and be treated as the owner of that portion of
260 the property held in trust for which the claimant proves to the satisfaction of the county that:

261 (a) title to the portion of the trust will revert in the claimant upon the exercise of a power:

262 (i) by:

263 (A) the claimant as grantor of the trust;

264 (B) a nonadverse party; or

265 (C) both the claimant and a nonadverse party; and

266 (ii) regardless of whether the power is a power:

267 (A) to revoke;

268 (B) to terminate;

269 (C) to alter;

270 (D) to amend; or

271 (E) to appoint;

272 (b) the claimant is obligated to pay the taxes on that portion of the trust property beginning
273 January 1 of the year the claimant claims the abatement or deferral; and

274 (c) the claimant meets the requirements under this part for the abatement or deferral.

275 ~~[(4)]~~ (5) The commission shall adopt rules to implement this section.

276 ~~[(5)]~~ (6) Any poor person may qualify for:

277 (a) the deferral of taxes under Section 59-2-1108~~[-or]~~;

278 (b) if the person meets the requisites of this section, for the abatement of taxes under

279 Section 59-2-1107~~[-]~~; or

280 (c) both~~[-]~~;

281 (i) the deferral described in Subsection (6)(a); and

282 (ii) the abatement described in Subsection (6)(b).

283 Section 8. Section **59-2-1202** is amended to read:

284 **59-2-1202. Definitions.**

285 As used in this part:

286 (1) (a) "Claimant" means a homeowner or renter who:

287 (i) has filed a claim under this part;

288 (ii) is domiciled in this state for the entire calendar year for which a claim for relief is filed

289 under this part; and

290 (iii) has reached the age of 65 prior to the close of that calendar year.

291 (b) A surviving spouse, who otherwise qualifies under this section, is an eligible claimant

292 regardless of age.

293 (c) If two or more individuals of a household are able to meet the qualifications for a

294 claimant, they may determine among them as to who the claimant shall be, but if they are unable

295 to agree, the matter shall be referred to the county legislative body for a determination of the

296 claimant of an owned residence and to the commission for a determination of the claimant of a

297 rented residence.

298 (2) (a) "Gross rent" means rental actually paid in cash or its equivalent solely for the right

299 of occupancy, at arm's-length, of a residence, exclusive of charges for any utilities, services,

300 furniture, furnishings, or personal appliances furnished by the landlord as a part of the rental

301 agreement.

302 (b) If a claimant occupies two or more residences in the year and does not own the

303 residence as of the lien date, "gross rent" means the total rent paid for the residences during the

304 one-year period for which the renter files a claim under this part.

305 (3) "Homeowner's credit" means a credit against a claimant's property tax liability.

306 (4) "Household" means the association of persons who live in the same dwelling, sharing

307 its furnishings, facilities, accommodations, and expenses.

308 (5) "Household income" means all income received by all persons of a household in:

309 (a) the calendar year next preceding the year in which property taxes are due; or[;]

310 (b) in the case of renters, the year in which a claim is filed.

311 (6) (a) (i) "Income" means the sum of:

312 (A) federal adjusted gross income as defined in Section 62, Internal Revenue Code[~~plus~~];

313 and

314 (B) all nontaxable income as defined in Subsection (6)(b).

315 (ii) "Income" does not include:

316 (A) aid, assistance, or contributions from a tax-exempt nongovernmental source;

317 (B) surplus foods;

318 (C) relief in kind supplied by a public or private agency; or

319 (D) relief provided under this part, Section 59-2-1108, or Section 59-2-1109.

320 (b) For purposes of Subsection (6)(a)(i), "nontaxable income" means amounts excluded

321 from adjusted gross income under the Internal Revenue Code, including:

322 (i) capital gains;

323 (ii) loss carry forwards claimed during the taxable year in which a claimant files for relief
324 under this part, Section 59-2-1108, or Section 59-2-1109;

325 (iii) depreciation claimed pursuant to the Internal Revenue Code by a claimant on the
326 residence for which the claimant files for relief under this part, Section 59-2-1108, or Section
327 59-2-1109;

328 (iv) support money received;

329 (v) nontaxable strike benefits;

330 (vi) cash public assistance or relief;

331 (vii) the gross amount of a pension or annuity, including benefits under the Railroad
332 Retirement Act of 1974, 45 U.S.C. Sec. 231, and veterans disability pensions;

333 (viii) payments received under the Social Security Act;

334 (ix) state unemployment insurance amounts;

335 (x) nontaxable interest received from any source;

336 (xi) workers' compensation;

337 (xii) the gross amount of "loss of time" insurance; and

338 (xiii) voluntary contributions to a tax-deferred retirement plan.

339 (7) (a) "Property taxes accrued" means property taxes, exclusive of special assessments,
340 delinquent interest, and charges for service, levied on a claimant's residence in this state~~[, and in~~
341 ~~the case of]~~.

342 (b) For a mobile home, "property taxes accrued" includes taxes imposed on both the land
343 upon which the home is situated and ~~[also]~~ on the structure of the home itself, whether classified
344 as real property or personal property taxes.

345 ~~[(b)]~~ (c) (i) Beginning on January 1, 1999, for a claimant who owns a residence, "property
346 taxes accrued" are the property taxes described in Subsection (7)(a) levied for the calendar year
347 on 35% of the fair market value of the residence as reflected on the assessment roll.

348 (ii) The ~~[reduction in fair market value under]~~ amount described in Subsection
349 (7)~~[(b)]~~(c)(i) constitutes:

350 (A) a tax abatement for the poor in accordance with Utah Constitution Article XIII, Section
351 2; and

352 (B) the residential exemption provided for in Section 59-2-103.

353 ~~[(c)]~~ (d) (i) For purposes of this Subsection (7) property taxes accrued are levied on the
354 lien date.

355 (ii) If a claimant owns a residence on the lien date, property taxes accrued mean taxes
356 levied on the lien date, even if that claimant does not own a residence for the entire year.

357 ~~[(d)]~~ (e) When a household owns and occupies two or more different residences in this
358 state in the same calendar year, property taxes accrued shall relate only to the residence occupied
359 on the lien date by the household as its principal place of residence.

360 ~~[(e)]~~ (f) (i) If a residence is an integral part of a large unit such as a farm or a multipurpose
361 or multidwelling building, property taxes accrued shall be the same percentage of the total property
362 taxes accrued as the value of the residence is of the total value.

363 (ii) For purposes of this Subsection (7)~~(f)~~, "unit" refers to the parcel of property covered
364 by a single tax statement of which the residence is a part.

365 (8) (a) "Residence" means the dwelling, whether owned or rented, and so much of the land
366 surrounding it, not exceeding one acre, as is reasonably necessary for use of the dwelling as a
367 home, and may consist of a part of a multidwelling or multipurpose building and a part of the land
368 upon which it is built and includes a mobile home or houseboat.

369 (b) "Residence" does not include personal property such as furniture, furnishings, or
 370 appliances.

371 (c) For purposes of this Subsection (8), "owned" includes a vendee in possession under
 372 a land contract or one or more joint tenants or tenants in common.

373 Section 9. Section **59-2-1203** is amended to read:

374 **59-2-1203. Right to file claim -- Death of claimant.**

375 (1) (a) The right to file a claim under this part is personal to the claimant [~~and~~].

376 (b) The right to file a claim does not survive the claimant's death[~~, but this~~].

377 (c) The right to file a claim may be exercised on behalf of a claimant by:

378 (i) a legal guardian of the claimant; or

379 (ii) an attorney-in-fact of the claimant.

380 (2) (a) If a claimant dies after having filed a timely claim, the amount of the claim shall
 381 be disbursed to another member of the household as determined by the commission **h BY RULE h**.

382 (b) If the claimant described in Subsection (2)(a) was the only member of the household,
 383 the claim may be paid to the executor or administrator, [~~but~~] except that if neither an executor or
 384 administrator is appointed and qualified within two years of the filing of the claim, the amount of
 385 the claim shall escheat to the state.

386 (3) If the claimant is the grantor of a trust holding title to real or tangible personal property
 387 on which a credit is claimed, the claimant may claim the portion of the credit and be treated as the
 388 owner of that portion of the property held in trust for which the claimant proves to the satisfaction
 389 of the county that:

390 (a) title to the portion of the trust will revert in the claimant upon the exercise of a power:

391 (i) by:

392 (A) the claimant as grantor of the trust;

393 (B) a nonadverse party; or

394 (C) both the claimant and a nonadverse party; and

395 (ii) regardless of whether the power is a power:

396 (A) to revoke;

397 (B) to terminate;

398 (C) to alter;

399 (D) to amend; or

- 400 (E) to appoint;
 401 (b) the claimant is obligated to pay the taxes on that portion of the trust property beginning
 402 January 1 of the year the claimant claims the credit; and
 403 (c) the claimant meets the requirements under this part for the credit.
 404 (4) The amount described in Subsection 59-2-1202(7)(c)(i) is in addition to any other
 405 exemption or reduction for which a homeowner may be eligible, including the homeowner's credit
 406 provided for in Section 59-2-1206.

407 Section 10. Section **59-2-1206** is amended to read:

408 **59-2-1206. Application for homeowner's credit -- Time for filing -- Payment from**
 409 **General Fund.**

410 (1) (a) [~~Except as provided in Subsection (1)(d), a~~] A claimant applying for a homeowner's
 411 credit shall annually file an application for the credit with the county [~~legislative body~~] before
 412 September 1.

413 (b) The application under this section shall:

414 (i) be on forms provided by:

415 (A) the commission; or

416 (B) the county in which the applicant resides; and

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

418 (A) the income statement is correct; and

419 (B) the claimant qualifies for the credit.

420 (c) (i) Subject to [~~the provisions of Subsections~~] Subsection (1)(c)(ii) [~~and (1)(c)(iii)~~], a
 421 county [~~or the commission~~] shall ~~h~~ **[reduce a claimant's property tax liability] APPLY THE CREDIT IN**
 421a **ACCORDANCE WITH THIS SECTION AND SECTION 59-2-1207 h** for the year in which the
 422 claimant applies for a homeowner's credit if the claimant meets the criteria for obtaining a
 423 homeowner's credit as provided in this part.

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

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

429 [~~(d) An eligible claimant who fails to submit an application before the September 1~~
 430 ~~deadline may request reimbursement for allowable credit by filing the application form directly~~

431 ~~with the commission on or before December 31.]~~

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

434 (2) (a) (i) The county ~~[legislative body]~~ shall compile a list of claimants and the
435 homeowner's credits granted to the claimants for purposes of obtaining payment from the General
436 Fund for the amount of credits granted.

437 (ii) A county ~~[legislative body]~~ may not obtain payment from the General Fund for the
438 ~~[reduction in fair market value provided for]~~ amount described in Subsection 59-2-1202(7).

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

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

446 Section 11. Section **59-2-1207** is amended to read:

447 **59-2-1207. Claim applied against tax liability -- One claimant per household per**
448 **year.**

449 (1) ~~[The commission or a]~~ A county ~~h~~ ~~[may]~~ **SHALL h** apply as provided in Subsection
449a 59-2-1206(1)(c)

450 the amount of a credit under this part against:

451 (a) a claimant's property tax liability; or

452 (b) ~~[against]~~ the property tax liability of a spouse who was a member of the claimant's
453 household in the year in which the claimant applies for a homeowner's credit under this part.

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

455 Section 12. Section **59-2-1211** is amended to read:

456 **59-2-1211. Commission to provide forms and instructions -- County may prepare**
457 **forms and instructions -- County legislative body to make rules.**

458 (1) The commission shall prescribe and make available suitable forms and instructions for:

459 (a) claimants; and ~~[county governing bodies.]~~

460 (b) counties.

461 (2) A county is not required to use the forms and instructions prescribed by the

462 commission under Subsection (1) if the county prepares suitable forms and instructions for a
463 claimant consistent with:

464 (a) this chapter; and

465 (b) rules adopted by the commission.

466 (3) The county legislative body may adopt rules or ordinances to:

467 (a) effectuate the property tax relief under this part; and

468 (b) designate one or more persons to perform the functions given the county under this
469 part.

470 Section 13. Section **59-2-1214** is amended to read:

471 **59-2-1214. Redetermination of claim by commission or county.**

472 (1) If, on the audit of any claim filed under this part, the commission or the county
473 [legislative body] determines the amount has been incorrectly determined, the commission or the
474 county [legislative body] shall:

475 (a) redetermine the claim; and

476 (b) notify the claimant of the redetermination and its reason for the redetermination.

477 (2) The redetermination provided in Subsection (1)(a) shall be final unless appealed within
478 30 days after [this] the notice required by Subsection (1)(b).

479 Section 14. Section **59-2-1215** is amended to read:

480 **59-2-1215. Fraudulent or negligently prepared claim -- Penalties and interest --**
481 **Procedure.**

482 (1) (a) If the commission or the county [legislative body] determines that a claim is
483 excessive and was filed with fraudulent intent[;];

484 (i) the claim shall be disallowed in full[;];

485 (ii) the credit shall be cancelled[; and];

486 (iii) the amount paid or claimed [may] shall be recovered by assessment[;]; and

487 (iv) the assessment provided for in Subsection (1)(a)(iii) shall bear interest;

488 (A) from the date of the claim[;];

489 (B) until refunded or paid[;]; and

490 (C) at the rate of 1% per month.

491 (b) The claimant, and any person who assists in the preparation or filing of an excessive
492 claim or supplies information upon which an excessive claim was prepared, with fraudulent intent,

493 is guilty of a class A misdemeanor.

494 (2) If the commission or the county [~~legislative body~~] determines that a claim is excessive
495 and negligently prepared[;];

496 (a) 10% of the corrected claim shall be disallowed[;];

497 (b) the proper portion of any amount paid shall be similarly recovered by assessment[;];
498 and

499 (c) the assessment provided for in Subsection (2)(b) shall bear interest at 1% per month
500 from the date of payment until refunded or paid.

501 Section 15. Section **59-2-1219** is amended to read:

502 **59-2-1219. Claim disallowed if residence obtained for purpose of receiving benefits.**

503 A claim shall be disallowed if the commission or county [~~legislative body~~] finds that the
504 claimant received title to a residence primarily for the purpose of receiving benefits under this part.

505 Section 16. Section **59-2-1220** is amended to read:

506 **59-2-1220. Extension of time for filing claim.**

507 [~~(1) In case of sickness, absence, or other disability, or if, in its judgment, good cause~~
508 ~~exists, the] The commission or a county [~~legislative body~~] may extend the time for filing a claim
509 [for a period not to exceed six months] until December 31 of the year the claim is required to be
510 filed, if the commission or county finds that good cause exists to extend the deadline.~~

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

515 Section 17. **Repealer.**

516 This act repeals:

517 Section **59-2-1210, Effective date for homeowner's and renter's credits.**

Legislative Review Note

as of 2-7-01 5:05 PM

This legislation amends the property tax exemption currently available to a blind person under Utah statutes. All allowable property tax exemptions must be expressly provided for in the Utah Constitution. Because the Utah Constitution does not provide for an exemption for property owned by a blind person, the exemption could be subject to challenge.

Office of Legislative Research and General Counsel