

**Senator Curtis S. Bramble** proposes the following substitute bill:

**REAL ESTATE VALUATION TAX APPEAL**

2002 GENERAL SESSION

STATE OF UTAH

**Sponsor: Curtis S. Bramble**

**This act amends the Real Estate Appraiser Licensing and Certification Act and the Revenue and Taxation Code. This act exempts real estate brokers, real estate sales agents, and other persons from real estate appraiser licensing and certification requirements when giving an opinion regarding the value of real estate in certain circumstances. The act makes technical changes.**

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

AMENDS:

**59-2-701**, as last amended by Chapter 214, Laws of Utah 2001

**61-2b-3**, as last amended by Chapter 117, Laws of Utah 1999

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

Section 1. Section **59-2-701** is amended to read:

**59-2-701. Appraisal by certified or licensed appraisers only -- Exception --  
Certification of elected county assessors.**

(1) (a) Any person performing an appraisal for purposes of establishing fair market value of real estate or real property for the assessment roll shall be the holder of an appraiser's certificate or license issued by the Division of Real Estate under Title 61, Chapter 2b, except uncertified or unlicensed appraiser trainees may, for up to 36 months after the date of hire or appointment as an appraiser trainee, appraise property under the direction of a holder of an appraiser's certificate or license issued by the division.

(b) Subsection (1)(a) does not apply to any of the following persons representing or assisting a taxpayer in a real property tax appeal, provided the person follows the Uniform



26 Standards of Professional Appraisal Practice promulgated by the Appraisal Foundation:

27 (i) a principal real estate broker or associate real estate broker, as defined in Section  
28 62-2-2, who provides an opinion of value for a parcel of real property; or

29 (ii) any person, including a real estate sales agent, as defined in Section 61-2-2, who  
30 provides an opinion of value for a parcel of real property whose fair market value is less than the  
31 "transaction value" set forth in Real Estate Lending and Appraisals, 12 C.F.R. Sec. 34.43(a)(1),  
32 as that "transaction value" may be adjusted from time to time.

33 (2) The limitations on appraisal authority under Subsections 61-2b-10(1) and (2) and  
34 Section 61-2b-13 do not apply to a person performing an appraisal for purposes of establishing fair  
35 market value for the assessment roll.

36 (3) The commission may prescribe additional requirements for any person performing an  
37 appraisal for purposes of establishing fair market value for the assessment roll.

38 (4) The commission may, by rule, establish qualifications for personal property appraisers  
39 exempt from licensure under Title 61, Chapter 2b, Real Estate Appraiser Licensing and  
40 Certification Act.

41 (5) It is the duty of a county assessor, as established in Section 17-17-1, to ensure that the  
42 assessor's office is in compliance with this section and any additional rules or requirements for  
43 property appraisers established by the commission.

44 Section 2. Section **61-2b-3** is amended to read:

45 **61-2b-3. License or certification required.**

46 (1) Except as provided in Subsection (2), it is unlawful for anyone to prepare, for valuable  
47 consideration, an appraisal, an appraisal report, a certified appraisal report, or perform a  
48 consultation service relating to real estate or real property in this state without first being  
49 registered, licensed, or certified in accordance with the provisions of this chapter.

50 (2) This section does not apply to:

51 (a) a principal real estate broker, associate real estate broker, or real estate sales agent, as  
52 defined by Section 61-2-2 [~~licensed by this state~~], who, in the ordinary course of [~~his~~] business,  
53 gives an opinion[~~ing~~] regarding the value of real estate;

54 (ii) to a potential seller or third party recommending a listing price of real estate; or

55 (iii) to a potential buyer or third party recommending a purchase price of real estate;

56 (iv) as allowed under Subsection 59-2-701(1)(b); or

- 57           (v) in connection with a tax matter or proceeding.
- 58           (b) an employee of a company who states an opinion of value or prepares a report  
59 containing value conclusions relating to real estate or real property solely for the company's use;
- 60           (c) any official or employee of a government agency while acting solely within the scope  
61 of his duties, unless otherwise required by Utah law;
- 62           (d) an auditor or accountant who states an opinion of value or prepares a report containing  
63 value conclusions relating to real estate or real property while performing an audit;
- 64           (e) an individual, except an individual who is required to be registered, licensed, or  
65 certified under this chapter, who states an opinion about the value of property in which he has an  
66 ownership interest;
- 67           (f) an individual who states an opinion of value if no consideration is paid or agreed to be  
68 paid for the opinion and no other party is reasonably expected to rely on the individual's appraisal  
69 expertise;
- 70           (g) an individual, such as a researcher or a secretary, who does not render significant  
71 professional assistance, as defined by the board, in arriving at a real estate appraisal analysis,  
72 opinion, or conclusion; [or]
- 73           (h) an attorney authorized to practice law in this state who, in the course of his practice,  
74 utilizes an appraisal report governed by this chapter or who states an opinion of the value of real  
75 estate[-]; or
- 76           (i) a person who provides an opinion of value for a parcel of real property in a real property  
77 tax appeal, within the limitations, and as authorized by, Subsection 59-2-701(1)(b)(ii).
- 78           (3) No opinion of value or report containing value conclusions exempt under Subsection  
79 (2) may be referred to as an appraisal.