

**ASSESSMENT OF PROPERTY AFFECTED BY
BUSINESS INTERRUPTION**

2005 GENERAL SESSION

STATE OF UTAH

Sponsor: Gregory H. Hughes

LONG TITLE

General Description:

This bill requires that the assessment of property include the affect of certain business interruptions on the fair market value of the property.

Highlighted Provisions:

This bill:

► requires a county assessor to take into account the affect of road construction, natural disasters, and other interruptions to business when determining the fair market value of property.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

59-2-301.4, Utah Code Annotated 1953

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

Section 1. Section **59-2-301.4** is enacted to read:

59-2-301.4. Assessment of property affected by business interruptions.

(1) In assessing the fair market value of property, a county assessor shall include as



28 part of the assessment the affects on the fair market value of the property caused by the
29 following:

30 (a) restrictions, obstructions, or changes in:

31 (i) access to the property; and

32 (ii) traffic flow by the property;

33 (b) ongoing road construction;

34 (c) diversion of traffic; and

35 (d) natural disasters.

36 (2) This section does not prohibit a county assessor from including as part of an
37 assessment any other factor affecting the fair market value of property.

Legislative Review Note
as of 11-27-04 2:29 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0045

Assessment of Property Affected by Business Interruption

15-Jan-05

5:18 PM

State Impact

Passage of this bill should have no net fiscal impact. There could be a shift in tax burden among entities if values are lowered for impacted areas.

Individual and Business Impact

Individuals whose businesses are interrupted could receive a property tax break which would be shifted to other taxable properties in a county.

Office of the Legislative Fiscal Analyst