



House of Representatives *State of Utah*

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February 11, 2005

Mr. Speaker:

The Revenue and Taxation Committee reports a favorable recommendation on **H.B. 147**, PROPERTY TAX EXEMPTION FOR VETERANS, by Representative G. Hughes, with the following amendments:

1. *Page 1, Lines 13 through 20:*

13 This bill:

▶ limits the property that is eligible for the exemption described in this bill to

either or both of the following:

- the claimant's primary residence; or
- tangible personal property that is held exclusively for personal use and

is not used in a trade or business;

14 ▶ ~~{removes}~~ increases the ~~{\$82,500}~~ limitation on the property tax exemption relating to disabled

15 veterans and veterans who are killed in action or die in the line of duty from \$82,500 to:

- for 2005, \$200,000; and
- for each year after 2005, \$200,000 plus an amount calculated by multiplying the

amount of the limitation for the previous year by the actual percent change in the Consumer Price Index during the previous calendar year ;

16 ▶ provides that the property tax exemption relating to a disabled veteran with a
17 service related disability of 10% or more is equal to the greater of:

18 • the percentage of the service related disability multiplied by the ~~{value of the~~

19 ~~property entitled to the exemption;~~

20 ~~the percentage of the service related disability multiplied by \$82,500} limitation~~

described previously ; or

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2. Page 2, Line 33:

33 ~~{None}~~ **This bill provides retrospective operation.**

3. Page 2, Lines 41 through 42:

41 (1) As used in this section and Section 59-2-1105:

(a) "adjusted taxable value limit" means:

(i) for the year 2005, \$200,000; and

(ii) for each year after 2005, the amount of the adjusted taxable value limit for the previous year, plus an amount calculated by multiplying the amount of the adjusted taxable value limit for the previous year by the actual percent change in the Consumer Price Index during the previous calendar year.

42 ~~{(a)}~~ **(b)** "claimant" means:

4. Page 2, Line 54 through Page 3, Line 57:

54 (B) who files an application under Section 59-2-1105 for a veteran's exemption;

(c) "consumer price index" is as described in Section 1(f)(4), Internal Revenue Code, and defined in Section 1(f)(5), Internal Revenue Code;

55 ~~{(b)}~~ **(d)** "deceased disabled veteran" means a deceased person who was a disabled veteran

56 at the time the person died;

57 ~~{(c)}~~ **(e)** "disabled veteran" means a disabled person who, during military training or a

5. Page 3, Line 60:

60 ~~{(d)}~~ **(f)** "military entity" means:

6. Page 3, Lines 65 through 67:

65 ~~{(e)}~~ **(g)** "residence" is as defined in Section 59-2-1202, except that a

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rented dwelling is not
66 considered to be a residence;
67 ~~{(f)}~~ (h) "veteran who was killed in action or died in the line of duty"
means a person who

7. *Page 3, Lines 71 through 72:*

71 ~~{(g)}~~ (i) "veteran's exemption" means a property tax exemption provided
for in Subsection
72 (2).

8. *Page 3, Lines 80 through 83:*

80 (b) Subsection (2)(a) applies to the following property:
81 (i) ~~{real property, including a}~~ the claimant's primary residence;
82 (ii) tangible personal property that:
(A) is held exclusively for personal use; and
(B) is not used in a trade or business ; or
83 (iii) a combination of Subsections (2)(b)(i) and (ii).

9. *Page 4, Line 115 through Page 5, Line 125:*

115 (f) Except as provided in Subsection (2)(g), the amount of the taxable value of the
116 property described in Subsection (2)(b) that is exempt under Subsection (2)(c)(i) is
{the greater
117 of:
118 —(i)— equal to the percentage of disability listed on the certificate described in
Subsection
119 59-2-1105(3)(a) multiplied by the {taxable value of the property described in
Subsection (2)(b);
120 or
121 —(ii)— the percentage of disability listed on the certificate described in Subsection
122 59-2-1105(3)(a) multiplied by \$82,500} adjusted taxable value limit .
123 (g) Notwithstanding Subsection (f), the amount of the taxable value of the property
124 described in Subsection (2)(b) that is exempt under Subsection (2)(c)(i) may not be



greater than
125 the taxable value of the property described in Subsection (2)(b).

Section 2. Retrospective operation.
This bill provides retrospective operation to January 1, 2005.

Respectfully,

Wayne A. Harper
Committee Chair

Voting: 13-0-2

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