

1 **PROPERTY TAX EXEMPTION FOR BUSINESS**

2 **PERSONAL PROPERTY**

3 2006 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: John Dougall**

6 Senate Sponsor: John W. Hickman

8 **LONG TITLE**

9 **General Description:**

10 This bill amends the Property Tax Act relating to exemptions for certain personal
11 property from assessment and taxation.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ exempts certain personal property of a taxpayer if the tangible personal property has
- 15 a total value of \$3,500 or less;
- 16 ▶ gives the State Tax Commission rulemaking authority; and
- 17 ▶ makes technical changes.

18 **Monies Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 This bill provides an effective date.

22 **Utah Code Sections Affected:**

23 ENACTS:

24 **59-2-1115**, Utah Code Annotated 1953

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

27 Section 1. Section **59-2-1115** is enacted to read:

28 **59-2-1115. Exemption of certain tangible personal property.**

29 (1) The taxable tangible personal property of a taxpayer is exempt from taxation if the

30 taxable tangible personal property has a total aggregate fair market value of \$3,500 or less.

31 (2) (a) For calendar years beginning on or after January 1, 2008, the commission shall
32 increase the dollar amount described in Subsection (1) by a percentage equal to the percentage
33 difference between the consumer price index for the preceding calendar year and the consumer
34 price index for calendar year 2006.

35 (b) For purposes of this Subsection (2), the commission shall calculate the consumer
36 price index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue Code.

37 (c) If the percentage difference under Subsection (2)(a) is zero or a negative
38 percentage, the consumer price index increase for the year is zero.

39 (3) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
40 commission may make rules to administer this section and provide for uniform
41 implementation.

42 **Section 2. Effective date.**

43 If the constitutional amendment proposed by H.J.R. 1, 2006 General Session is
44 approved by a majority of those voting on it at the next regular general election, this bill takes
45 effect on January 1, 2007.