

1 **AMENDMENTS TO THE PROPERTY TAX**
2 **EXEMPTION FOR DISABLED VETERANS**

3 2006 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Michael T. Morley**

6 Senate Sponsor: Curtis S. Bramble

8 **LONG TITLE**

9 **General Description:**

10 This bill amends the Property Tax Act relating to exemptions for veterans.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ modifies the application requirements for a veteran's exemption; and
- 14 ▶ makes technical changes.

15 **Monies Appropriated in this Bill:**

16 None

17 **Other Special Clauses:**

18 This bill takes effect on January 1, 2008.

19 **Utah Code Sections Affected:**

20 AMENDS:

21 **59-2-1105**, as last amended by Chapter 333, Laws of Utah 2004

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

24 Section 1. Section **59-2-1105** is amended to read:

25 **59-2-1105. Application for veteran's exemption -- Rulemaking authority --**

26 **Statement -- County authority to make refunds.**

27 (1) (a) A veteran's exemption may be allowed only if the interest of the claimant is on
28 record on January 1 of the year the exemption is claimed.

29 (b) If the claimant has an interest in real property under a contract, the veteran's

30 exemption may be allowed if it is proved to the satisfaction of the county that the claimant is:

31 (i) the purchaser under the contract; and

32 (ii) obligated to pay the taxes on the property beginning January 1 of the year the
33 exemption is claimed.

34 (c) If the claimant is the grantor of a trust holding title to real or tangible personal
35 property on which a veteran's exemption is claimed, the claimant may claim the portion of the
36 veteran's exemption under Section 59-2-1104 and be treated as the owner of that portion of the
37 property held in trust for which the claimant proves to the satisfaction of the county that:

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

40 (A) by:

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

42 (II) a nonadverse party; or

43 (III) both the claimant and a nonadverse party; and

44 (B) regardless of whether the power is a power:

45 (I) to revoke;

46 (II) to terminate;

47 (III) to alter;

48 (IV) to amend; or

49 (V) to appoint;

50 (ii) the claimant is obligated to pay the taxes on that portion of the trust property
51 beginning January 1 of the year the claimant claims the exemption; and

52 (iii) the claimant meets the requirements under this part for the exemption.

53 (2) (a) (i) A claimant applying for a veteran's exemption under this section shall file an
54 application:

55 (A) with the county in which that person resides; and

56 (B) except as provided in Subsection (2)(b) or (e), on or before September 1 of the year
57 in which that claimant is applying for the veteran's exemption in accordance with this section.

58 (ii) A county shall provide a claimant who files an application for a veteran's
59 exemption in accordance with this section with a receipt:

60 (A) stating that the county received the claimant's application; and
61 (B) no later than 30 days after the day on which the claimant filed the application in
62 accordance with this section.

63 (b) Notwithstanding [~~Subsection~~] Subsection (2)(a)(i)(B) or (2)(e):

64 (i) subject to Subsection (2)(b)(iv), for a claimant who applies for a veteran's
65 exemption on or after January 1, 2004, a county shall extend the deadline for filing the
66 application required by Subsection (2)(a) to September 1 of the year after the year the claimant
67 would otherwise be required to file the application under Subsection (2)(a)(i)(B) if:

68 (A) on or after January 1, 2004, a military entity issues a written decision that the:

69 (I) disabled veteran is disabled; or
70 (II) deceased disabled veteran with respect to whom the claimant applies for a veteran's
71 exemption was disabled at the time the deceased disabled veteran died; and

72 (B) the date the written decision described in Subsection (2)(b)(i)(A) takes effect is in
73 any year prior to the current calendar year;

74 (ii) subject to Subsections (2)(b)(iv) and (2)(d), for a claimant who applies for a
75 veteran's exemption on or after January 1, 2004, a county shall allow the claimant to amend the
76 application required by Subsection (2)(a) on or before September 1 of the year after the year the
77 claimant filed the application under Subsection (2)(a)(i)(B) if:

78 (A) on or after January 1, 2004, a military entity issues a written decision that the
79 percentage of disability has changed for the:

80 (I) disabled veteran; or
81 (II) deceased disabled veteran with respect to whom the claimant applies for a veteran's
82 exemption; and

83 (B) the date the written decision described in Subsection (2)(b)(ii)(A) takes effect is in
84 any year prior to the current calendar year;

85 (iii) subject to Subsections (2)(b)(iv) and (2)(d), for a claimant who applies for a

86 veteran's exemption on or after January 1, 2004, a county shall extend the deadline for filing
87 the application required by Subsection (2)(a) to September 1 of the year after the year the
88 claimant would otherwise be required to file the application under Subsection (2)(a)(i)(B) if the
89 county legislative body determines that:

90 (A) the claimant or a member of the claimant's immediate family had an illness or
91 injury that prevented the claimant from filing the application on or before the deadline for
92 filing the application established in Subsection (2)(a)(i)(B);

93 (B) a member of the claimant's immediate family died during the calendar year the
94 claimant was required to file the application under Subsection (2)(a)(i)(B);

95 (C) the claimant was not physically present in the state for a time period of at least six
96 consecutive months during the calendar year the claimant was required to file the application
97 under Subsection (2)(a)(i)(B); or

98 (D) the failure of the claimant to file the application on or before the deadline for filing
99 the application established in Subsection (2)(a)(i)(B):

100 (I) would be against equity or good conscience; and

101 (II) was beyond the reasonable control of the claimant; and

102 (iv) a county may extend the deadline for filing an application or amending an
103 application under this Subsection (2) until December 31 if the county finds that good cause
104 exists to extend the deadline.

105 (c) The following shall accompany the initial application for a veteran's exemption:

106 (i) a copy of the veteran's certificate of discharge from the military service of:

107 (A) the United States; or

108 (B) this state; or

109 (ii) other satisfactory evidence of eligible military service.

110 (d) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
111 commission may by rule:

112 (i) establish procedures and requirements for amending an application under
113 Subsection (2)(b)(ii);

114 (ii) for purposes of Subsection (2)(b)(iii), define the terms:
115 (A) "immediate family"; or
116 (B) "physically present"; or
117 (iii) for purposes of Subsection (2)(b)(iii), prescribe the circumstances under which the
118 failure of a claimant to file an application on or before the deadline for filing the application
119 established in Subsection (2)(a)(i)(B):
120 (A) would be against equity or good conscience; and
121 (B) is beyond the reasonable control of a claimant.
122 (e) If a claimant has on file with the county the application described in Subsection
123 (2)(a), the county may not require the claimant to file another application described in
124 Subsection (2)(a) unless:
125 (i) the claimant applies all or a portion of an exemption allowed by this section to any
126 tangible personal property;
127 (ii) the percentage of disability has changed for the:
128 (A) disabled veteran; or
129 (B) deceased disabled veteran with respect to whom a claimant applies for a veteran's
130 exemption under this section;
131 (iii) the disabled veteran dies;
132 (iv) the claimant's ownership interest in the claimant's primary residence changes;
133 (v) the claimant's occupancy of the primary residence for which the claimant claims an
134 exemption under Section 59-2-1104 changes; or
135 (vi) the claimant who files an application for a veteran's exemption with respect to a
136 deceased disabled veteran or veteran who was killed in action or died in the line of duty is a
137 person other than the claimant who filed the application described in Subsection (2)(a) for a
138 veteran's exemption:
139 (A) for the calendar year immediately preceding the current calendar year; and
140 (B) with respect to that deceased disabled veteran or veteran who was killed in action
141 or died in the line of duty.

142 (f) The county may verify that the residential property for which the claimant claims an
143 exemption under Section 59-2-1104 is the claimant's primary residence.

144 (3) (a) (i) Subject to Subsection (3)(a)(ii), a claimant who files an application for a
145 veteran's exemption shall have on file with the county a statement:

146 (A) issued by a military entity; and

147 (B) listing the percentage of disability for the disabled veteran or deceased disabled
148 veteran with respect to whom a claimant applies for a veteran's exemption.

149 (ii) If a claimant has on file with the county the statement described in Subsection
150 (3)(a)(i), the county may not require the claimant to file another statement described in
151 Subsection (3)(a)(i) unless:

152 (A) the claimant who files an application under this section for a veteran's exemption
153 with respect to a deceased disabled veteran or veteran who was killed in action or died in the
154 line of duty is a person other than the claimant who filed the statement described in Subsection
155 (3)(a)(i) for a veteran's exemption:

156 (I) for the calendar year immediately preceding the current calendar year; and

157 (II) with respect to that deceased disabled veteran or veteran who was killed in action
158 or died in the line of duty; or

159 (B) the percentage of disability has changed for a:

160 (I) disabled veteran; or

161 (II) deceased disabled veteran with respect to whom the claimant applies for a veteran's
162 exemption under this section.

163 (b) For a claimant filing an application in accordance with Subsection (2)(b)(i), the
164 claimant shall include with the application required by Subsection (2) a statement issued by a
165 military entity listing the date the written decision described in Subsection (2)(b)(i)(A) takes
166 effect.

167 (c) For a claimant amending an application in accordance with Subsection (2)(b)(ii),
168 the claimant shall provide to the county a statement issued by a military entity listing the date
169 the written decision described in Subsection (2)(b)(ii)(A) takes effect.

170 (4) (a) For purposes of this Subsection (4):
171 (i) "Property taxes due" means the taxes due on a claimant's property:
172 (A) for which a veteran's exemption is granted by a county; and
173 (B) for the calendar year for which the veteran's exemption is granted.
174 (ii) "Property taxes paid" is an amount equal to the sum of:
175 (A) the amount of the property taxes the claimant paid for the calendar year for which
176 the claimant is applying for the veteran's exemption; and
177 (B) the veteran's exemption the county granted for the calendar year described in
178 Subsection (4)(a)(ii)(A).
179 (b) A county granting a veteran's exemption to a claimant shall refund to that claimant
180 an amount equal to the amount by which the claimant's property taxes paid exceed the
181 claimant's property taxes due, if that amount is \$1 or more.
182 **Section 2. Effective date.**
183 This bill takes effect on January 1, 2008.