

AMENDMENTS TO THE VETERAN'S
PROPERTY TAX EXEMPTION

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brent H. Goodfellow

House Sponsor: Neal B. Hendrickson

LONG TITLE

General Description:

This bill amends provisions in the Property Tax Act relating to the veteran's exemption.

Highlighted Provisions:

This bill:

- makes technical changes to provisions relating to the veteran's exemption.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-2-1105, as last amended by Laws of Utah 2006, Chapter 114

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

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

**59-2-1105. Application for veteran's exemption -- Rulemaking authority --
Statement -- County authority to make refunds.**

(1) (a) [~~A~~] Except as provided in Subsection 59-2-1101(2)(c), a veteran's exemption
may be allowed only if the interest of the claimant is on record on January 1 of the year the
exemption is claimed.

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

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

(i) the purchaser under the contract; and

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

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

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

(A) by:

(I) the claimant as grantor of the trust;

(II) a nonadverse party; or

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

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

(I) to revoke;

(II) to terminate;

(III) to alter;

(IV) to amend; or

(V) to appoint;

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

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

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

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

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

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

(A) stating that the county received the claimant's application; and

(B) no later than 30 days after the day on which the claimant filed the application in accordance with this section.

(b) Notwithstanding Subsection (2)(a)(i)(B) or (2)(e):

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

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

(I) disabled veteran is disabled; or

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

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

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

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

(I) disabled veteran; or

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

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

(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 the
87 application required by Subsection (2)(a) to September 1 of the year after the year the claimant
88 would otherwise be required to file the application under Subsection (2)(a)(i)(B) if the county
89 legislative body determines that:

90 (A) the claimant or a member of the claimant's immediate family had an illness or injury
91 that prevented the claimant from filing the application on or before the deadline for filing the
92 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 Subsection
113 (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.

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

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

(A) issued by a military entity; and

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

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

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

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

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

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

(I) disabled veteran; or

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

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

(c) For a claimant amending an application in accordance with Subsection (2)(b)(ii), the claimant shall provide to the county a statement issued by a military entity listing the date 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.