

**JOINT RESOLUTION AMENDING
CONSTITUTION REGARDING TAXES OF THE
ELDERLY**

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gene Davis

House Sponsor: _____

LONG TITLE

General Description:

This joint resolution of the Legislature proposes to amend the Utah Constitution to modify the Revenue and Taxation Article relating to property taxes.

Highlighted Provisions:

This resolution proposes to amend the Utah Constitution to:

- ▶ authorize the Legislature to provide by statute that property taxes of the elderly be abated, deferred, or remitted.

Special Clauses:

This resolution directs the lieutenant governor to submit this proposal to voters.

This resolution provides a contingent effective date of January 1, 2009 for this proposal.

Utah Constitution Sections Affected:

AMENDS:

ARTICLE XIII, SECTION 3

Be it resolved by the Legislature of the state of Utah, two-thirds of all members elected to each of the two houses voting in favor thereof:

Section 1. It is proposed to amend Utah Constitution Article XIII, Section 3, to read:

Article XIII, Section 3. [Property tax exemptions.]



- 28 (1) The following are exempt from property tax:
- 29 (a) property owned by the State;
- 30 (b) property owned by a public library;
- 31 (c) property owned by a school district;
- 32 (d) property owned by a political subdivision of the State, other than a school district,
- 33 and located within the political subdivision;
- 34 (e) property owned by a political subdivision of the State, other than a school district,
- 35 and located outside the political subdivision unless the Legislature by statute authorizes the
- 36 property tax on that property;
- 37 (f) property owned by a nonprofit entity used exclusively for religious, charitable, or
- 38 educational purposes;
- 39 (g) places of burial not held or used for private or corporate benefit;
- 40 (h) farm equipment and farm machinery as defined by statute; and
- 41 (i) water rights, reservoirs, pumping plants, ditches, canals, pipes, flumes, power
- 42 plants, and transmission lines to the extent owned and used by an individual or corporation to
- 43 irrigate land that is:
- 44 (i) within the State; and
- 45 (ii) owned by the individual or corporation, or by an individual member of the
- 46 corporation.
- 47 (2) (a) The Legislature may by statute exempt the following from property tax:
- 48 (i) tangible personal property constituting inventory present in the State on January 1
- 49 and held for sale in the ordinary course of business;
- 50 (ii) tangible personal property present in the State on January 1 and held for sale or
- 51 processing and shipped to a final destination outside the State within 12 months;
- 52 (iii) subject to Subsection (2)(b), property to the extent used to generate and deliver
- 53 electrical power for pumping water to irrigate lands in the State;
- 54 (iv) up to 45% of the fair market value of residential property, as defined by statute;
- 55 (v) household furnishings, furniture, and equipment used exclusively by the owner of
- 56 that property in maintaining the owner's home; and
- 57 (vi) tangible personal property that, if subject to property tax, would generate an
- 58 inconsequential amount of revenue.

59 (b) The exemption under Subsection (2)(a)(iii) shall accrue to the benefit of the users
60 of pumped water as provided by statute.

61 (3) The following may be exempted from property tax as provided by statute:

62 (a) property owned by a disabled person who, during military training or a military
63 conflict, was disabled in the line of duty in the military service of the United States or the State;
64 and

65 (b) property owned by the unmarried surviving spouse or the minor orphan of a person
66 who:

67 (i) is described in Subsection (3)(a); or

68 (ii) during military training or a military conflict, was killed in action or died in the line
69 of duty in the military service of the United States or the State.

70 (4) The Legislature may by statute provide for the remission or abatement of the taxes
71 of the poor.

72 (5) The Legislature may by statute provide that property taxes of the elderly be abated,
73 deferred, or remitted.

74 Section 2. **Submittal to voters.**

75 The lieutenant governor is directed to submit this proposed amendment to the voters of
76 the state at the next regular general election in the manner provided by law.

77 Section 3. **Effective date.**

78 If the amendment proposed by this joint resolution is approved by a majority of those
79 voting on it at the next regular general election, the amendment shall take effect on January 1,
80 2009.

Legislative Review Note
as of 1-22-08 8:40 AM

Office of Legislative Research and General Counsel

Fiscal Note**S.J.R. 10 - Joint Resolution Amending Constitution Regarding Taxes of the Elderly**

2008 General Session

State of Utah

State Impact

Publication and distribution costs to put this resolution on the ballot will require a one-time FY 2009 appropriation of \$14,700 from the General Fund.

	<u>FY 2008 Approp.</u>	<u>FY 2009 Approp.</u>	<u>FY 2010 Approp.</u>	<u>FY 2008 Revenue</u>	<u>FY 2009 Revenue</u>	<u>FY 2010 Revenue</u>
General Fund, One-Time	\$0	\$14,700	\$0	\$0	\$0	\$0
Total	\$0	\$14,700	\$0	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.