

**MINUTES OF THE  
HOUSE REVENUE AND TAXATION  
STANDING COMMITTEE  
Room W135 - West Office Building, State Capitol Complex**

**February 1, 2008**

MEMBERS PRESENT:     Rep. John Dougall, Chair  
                          Rep. Craig A. Frank, Vice Chair  
                          Rep. Roger Barrus  
                          Rep. Tim M. Cosgrove  
                          Rep. Wayne A. Harper  
                          Rep. Gregory H. Hughes  
                          Rep. Christine Johnson  
                          Rep. Bradley G. Last  
                          Rep. Roz McGee  
                          Rep. Merlynn T. Newbold  
                          Rep. Aaron Tilton  
                          Rep. Carl Wimmer

MEMBERS ABSENT:     Rep. Carol Spackman Moss  
                          Rep. Gordon E. Snow

STAFF:                    Bryant Howe, Assistant Director  
                          Rosemary Young, Secretary

Note:     A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Dougall called the meeting to order at 9:06 a.m.

**MOTION:**     Rep. Frank moved to approve the minutes of the January 29, 2008 meeting. The motion passed unanimously with Rep. Hughes, Rep. Last, Rep. Newbold, and Rep. Tilton absent for the vote.

**S.B. 128        Amendments to the Veteran's Property Tax Exemption (*Sen. B. Goodfellow*)  
                  (**Rep. N. Hendrickson**)**

Sen. Goodfellow introduced the bill and explained it to the committee.

**MOTION:**     Rep. Johnson moved to transmit S.B. 128 with a favorable recommendation. The motion passed unanimously with Rep. Hughes, Rep. Last, Rep. Newbold, and Rep. Tilton absent for the vote.

**H.B. 279        Tax Incentives for Military Members (*Rep. W. Harper*)**

Rep. Harper introduced H.B. 279 and explained it to the committee.

**MOTION:** Rep. Cosgrove moved to transmit H.B. 279 with a favorable recommendation. The motion passed unanimously with Rep. Hughes, Rep. Last, Rep. Newbold, and Rep. Tilton absent for the vote.

**H.B. 54 Property Tax Assessment Revisions (Rep. W. Harper)**

**MOTION:** Rep. Harper moved to amend H.B. 54 as follows:

1. *Page 1, Lines 16 through 25:*

- 16       ▶ requires a county assessor of a first, second, or third class county to use a  
          computer
- 17       assisted mass appraisal system to conduct its annual update of property values;
- 18       ▶ requires a county assessor to maintain a record of the last  
          ~~{appraisal}~~ property review date for each
- 19       parcel of real property located within the county assessor's county on the county's
- 20       computer system;
- 21       ▶ requires a county assessor to prepare a five-year plan to comply with the  
          statutory
- 22       appraisal requirements;
- 23       ▶ requires a county assessor to include the last ~~{appraisal}~~ property  
          review date for a parcel of property
- 24       on the property owner's tax notice; and
- 25       ▶ makes technical changes.

2. *Page 2, Lines 28 through 30:*

28       Other Special Clauses:

**This bill coordinates with H.B. 186, Property Tax -- Assessment and Collection  
Amendments, by changing technical cross references.**

29       This bill takes effect on January 1, 2009.

30       Utah Code Sections Affected:

3. *Page 11, Line 332 through Page 12, Line 364:*

- 332       (1) For purposes of this section:
- 333       (a) "~~{Appraisal}~~ Property review date" means the date a county assessor  
          completes a detailed review of
- 334       the property characteristics of a parcel of real property in accordance with Subsection

(3)(a).

335 (b) "Corrective action" includes:

336 (i) factoring pursuant to Section 59-2-704;

337 (ii) notifying the state auditor that the county failed to comply with the requirements  
of

338 this section; or

339 (iii) filing a petition for a court order requiring a county to take action.

340 (c) "Mass appraisal system" means a computer assisted mass appraisal system that **(i) a**

341 county assessor uses to value real property ~~{-}~~ **; and**

**(ii) includes at least the following system features:**

**(A) has the ability to update all parcels of real property located within the county each year;**

**(B) can be programed with specialized criteria;**

**(C) provides uniform and equal treatment of parcels of real property throughout the county; and**

**(D) annually updates all parcels of real property within the county.**

342 [~~(1) Beginning January 1, 1994, each~~] (2) (a) The county assessor shall annually  
343 update property values of property as provided in Section 59-2-301 based on a systematic  
344 review of current market data. [~~In addition,~~]

345 (b) The county assessor of a county of the first, second, or third class shall conduct  
the

346 annual update described in Subsection (2)(a) by using a mass appraisal system on or  
before the

347 following:

348 (i) for a county of the first class, January 1, 2009;

349 (ii) for a county of the second class, January 1, 2010; and

350 (iii) for a county of the third class, January 1, 2011.

**(c) The county assessor and the commission shall jointly certify that the county's mass appraisal system meets the requirements:**

**(i) described in Subsection (1)(c); and**

**(ii) of the commission.**

351 (3) (a) In addition to the requirements in Subsection (2), the county assessor shall  
352 complete a detailed review of property characteristics for each property at least once every  
five  
353 years.

354 (b) The county assessor shall maintain on the county's computer system, a record of  
the  
355 last ~~{-appraisal}~~ **property review** date for each parcel of real property located  
within the county assessor's county.

356 ~~{(a)}~~ (4) **(a)** The commission shall take corrective action if the commission  
determines

357 that:

358 ~~{(i)}~~ ~~{(a)}~~ **(i)** a county assessor has not satisfactorily followed the current  
mass appraisal

359 standards, as provided by law;

360 ~~{(ii)}~~ ~~{(b)}~~ **(ii)** the sales-assessment ratio, coefficients of dispersion, or other  
statistical

361 measures of appraisal performance related to the studies required by Section 59-2-704 are  
not

362 within the standards provided by law; or

363 ~~{(iii)}~~ ~~{(c)}~~ **(iii)** the county assessor has failed to comply with the  
requirements of ~~[Subsection~~

364 ~~{(b)}~~ this section. \_

**(b) If a county assessor fails to comply with the requirements of this section for one year, the commission shall assist the county assessor in fulfilling the requirements of Subsections (2) and (3).**

**(c) If a county assessor fails to comply with the requirements of this section for two consecutive years, the county will lose the county's allocation of the revenue generated statewide from the imposition of the multicounty assessing and collecting levy authorized in Sections 59-2-906.1 and 59-2-906.2.**

4. *Page 27, Lines 822 through 825:*

822 (A) an authorized officer of a taxing entity for a tax imposed by a taxing entity; or

823 (B) an authorized officer of the state for a tax imposed by the state. \_

**Section 10. Coordinating H.B. 54 with H.B. 186 -- Technical amendments.**

**If this H.B. 54 and H.B. 186, Property Tax -- County Assessment and Collection Amendments, both pass, it is the intent of the Legislature that the Office of Legislative Research and General Counsel, in preparing the Utah Code database for publication, replace the references in Subsection 59-2-303.1(4)(c) to:**

**(1) "Section 59-2-906.1" with "Section 59-2-1602"; and**

**(2) "Section 59-2-906.2" with "Section 59-2-1603".**

824           Section   ~~{10}~~   11 . Effective date.  
825           This bill takes effect on January 1, 2009.

The motion passed unanimously with Rep. Hughes, Rep. Last, Rep. Newbold, and Rep. Tilton absent for the vote.

Rep. Harper introduced the amended bill and explained it to the committee. James Gander, Professor of Economics at the University of Utah, but speaking as a private citizen distributed a handout and spoke to the bill. Bert Hulet, citizen from Bountiful, spoke to the bill. The following individuals spoke in favor of the bill:

Royce Van Tassell	Utah Taxpayers Association
Ron Mortensen	Citizens Coalition for Tax Fairness
Lee Gardner	Salt Lake County Assessor
Kris Poulson	Utah County Assessor

**MOTION:**   Rep. Frank moved to transmit H.B. 54 as amended with a favorable recommendation. The motion passed unanimously.

**H.B. 58           Severance Tax Amendments (Rep. J. Dougall)**

Rep. Dougall expressed the need for more time than was available to discuss the bill, so it was held to a future meeting.

**MOTION:**   Rep. Newbold moved to adjourn. The motion passed unanimously.

Rep. Dougall adjourned the meeting at 9:46 a.m.

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Rep. John Dougall, Chair